FROST & SULLIVAN

BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 BEST PRACTICES AWARD

orange™ **Business Services**

ASIA-PACIFIC IOT SERVICE PROVIDER OF THE YEAR

Contents

Letter of Congratulations

I am proud to present you with this year's award for Company of the Year in the Internet of Things (IoT) industry.

Frost & Sullivan's global teams of analysts and consultants research a wide range of markets in multiple industries and regions, and identify companies that are true industry leaders, delivering best practices in growth, innovation, and leadership. These companies have a keen eye on the future and drive innovation that meets upcoming needs before they become commonly visible, often being first to market with new solutions. They focus on delivering the best products at optimal prices to maximize customer value and experience. Identifying these companies involves extensive primary and secondary research across the entire value chain of specific products and/or markets. Against the backdrop of this research, Frost & Sullivan is pleased to recognize Orange Business Services as the Company of the Year in the Internet of Things (IoT) industry.

Delivering excellence worthy of the Company of the Year recognition is never an easy task, and it is made even more difficult considering today's competitive intensity, customer volatility, and economic uncertainty—not to mention the difficulty of innovating in an environment of escalating challenges to intellectual property. In this context, your receipt of this award signifies an even greater accomplishment.

Moreover, Frost & Sullivan recognizes that this accomplishment is the result of many employees, customers, and investors making daily choices to support the organization and contribute in a meaningful way to its future.

I enthusiastically acknowledge and celebrate these achievements, and wish you great success in the future. Frost & Sullivan is here to support you on any future endeavor.

Sincerely yours,

David Frigstad
Chairman
Frost & Sullivan

Background and Company Performance

Industry Challenges

The surge of interest in the Internet of things (IoT) in the Asia-Pacific region is due to the increasing readiness of companies and organizations to deploy, operate, and finance IoT solutions. While IoT services can optimize efficiency for many industries, leaders and managers in general, remain unclear about the tangible benefits from IoT implementation. Some of the other key growth challenges in the region are as follows:

The new frontier of cross-border IoT use-cases

Customers increasingly seek IoT solutions that can deliver high-level service even as devices travel across borders. This need represents the next frontier for IoT connectivity. Aviation, automotive, and transport customers, in particular, require connected devices in their planes, vehicles, and sea-faring vessels to continuously provide them with data regardless of which country these devices may travel to. As service providers ascend the IoT value chain and take on the role of system integrators and solution developers, they must now grapple with connectivity issues that extend beyond home networks.

Deployment of IoT solutions in greenfield segments

The past few years have witnessed service providers roll out a multitude of IoT solutions as they attempt to redefine their role beyond mere connectivity providers. However, Frost & Sullivan observes that the vast majority of service providers concentrate on extending solutions in a few verticals (e.g., smart buildings, utilities, and transportation). These are relatively more mature from an IoT usage perspective. As such, service providers are seeking greenfield opportunities in new verticals (e.g., agriculture and construction) that would allow them to seize new opportunities. Customers in these segments often operate in highly unstructured and rugged environments and expect a high level of service quality. This reality creates new complexities for service providers to grapple with.

Visionary Innovation and Performance/Customer Impact

Founded in 2006, Orange Business Services is one of the leading IoT service providers in the Asia-Pacific region. By employing more than 2,100 cybersecurity experts, the company offers customers industry-leading network coverage and a secure IoT infrastructure with improved quality of service.

Addressing Unmet Needs

Orange Business Services goes further than most other service providers in the region by offering IoT solutions under the rubric of a customer journey framework. This framework provides customers with a step-by-step guide on how to implement, monitor and assess IoT solutions in an incremental manner. In effect, Orange Business Service helps customers develop an IoT strategy by charting out an IoT customer journey that begins with achieving relatively easy wins – such as simple asset monitoring use cases – before considering other IoT services. In this way, Orange Business Service that helps the

customer conceive of an IoT implementation strategy and helps them ascend faster in their IoT journey to avoid purgatory of pilots.

Blue Ocean Strategy

Over the last year, Orange Business Services has successfully delivered IoT solutions in the construction and mining industry. These industries are typically reluctant to embrace digital transformation but Orange Business Services has forged market-tested IoT solutions (e.g., asset tracking and productivity monitoring) to address their specific operational and environmental challenges. The company is one of the few service providers active in these sectors. That's in large part due to its ability to meet the rigorous connectivity requirements of engineering equipment and the harsh environments.

Frost & Sullivan sees Orange Business Services' successes in this space as setting it apart from other service providers who typically focus on the utility, smart city, and transportation segments. Though the company competes in these segments as well, it cements its service-provider credentials by implementing IoT solutions in such complex engineering use-cases.

Financial Performance

In the IoT connectivity service space, Orange Business Services has secured key wins with large automotive and industrial equipment manufacturers. While in the solution provider space, the company's customer base comes from mining firms, transport departments, construction firms, and critical asset operators. The company has also achieved strong growth in revenues over the last year with key customers across the Asia-Pacific region.

Customer Ownership Experience

The company differentiates from other service providers by assisting customers in their rollout of cross-border IoT solutions. It also provides seamless connectivity across multiple countries. For example, by leveraging the international networks operated by Orange S.A, as well as its comprehensive portfolio of roaming arrangements, Orange Business Services has installed telematics solutions for an Asian car manufacturing giant. Frost & Sullivan forecasts that Orange Business Services and its comprehensive portfolio will help customers successfully roll out more IoT solutions across the Asia-Pacific region.

Brand Equity

Orange Business Services is an established brand name which delivers cost-effective IoT solutions for complex requirements and exhibits a strong track record of customer success. It also leverages carrier expertise in IoT engagements, especially regarding the connectivity element of IoT solutions.

Customer Purchase Experience

Orange Business Services has simplified the purchase-decision process for new adopters of IoT technologies. The company manages this service by productizing complex industrial offerings and laying out a framework for IoT adoption. It has provided this service in the construction, smart city, automotive, and workplace safety domains.

Conclusion

With its operating presence in multiple geographies and its deep expertise in delivering industry-specific IoT applications, Orange Business Services (OBS) allows its customers to tackle the next frontier of the IoT evolution – solutions that work seamlessly across borders. This, together with its robust and scalable IoT platform, large suite of customer-centric applications and strong relationships with partners across the region, allows OBS to enable its customers to successfully implement pan-APAC IoT solutions, particularly in the automotive, transportation and manufacturing sectors. Having won multiple key large-scale regional deals over the last year, OBS is poised to become the partner of choice for enterprises seeking to roll out IoT solutions at a regional scale, earning it our nod as the 2020 Asia-Pacific IoT Service Provider of the Year

Significance of Company of the Year

To receive the Company of the Year Award (i.e., to be recognized as a leader not only in your industry, but among non-industry peers) requires a company to demonstrate excellence in growth, innovation, and leadership. This excellence typically translates into superior performance in three key areas—demand generation, brand development, and competitive positioning—that serve as the foundation of a company's future success and prepare it to deliver on the 2 factors that define the Company of the Year Award: Visionary Innovation and Performance, and Customer Impact).

Understanding Company of the Year

Driving demand, brand strength, and competitive differentiation all play critical roles in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on Visionary Innovation and Performance to enhance Customer Impact.

Key Benchmarking Criteria

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated each factor according to the criteria identified below.

Visionary Innovation and Performance

Criterion 1: Addressing Unmet Needs
Criterion 2: Visionary Scenarios through Mega Trends
Criterion 3: Implementation of Best Practices
Criterion 4: Blue Ocean Strategy
Criterion 5: Financial Performance

Customer Impact

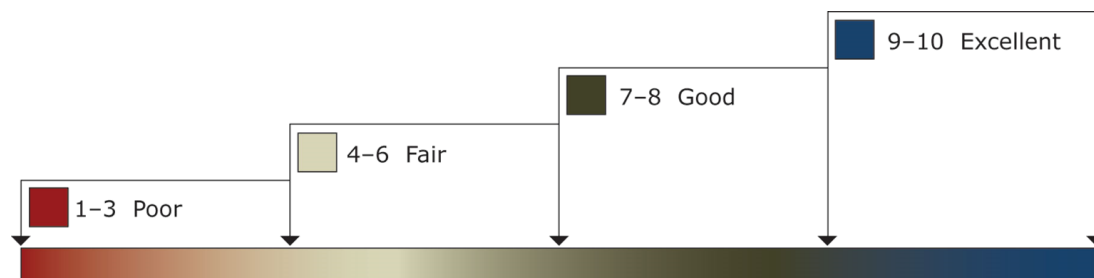Criterion 1: Price/Performance Value
Criterion 2: Customer Purchase Experience
Criterion 3: Customer Ownership Experience
Criterion 4: Customer Service Experience
Criterion 5: Brand Equity

Best Practices Award Analysis for Orange Business Services

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows research and consulting teams to objectively analyze performance according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation. Ratings guidelines are illustrated below.

RATINGS GUIDELINES

9–10 Excellent

7–8 Good

4–6 Fair

1–3 Poor

The Decision Support Scorecard considers Visionary Innovation and Performance and Customer Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criterion are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, Frost & Sullivan has chosen to refer to the other key participants as Competitor 1 and Competitor 2.

Measurement of 1–10 (1 = poor; 10 = excellent)			
Company of the Year	Visionary Innovation & Performance	Customer Impact	**Average Rating**
Orange Business Services	**9**	**9**	**9**
Competitor 1	8	8	8
Competitor 2	7	7	7

Visionary Innovation & Performance

Criterion 1: Addressing Unmet Needs
Requirement: Implementing a robust process to continuously unearth customers' unmet or underserved needs, and creating the products or solutions to address them effectively.

Criterion 2: Visionary Scenarios through Mega Trends
Requirement: Incorporating long-range, macro-level scenarios into the innovation strategy, thereby enabling first-to-market growth opportunity solutions.

Criterion 3: Implementation of Best Practices
Requirement: Best-in-class strategy implementation characterized by processes, tools, or activities that generate a consistent and repeatable level of success.

Criterion 4: Blue Ocean Strategy
Requirement: Strategic focus on creating a leadership position in a potentially uncontested market space, manifested by stiff barriers to entry for competitors.

Criterion 5: Financial Performance
Requirement: Strong overall business performance in terms of revenue, revenue growth, operating margin, and other key financial metrics.

Customer Impact

Criterion 1: Price/Performance Value
Requirement: Products or services offer the best value for the price compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience
Requirement: Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience
Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.
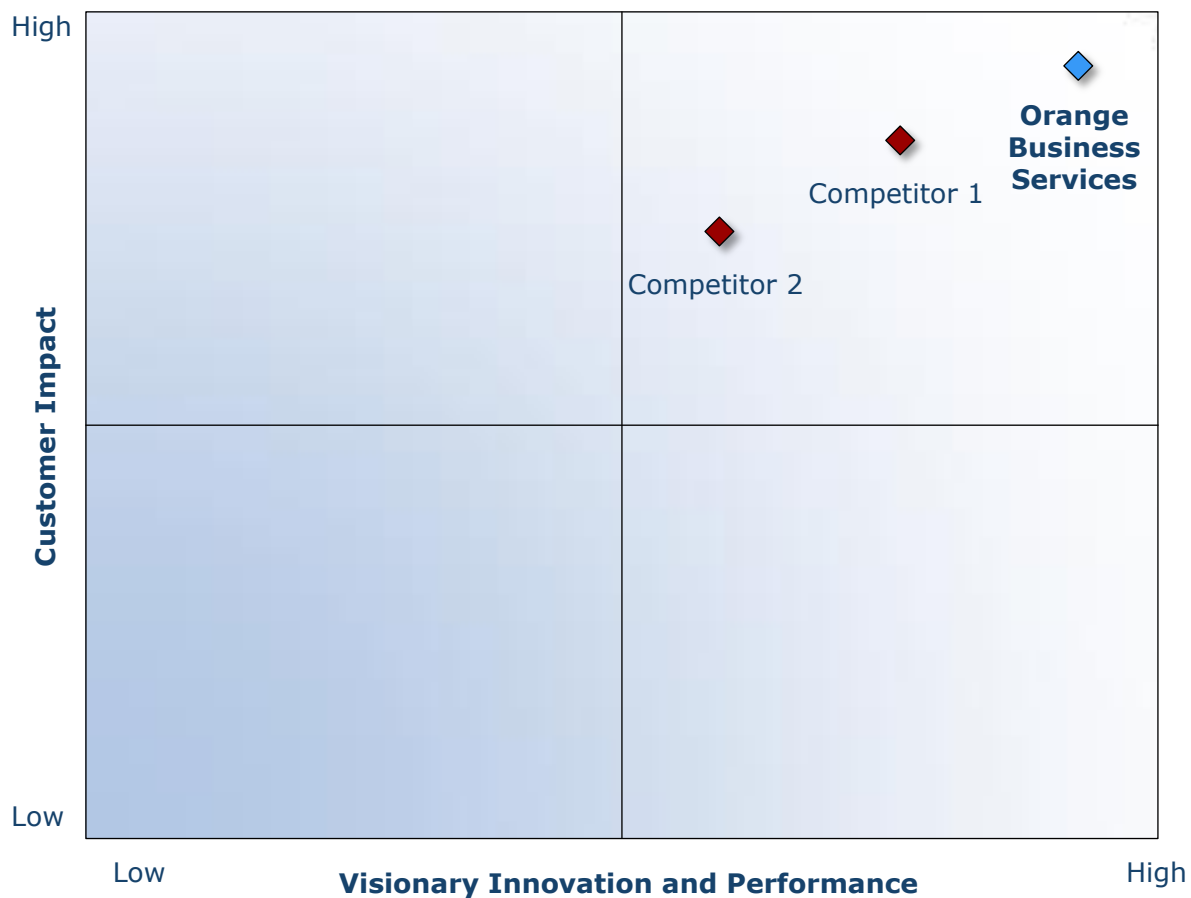
Criterion 4: Customer Service Experience
Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity
Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practice criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify award recipient candidates from around the world	• Conduct in-depth industry research • Identify emerging industries • Scan multiple regions	Pipeline of candidates that potentially meet all best practices criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	• Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best practices positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible award candidates, representing success stories worldwide
7 Perform quality check	Develop official award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best practices award recipient	• Review analysis with panel • Build consensus • Select winner	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform award recipient of recognition	• Announce award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of award and plan for how recipient can use the award to enhance the brand
10 Take strategic action	Upon licensing, company able to share award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation, and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit http://www.frost.com.

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