

Acquisition of Japans First International ISO37106 Smart City Certification (BSI Kitemark Certification)

~Promoting the development of sustainable communities that offer well-being, aspiring to create society that respects diverse values~

NTT Urban Solutions, Inc. (head office: Chiyoda-ku, Tokyo; President and Chief Executive Officer: Hiroshi Nakagawa; hereinafter "NTT Urban Solutions") announces that it acquired ISO37106, a smart city operating model-related international certification, for the first time in Japan in 25th January 2022, for a city bloc including where the Urbannet Nagoya Nexta Building, Urbannet Nagoya Building and Blossa commercial facilities are located (hereinafter, the "Higashisakura Bloc"), in the area of 1-chome, Higashi-sakura, Higashi-ku, Nagoya-shi, a district where NTT Urban Solutions has been working to develop a human-centric, open and cooperative community based on the NTT Groups Urban DTC® digital platform.

The acquisition of the certification reflects the implementation of part of the Sustainable Smart City Partner Program*1 (hereinafter "SSPP"), an initiative promoted by Nippon Telegraph and Telephone Corporation (head office: Chiyoda-ku, Tokyo; President and Chief Executive Office: Jun Sawada; hereinafter "NTT"), and is attributable to the comprehensive support provided by NTT Data Institute of Management Consulting, Inc. (head office: Chiyoda-ku, Tokyo; President and Chief Executive Office: Keiichiro Yanagi; hereinafter "NTT Data Institute of Management Consulting") from the perspective of sustainable community development.

*1 Overview of SSPP<https://digital-is-green.jp/>



1. Summary and background of the acquisition of ISO37106

Progress in being made in the acquisition of smart city ISO certification in cities that are recognized broadly as smart cities around the world. The ISO37106 certification (hereafter the "Certificate"), which is one of such certificates, is an international standard established to evaluate processes for the formulation of strategies of smart cities and the management and operation thereof. With a view toward the realization of vision for sustainable future, companies that lead in the development of smart cities or communities have presented their best practices in terms of governance, privacy control and benefit realization frameworks, among other factors, to contribute to the development and operation of human-centric, open, cooperative and digital technology-based city-operation models. The Certificate reflects evaluations regarding the level of compatibility with such best practices.

NTT Urban Solutions has been seeking to develop residents-centered communities while also taking advantage of their respective uniqueness. The Certificate was granted in recognition of the development of a human-centric, digital technology-leveraged, open and cooperative community in the Higashisakura Bloc where the Urbannet Nagoya Nexta Building, the first next-generation advanced property, is situated. NTT Urban Solutions succeeded in creating an operation model in which the needs of users and neighboring residents are captured as quickly and as much as possible by applying digital technologies, an area where the NTT Group can demonstrate its strengths, and leveraging expertise nurtured internally through human-centric development and operation. Building on a success of the initiative, as a company that engages in the development of a Society 5.0-based pilot bloc, it will seek to develop communities that continue to evolve, where good services are always available to users.

[Reference] Evaluation points that respond to ISO37106 requirements

(1) Human-centric: Realization of well being-oriented and stress-free workstyles and lifestyles through the application of ICT technologies to help residents choose different types of spaces and to live/work in comfortable conditions, coupled with the Urban App, a one-stop solution-oriented user interface.

(2) Data-driven: Realization of data-driven urban development with an emphasis on the total optimization of urban development, for which data were utilized horizontally across the bloc through the adoption of a data platform that gathers data in the building.

(3) Collaboration: Facilitation of open innovation by offering lounges on lower floors to facilitate interactions with users engaging in different types of businesses, as well as the use of the Digital Community Manager app.

The Certificate also reflected high evaluations for i) efforts to advance the PDCA process to evolve operation and services into more comfortable workstyles and lifestyles based on feedback from tenants and workers in the bloc, ii) the application of the process in other blocs, and iii) the establishment of a scheme in which an update can be made mutually through feedback.

2. Overview of the Higashisakura Bloc (Urbannet Nagoya Nexta Building, Urbannet Nagoya Building and Blossa commercial facilities)

In conjunction with the three buildings located in the same bloc, namely, the Urbannet Nagoya Building and Blossa commercial facilities in the area of 1-chome, Higashi-sakura, Higashi-ku,

Nagoya-shi, as well as the Urbannet Nagoya Nexta Building*2 , which was completed on January 31, 2022, efforts will be made to develop communities that create a wide range of activities and offer synergies. In addition, NTT Urban Solutions will contribute to the vitalization of the Sakae area, achievement of SDGs and decarbonization, among other purposes, by taking advantage of the location next to Hisaya Odori Park, an area that not only features Chubu Electric Powers Mirai Tower as a symbol of Nagoya but also following its reform serves as a new space for interaction.

The newly completed Urbannet Nagoya Nexta Building is positioned as the first property of next-generation advanced office buildings, and ademonstration projects for future workstyles and lifestyles are being carried out. The building will offer the ability to save and analyze users data by introducing many sensors and ICT services such as the tocosto app developed in-house. This initiative will be applied simultaneously to not only existing buildings in the Higashisakura Block but projects undertaken by the NTT Urban Solutions Group in other blocs. In addition, mutual coordination will be facilitated through the exchange of feedback with other blocs. NTT Urban Solutions will update services that are provided to workers that use the building and visitors to commercial facilities, as well as services for building operators, thereby working to enhance building management and improve its efficiency.

These initiatives are supported by the Urban DTC®*3, a platform that the NTT Group has been united in promoting. In addition, it will create new value by linking such value-creation systems and services.

*2 News releases by NTT Urban Solutions and NTT Urban Development on February 1, 2022
Completion of Urbannet Nagoya Nexta Building, a next-generation advanced office
<https://www.nttud.co.jp/news/detail/id/n26355.html>

*3 News releases by NTT and NTT Urban Solutions on February 2, 2021
Commencement of Development and Demonstration Experiment NTT Groups Urban DTC®
digital platform-based technologies to Advance Future Urban Development Initiatives
<https://www.ntt-us.com/news/2021/02/news-210202-01.html>

3. Future plan

The NTT Group believes that creating society in which diverse values are respected among people will lead to sustainability. It will seek to contribute to creating sustainable communities offering well-being by utilizing leading-edge ICT technologies and international standards, among other means, with a view toward solving social issues and realizing Society 5.0.

The Group will build on the acquisition of the ISO37106 certificate and adapt the knowledge and expertise it has gained from the Higashisakura 1-chome project to the development of communities nationwide. In specific, NTT Data Institute of Management Consulting, which provided support in the acquisition of the Certificate, will offer consulting support services to local governments and companies nationwide, or to prospective customers that seek to create global standard-compliant sustainable and well-being smart cities, for the development of ISO37106-based people-centered communities.

The NTT Group will support the development of communities that are operated by relevant regions and inhabitants (residents, local governments, companies, NPOs, educational institutions, etc.) through the SSPP, and seek to move forward with sustainable initiatives to maximize the happiness (well-being) of communities and residents by creating actual examples, facilitating

cooperation with surrounding areas and expansion into other areas.

Reference 1. Overview of ISO37106

The Certification is a guideline-based certificate to recommend best practices for smart city operation models for the development of sustainable cities and communities.

The Certification consists of 17 main items overall and evaluates principles for provision, main processes for provision on a cross-municipality border basis, benefit realization and major risks.

By meeting requested items in this certificate, it becomes possible, for example, to build a consensus among stakeholders, create cross-functional organizations that break vertically divided structures, provide citizen-oriented services and establish systems that develop sustainably through the repetition of the PDCA cycle.