



2019

SUSTAINABILITY
REPORT

**SUSTAINABLE GROWTH:
CONNECTING PEOPLE,
CULTURE AND BUSINESS**



Algar Telecom



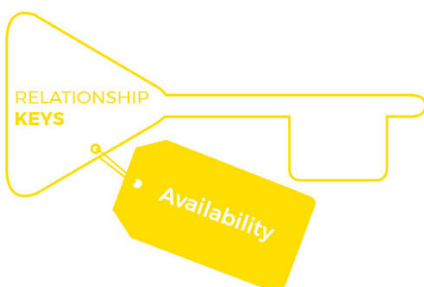
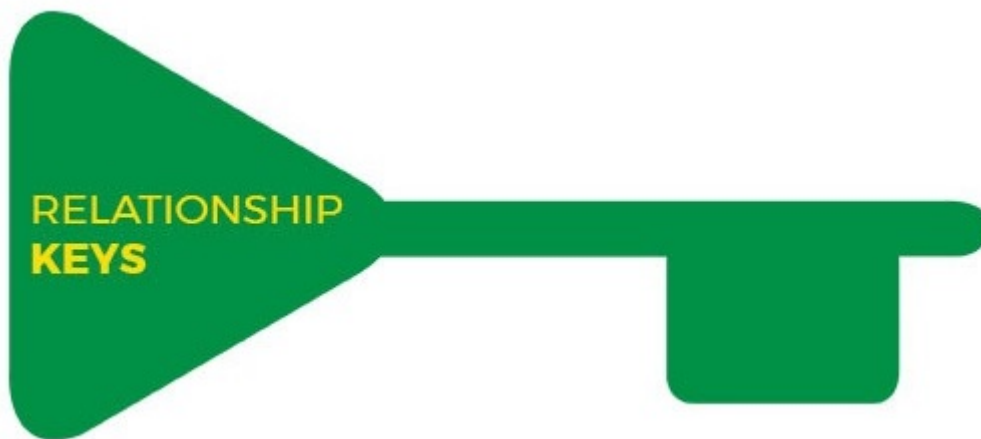
Customer Experience

GRI 418-1, Customer satisfaction and experience

The customer is our reason for being. This is one of the values of Algar Telecom, which represents something that was usually said by the founder of the group Algar, Alexandrino Garcia. We are constantly working to improve our relationship with this public by using new technologies, methodologies and approaches that can improve the experience of our customers. To do this, we analyze every step of the way for the customer, from the moment of sale, delivery, after-sales service and, above all, the daily working of the relationship. We use methods and processes which enable us to understand what is really happening, and as a result we can take the right decisions and communicate more effectively. We use CEM - Customer Experience Management, based on artificial and cognitive intelligence, as a management tool to monitor and ensure the best experience.

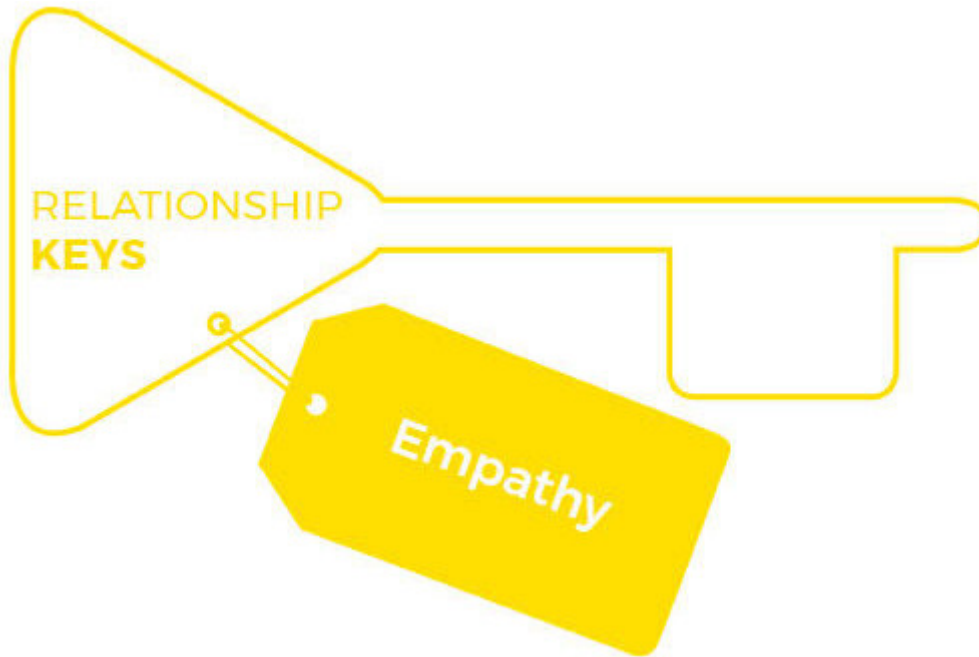
In 2019, we work to improve the customer journey, training our service team and supported by technology and innovative solutions as pillars to facilitate the relationship and engage customers. Whether through field consultants or relationship centers, we focus our efforts on making the service channels more profitable and training our employees to offer an increasingly advisory and specialized service. Virtual assistant Ana, for example, helps the interaction and agility of field consultants, consolidating information and data about products and services used by customers.

Considering the relationship with the client, we have 4 keys to improve the service provided:



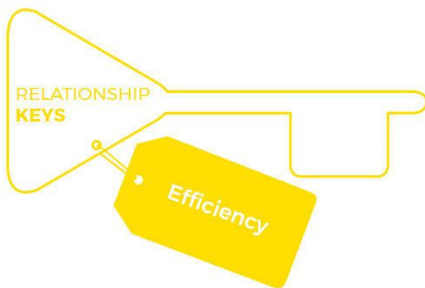
Availability

Full functioning of the services and readiness to solve problems.



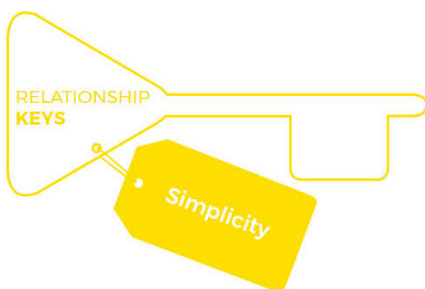
Empathy

Ability to put oneself in another's place, generating proximity.



Efficiency

Autonomy to reduce customer effort.



Simplicity

Wisdom in the use of resources, seeking to solve problems in the first contact.

Solving the customer's problems in the first call

Considering the customer journey, we seek to solve their problems as quickly as possible. In the self-service, we use automation tools that allow the execution of technical procedures at a distance, favoring service agility, efficiency of our operations and satisfaction. Training employees allows the services provided by the team to be more agile and avoids excessive and unnecessary transfers. To check whether these measures are effective, we use the metric known as First Call Resolution (FCR), which measures the rate of resolution of problems at the first contact with the customer. We ended 2019 with an FCR of 66% in the B2C segment. In B2B, the FRC reached 62% for telecom services and 85% for IT services. The rate is measured through an automated questionnaire answered by the employee herself/himself. In 2019, the measurement method was reviewed to continuously improve the measurement methodology.

Integrated service on multiple channels

We took steps to integrate the multiple relationship channels provided by the Algar Telecom, so as to make things easier for the customer, improve the efficiency of the call centers and unify the history of interactions. Our concern is based on promoting a unique experience, regardless of the relationship channel, ensuring that the information provided is integrated and convergent in all communication means.

- Voice
- Audible Response Unit (URA)
- Email
- Chat
- Portal

- Apps
- Chatbots
- SMS
- Social media

Ability to serve with excellence

Besides the agility and efficiency that the automation provides, we cherish the direct contact with the client, guaranteeing the interpersonal relationship. The service for B2B is fully internalized, and, for retail, it is carried out either by Algar Telecom itself or by Algar Tech (Algar Group company), according to the profile of each client in this segment. In order to provide the best experience and personalized service so that our perception of our services is increasingly positive, we believe that the training of our employees plays a fundamental role.

In 2019, we invested in training and certification in Internet of Things (IoT) and Cisco Certified Network Associate (CCNA), which is focused on installing and troubleshooting medium-sized networks), for the service team's improvement in matters related to Information and Communication Technology Services (ICT) solutions, towards a more advisory and specialized service.

The Excellence Academy is a program focused on training employees who work in the service area and includes learning about Algar Telecom's products and services, ICT solutions and customer relationship techniques. In 2019, 1,035 professionals attended the training. The 12 best performers had a dream come true and the award-winning leaders of the service area took a training in Las Vegas, United States, in a call center that is a world reference in service.

Information security

We have important and confidential information from each of our customers, so maintaining data security systems is an essential part of our operation and focus of constant improvement. In 2019, there were no data leaks, theft and/or loss of confidential information.

We also maintain efforts to follow regulatory changes, ensuring that our performance respects Brazilian standards and legislation. We are adapting to the requirements of the National Data Protection Authority (ANPD), created by the General Data Protection Law (LGPD), sanctioned in 2018, which provides for the treatment of personal information, to ensure the data privacy and secrecy.

With the support of an external legal counsel, we made progress in 2019 to adapt to the new law. We hired a professional dedicated exclusively to the subject and we acquired technological tools to mitigate cyber risks, as well as to manage the privacy in the Company's daily routine. Algar Telecom is committed, in all its hierarchical levels, to adapt the technological, physical and organizational controls and incorporate practices to comply with the new data privacy law until 2020, the year in which the law will come into force.