



Telstra Recognized as the

2021

Company of the Year

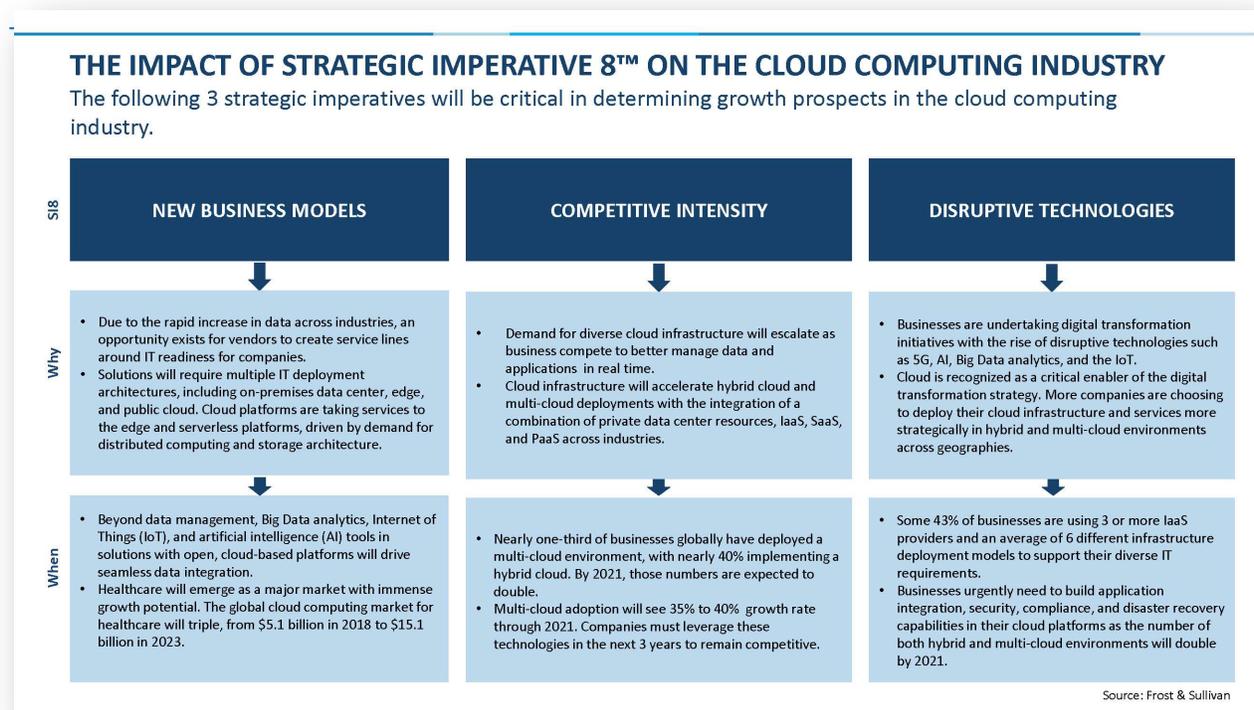
Australian Cloud Infrastructure Services Industry

Excellence in Best Practices



Strategic Imperatives

Frost & Sullivan identifies three key strategic imperatives that impact the cloud infrastructure services industry: new business models, competitive intensity, and disruptive technologies. Every company that is competing in the cloud infrastructure service space is obligated to address these imperatives proactively; failing to do so will almost certainly lead to stagnation or decline. Successful companies overcome the challenges posed by these imperatives and leverage them to drive innovation and growth. Frost & Sullivan’s recognition of Telstra is a reflection of how well it is performing against the backdrop of these imperatives.



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated companies. Telstra excels in many of the criteria in the cloud infrastructure services space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Addressing Unmet Needs

Business customers are looking for guidance and support in managing their increasingly complex cloud environments. In response, Telstra has built its innovative Telstra Cloud Sight™ platform for its public cloud customers. Telstra Cloud Sight™ is a unique platform that streamlines the way companies access various public cloud solutions and services. The platform offers clients multi-cloud procurement, innovative cloud connectivity options, cost management features and access to enhanced security and compliance.

Many enterprises are also looking to shift scarce internal resources away from IT management to focus on strategic business problems. In response, Telstra has launched a Digital Managed Services capability specifically for public cloud customers. This flexible, modular management suite allows customers to focus on their business and leave basic cloud infrastructure management to a trusted IT partner. Such an approach helps reduce the cost of managed services delivery and allows cloud-managed service providers to concentrate on higher-value apps and service customization.

Telstra is also focused on protecting its customers’ data and networks. Information privacy and data security are at the center of its operations. The company manages security for its global network by emphasizing industry best practices and processes. It employs various technologies and security controls to carefully control and monitor access to its networks and systems. Key technologies include robust monitoring and logging procedures to anticipate and prepare for both internal and external threats.

“Telstra recognizes that the cloud infrastructure services are rapidly evolving, creating more competition. The company has developed the Telstra Cloud Sight™ platform which enables them to deliver improved network connectivity and reducing the complexity of cloud management. The company also focuses on accelerating the implementation of multi-cloud environments while streamlining services such as cloud management, optimization, and networking.

- Siddhesh K. Hule, Research Analyst

Telstra continually invests in enhanced security technologies to remain ahead of emerging security threats. The company's approach ensures risk management procedures are widely deployed across its cloud services. Telstra also runs internal programs to promote cybersecurity, training its employees to assist clients and to keep them prepared against various cyberthreats and attacks. Telstra has a compulsory annual training for staff and contractors, and conducts routine drills to test its training efficiency.

The company recently announced its 'Cleaner Pipes' initiative, which concentrates on reducing clients' data exposure to malware, ransomware, and phishing. Moreover, to provide customers with a strong connectivity infrastructure to seamlessly access various public cloud service providers, the company developed its Telstra Cloud Sight™ platform.

Combined with their recently launched 'Adaptive Networks' capability, Telstra uses SD-WAN technology, private networks and Cloud Sight™ to provide seamless, secure, integrated and optimized connectivity to public cloud providers. In addition to applying these principles in cloud, Telstra CloudSight™ helps customers overcome three major cloud user problems: cost management, cloud connectivity and compliance.

Visionary Scenario through Mega Trends

Frost & Sullivan notes the adoption of multi-cloud services is a Mega Trend that is gaining momentum and transforming cloud computing significantly. Enterprises seek access to additional services and expertise across the provider's portfolio (e.g., multi-cloud managed services platforms and other tools). Telstra focuses on innovating its products, technologies, and services to help businesses meet their business objectives. The company also focuses on accelerating the implementation of multicloud environments while streamlining services such as cloud management, optimization, and networking.

Telstra Cloud Sight™ is focused on the multi-cloud customer, addressing key industry pain points such as cost control, cloud connectivity, and compliance. Telstra Cloud Sight™ also reduces cloud management complexity by providing visibility, control, and automation over customer cloud

resources. Clients can buy, deploy, and manage Telstra-sourced multi-cloud services within a single portal. Customers can also set budgets, track spending, and setup automated alerts across multiple clouds. By bridging the gap between cloud and network domains, customers can also procure and manage their cloud connectivity on the same portal.

Frost & Sullivan notes the company's one-click setup of user accounts combined with robust security and compliance blueprints is industry best practice.

Implementation of Best Practices and Financial Performance

The company has undertaken multiple initiatives to provide clients with a customized and flexible offering that maximizes customer value. Best practices implemented by Telstra include:

- Telstra Purple, the company's professional and technical services division, is a Microsoft Gold Partner and member of the Azure Expert MSP Program. Such designations are accomplished by implementing and sustaining industry-leading cloud practices that are independently validated by an annual cloud capability audit across professional and managed service.
- In 2020, Telstra was also a runner-up in Singapore's "Country Partner of the Year" award.
- Due to its highly stable and connected cloud environment that supports high-capacity Internet connectivity and load balancing, Telstra-owned and managed enterprise-grade facilities were ISO 27001 accredited.
- In addition, Telstra-deployed tools and platforms are delivering greater customer value by implementing CloudHealth, an integrated data analytics platform that provides the cost, deployment, and output of all cloud services in a single place to support research and the generation of trend reports. Owing to actionable and practical data insights, CloudHealth can make smart management and optimization decisions concerning the customer's cloud environment. Clients can also use the data, analysis, and visualization tools to make smart choices for their cloud network and successfully allocate resources.
- In 2020, the company continued to witness a transition to digital transformation (e.g., the adoption of cloud-based solutions to simplify operations and support scalability). Due to its large and noteworthy cloud infrastructure portfolio, Telstra achieved notable growth in Australia's cloud infrastructure market that same year, surpassing the average industry growth

rate. The company achieved substantial business revenue in 2020 despite a difficult financial cycle, continuing to deliver consumers and shareholders long-term value in the region.

Brand Equity

Telstra is among Australia's most acclaimed telecommunications and technology companies. Currently, the company is operating in 20 countries across the globe. The company's Telstra Enterprise division offers data and IP networks and network application services (e.g., managed networks, unified communications, cloud, and integrated services) to clients, and its services are reinforced by the company's subsea cable network.

Frost & Sullivan notes the network is one of the largest in Asia-Pacific. Moreover, the company has access to approximately 2,000 points of presence globally. Telstra is strategic partners with Equinix, allowing for enhanced sales enablement (e.g., lead generation that promotes cloud infrastructure and heightened brand awareness in Asia.)

The company's Azure and AWS managed service provider certification, Microsoft Gold Cloud designation, and AWS advanced partner status also heightens Telstra's cloud managed services brand equity. To further increase its brand awareness, Telstra participates in a variety of industry events in Asia-Pacific (e.g., Cloud Expo Asia, Cloud Forum, and AWS regional summits). The company's team has more than 1,500 dedicated professionals and a large team of consultants and technology experts in multiple disciplines.

Customer Ownership Experience

To better navigate the cross-border legal landscape, including the meeting of compliance regulations, Telstra ensures customers' data is stored locally in Australia's data centers. The company endorses its onshore data storage abilities when contracting with government organizations. Along with the development of new and better services for its customers, Telstra can employ cloud services internally.

Frost & Sullivan finds that Telstra has a large number of customers for its cloud services, from small businesses through to large enterprise and government clients. To support infrastructure-as-a-service, the company provides dedicated hosting and pricing based on specific customer configurations. Customers can choose utility hosting pricing with the option of paying per use (e.g., CPUs, memory, storage, backup, operating systems, and the Internet) or via fixed monthly subscription.

Telstra also delivers expert advice concerning all types of cloud computing (i.e., public, private, and hybrid) and a wide range associated services including cloud networking, cloud migration services and cloud managed services. This comprehensive suite of services makes it easy for clients to develop and execute a cloud strategy that provides significant business benefits.

Conclusion

Telstra reduces the complexity of cloud management by offering industry-leading visibility, control, and automation for customer cloud resources. The company's robust cloud service offerings include a unique multi-cloud platform, Telstra Cloud Sight™, that assists customers in implementing and managing clouds. Moreover Telstra's strong focus on cybersecurity and risk management measures delivers clients peace of mind through industry best practice in data governance and data security. Telstra's long-standing and ongoing partnerships with some of the industry's key participants further cement its commitment to innovation and technology development.

With its strong overall performance, Telstra earns Frost & Sullivan's 2021 Company of the Year Award in the Australian cloud infrastructure services industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first to market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

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

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Key Impacts:

- **Growth Pipeline:** Continuous flow of Growth opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

