RELATORIO DE SUSTENTABILIDADE
2020

GENTE E INOVAÇÃO
CONFIANÇA NO FUTURO E NO
CRESCIMENTO SUSTENTÁVEL

Algar ▶ Telecom

Customer experience

Our customers have been **Algar Telecom**'s top-priorities from the very beginning and are the reason for our existence. So, we work tirelessly to enhance our customer relationships by using new technologies, methodologies and approaches to ensure the best solutions and experiences.

We study our customers' journeys right from the moment of sale through to delivery, after-sales and particularly their subsequent everyday experience. We use methodologies and processes that enable our understanding of the reality of this journey so that we can make the right decisions and communicate more assertively.

Finally, customers in Corporate, Small and Micro Enterprise and Retail segments are sent a Net Promoter Score (NPS) survey questionnaire to assess their most recent experiences. NPS scores provide overviews that we use to monitor customer loyalty levels and perceptions, thus helping ensure close relations and enabling us to tweak our offerings of services and ensure constantly high levels of quality. To get effective feedback from customers who respond to our questionnaire, we designate representatives at each stage in the process to act as "guardians" of the customer's voice. These guardians will facilitate contacts with our business areas to streamline improvement processes and take any measures or actions that may be required. From metrics reported during our latest cycle, we found that our NPS is in the 'quality zone' for some parts of customers' journeys, while in others our score comes close to 'excellence'.

Our NPS is managed within *Estação* by our Customer Experience team and involves all **Algar Telecom** business areas and senior managers. NPS target scores are set and monitored by our governance committee at six-month intervals. Our employees' flexible compensation payments depend on Net Promoter scores. Together with our Human Talents area, our Customer Experience team is working on initiatives designed to strengthen our culture by creating and training a group to act as Customer Experience(CX) multipliers. Activities include 'Voice of the Customer' moments, employee recognition for CX initiatives and related training programs.

CUSTOMER PROXIMITY AND DIGITAL INTERACTION

Customer Proximity is one of our major competitive edges and we make a point of constantly improving our performance in this respect. To ensure excellence, our *B2B* customer service is fully internalized. For retailing, it may be managed by **Algar Telecom** itself or by **Algar Tech** (a member of the **Algar** conglomerate), depending on the profile of each customer in this segment. Customers' trust in our products and services was a decisive factor that ensured the continuity of our operation during the pandemic.

In this cycle, we enhance digital interaction with our customers by providing and improving tools such as applications, website, WhatsApp, chatbot, and intelligent Audible Response Units (ARUs). As a result, our customers enjoy more autonomy to resolve their issues digitally while the more complex problems that require human intervention are left for our customer service team to solve.

We prioritize integrated customer service across these multiple relationship channels in order to

reduce customer effort, thus making our call centers more efficient by centralizing data from all records of interactions. Our aim is to ensure unique experiences across all relationship channels. The information we supply must be properly integrated and consistent irrespective of which means of communication customers are using.

EXCELLENCE IN SERVICE

For the best customer experience and to offer personalized service, we have four keys to relationships:
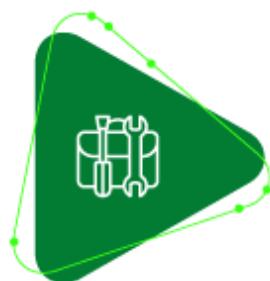
Availability

Fully functioning customer services with employees standing by to so.

Empathy

Ability to understand how others are feeling (put yourself in their place), thus ensuring customer proximity.

Efficiency

Autonomy to reduce customer effort.

Simplicity

Judicious use of resources in order to solve problems on first contact.

FIRST CALL RESOLUTION

We attempt to solve customer problems as soon as possible by using automation tools to run through technical procedures remotely, favoring agile service, efficient operations and customer satisfaction. From the human response point of view, we enable our team to be agile, thus avoiding excessive numbers of unnecessary transfers.

To measure a customer's problem resolution rate from their first contact we use the First Call Resolution (FCR) metric. In the B2B segment, we were able to reach our target of improving customer service from an FCR of 42% to one of 65% in telecom services. We ended the year with FCRs of 85% in IT and 71% in retailing.

To ensure that customers' perception of our services becomes increasingly positive, we believe that training programs for our employees also play a fundamental role. In 2020, we invested R$3.7 million in training for an average of 53 hours per employee.

CUSTOMER SERVICE TEAM

A lesson learned from the pandemic is that an efficient customer service team of well-motivated members who are aligned with our strategy can be managed without gathering everybody together in one single physical space. With assertive guidance from leaders and training in solving increasingly complex issues, our attendants were able to reach excellent levels of customer satisfaction, even in an adverse scenario.

To reward attendants for their efforts, we introduced a recognition ceremony in which we announce the best compliments from our customers. Vouchers to order food from a delivery service were awarded to more than **200** employees and we expect to expand this initiative in 2021. Recognition is extended to the entire CX team as one type of incentive for our teams. In 2020, we received more than 1,800 compliments for technicians, project managers, salespersons, attendants, consultants and partners, totaling more than 800 collaborators gaining recognition in the process.

INFORMATION SECURITY

GRI 103, 418-1, SASB TC-TL-220a.1 and 230a.1

Running data security systems is an essential part of our operation and a focus for constant improvement. Therefore, our Data Privacy Office monitors all personal data flows in our organization while also appraising new projects and products from a Privacy by Design point of view. Our office is also responsible for servicing legally stipulated copyrights, managing outsourcers, managing the life cycle of personal data and a focal point for any matters related to data processing.

Since the legislation came into effect, we have not logged any Information Security incidents involving personal data, nor have we received any substantiated complaints concerning breach of data subjects' privacy. We received 92 requests in 2020 and responded to them as per legislation and within the stipulated period.

We are constantly monitoring regulatory developments and ensuring that our activities follow Brazilian regulations and legislation. We made the necessary adjustments to adhere to the requirements of Brazil's National Data Protection Authority (ANPD), created by the General Data Protection Law (LGPD/2018), which came into effect in September 2020 to address processing of personal data in order to guarantee privacy and data confidentiality.

The project to adjust to the law dealt with topics such as: compiling a personal data inventory, which consists of logging personal data processed by *Algar Telecom*; creating a data subject link in the customer service area of *Algar Telecom*'s website to allow customers to manage and protect use of their personal data; adjusting supplier and partner contracts and holding training workshops with small-business partners; technological adjustment to make data processing even more secure; 100% of employees trained in the new LGPD rules.

We held several online workshops using our official communication tool (Workplace) in 2020 and started the LGPD track, which was posted on the Sinergy Platform and is divided into eight

sections with over 30 video-classes. In addition, we posted our biweekly LGPD-related newsletter (called "knowledge pills") on Workplace.

The training sessions address the main aspects of the new legislation, such as data subjects' rights, legal grounds, reasons for processing personal data, data flow and processing risks for new projects and products, incident response, privacy by design and privacy by default concepts.

Training programs are compulsory for all employees. There is a test on the subject at the end of each course. Course content will be reviewed annually or whenever necessary due to altered legislation. Specific training programs cover critical areas such as marketing.

Our outsources/partners that process the personal data we have collected attended workshops in Uberlândia and São Paulo before the pandemic and we have held other online workshops attended by over 150 service providers. We also held alivestream for customers covering the data privacy law (LGPD) on our Instagram profile, @algartelecomempresas, and posted contents on our *Algar Telecom* blog.