



RELATORIO DE SUSTENTABILIDADE 2020

GENTE E INOVAÇÃO
CONFIANÇA NO FUTURO E NO
CRESCIMENTO SUSTENTÁVEL

Algar ▶
Telecom

Growth strategy

To consolidate our position as a benchmark company in digital solutions for the *B2B* segment – this is **Algar Telecom**'s strategic focus toward which we steer our initiatives and processes.

In addition to geographic expansion to the Midwest, Northeast, Southeast and South regions, and densifying networks to add to our capillarity and coverage, we are working to add new services to connectivity solutions thus diversifying revenues and building customer loyalty. Our IT services, ranging from network security applications to cloud storage, are growing constantly, as are sales of *IoT* (Internet of Things or *Machine to Machine*) SIM cards, a result of the innovative environment that we encourage.

Algar Telecom stands out for its consultative and personalized service, constantly improving networks, products and services and innovation to support disruptive solutions. We are dedicated to providing the best customer experience, thereby adding value to the business.



Algar Franchises

SDG1

Algar Telecom has pioneered end-to-end operation franchising. This model provides the capacity needed to drive sustainable growth in profitable and less explored regions, focusing on the B2C segment, and micro- and small businesses. In addition to being an innovative pioneer in the telecommunications segment, **Algar** Franquias converges with **Algar Telecom**'s strategy through its operating model and materializes the “People serving People” proposition, creating a virtuous circle between Franchisee, Customer and Algar. Franchisees enjoy autonomy for local management purpose and get full operational support from **Algar Telecom**. They build close relations with customers and provides products and services that reflect with the reality of the region in which they operate; Customers gain close relationships and local service while **Algar Telecom** strengthens its image, builds closer relationships with customers and generates wealth for all its stakeholders.

Algar Telecom's people show fiber and are focused on delivering the best customer experiences. Through its franchising operation, Algar's growth rate skyrocketed in 2020 so it was able to invest more and offer high-speed broadband fiber for several small-sized cities. Thanks to this model, we grew our customer base 36% in the period and reached 79 new municipalities while our NPS rose 23 percentage points.

Digital Transformation

We realize how fast technology changes and the importance of connectivity, so we are committed to finding disruptive trends and solutions to track these transformations. We see digital transformation as a reality that can drive internal processes in a more agile manner, provide the

best technical support for our operations, create solutions to provide more efficient customer services and add value to our portfolio.

We are looking for partnerships with other companies and startups to develop new solutions and deliver even better customer experiences. Our offerings are aligned with digital transformation, multiconnection, automation and artificial intelligence, augmented reality and the Internet of Things (IoT), all of which are applicable across several business segments. We invested in the transition from metal networks for retail to optical networks, which facilitate GPON, SGPON and XGPON technologies, faster data traffic and better signal quality.

Since digital transformation is also of paramount importance for customers, in 2020 we launched **Algar Telecom Talks**, a 100% online event free of charge to address issues related to digital transformation. The five-day event featured six thematic tracks and 12 hours of exclusive content for companies and professionals to learn how to adapt and survive in a changing market in which digitization is a determining factor for a successful business. We got 12,434 enrollments and 136.7 million pageviews on the event's landing page.