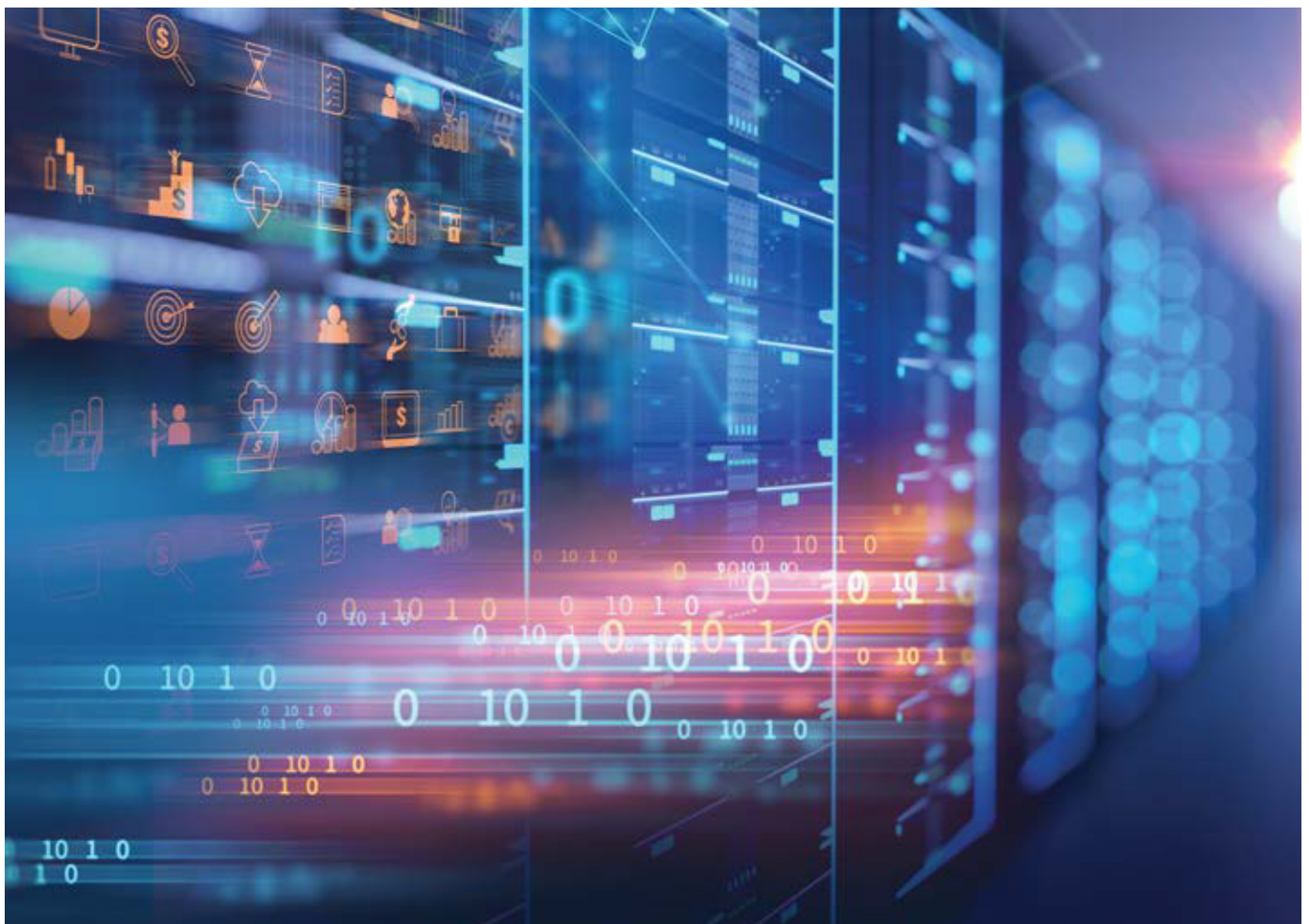


2018 Frost & Sullivan Asia-Pacific
Data Center Services
Competitive Strategy Innovation
and Leadership Award



ST Telemedia
Global Data Centres

ASIA PACIFIC
ICT AWARDS

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Letter of Congratulations

We are proud to present you with this year's Award for Competitive Strategy Innovation and Leadership in the Data Center Services industry.

Frost & Sullivan's global team of analysts and consultants continuously research a wide range of markets across multiple sectors and geographies. As part of this ongoing research, we identify companies excelling in product strategies, whether in product quality, price/performance value, product differentiation, or breadth of product line. We are particularly interested in companies that leverage product strategies to differentiate from competitors based on innovation and creativity. This involves extensive primary and secondary research across the entire value chain of specific products. Against the backdrop of this research, Frost & Sullivan is pleased to recognize ST Telemedia Global Data Centres (STT GDC) for Competitive Strategy Innovation and Leadership in the Data Center Services industry.

To achieve excellence in competitive strategy is never an easy task, but it is one 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. Within this context, your receipt of this Award signifies an even greater accomplishment.

Moreover, we recognize that your selection as the recipient of this Award is the result of many individuals (employees, customers, and investors) making daily choices to support the organization and contribute in a meaningful way to its future. We enthusiastically acknowledge and celebrate these achievements.

Once again, we congratulate you on your achievements and wish you great success in the future. We are here to support you on any future endeavor.

Sincerely yours,



David Frigstad
Chairman
Frost & Sullivan

Industry Challenges

Shortage of skilled labor with expertise in data centers, aggravated by the increasing complexities of data center design and management:

Skilled manpower remains a crucial impediment to data center expansion and upgrades. Data center design and management are becoming increasingly sophisticated, leading to intensifying challenges in implementing and maintaining virtual/cloud-enabled data center environments. These scenarios require the upskilling of current talent or acquisition of new talent.

Rising costs including for real estate, power, and human resources restrict data center market growth:

For most markets in Asia-Pacific, real estate, energy, and workforce costs are on the rise. Moreover, the

establishment and expansion of data centers are costly, requiring huge capital and operating expenditure from data center operators.

Increasing competition in the provider landscape:

The Asia-Pacific market is witnessing heightened competition in the data center services landscape. Service providers in the ecosystem are vying for large over-the-top (OTT) and hyper-scale cloud provider accounts. In the enterprise space, providers are facing increasing challenges in creating differentiation through service offerings.

Strategy Innovation and Customer Impact

Strategy Execution

STT GDC has demonstrated an aggressive growth strategy through acquisitions and partnerships. The company is the single largest shareholder with more than 35% ownership in GDS and has a 70%-30% joint venture with StarHub Ltd (Singapore) (STT MediaHub). STT GDC also made VIRTUS Data Centres (VIRTUS) its subsidiary after it acquired Brockton Capital's entire

stake in VIRTUS. Furthermore, STT GDC obtained a 74% majority stake in Tata Communications' data center business in India and Singapore. These strategic investments are expected to further strengthen STT GDC's presence in the region and its value proposition to customers.

Strategy Effectiveness

STT GDC's revenue growth and strategic customer wins over the year highlights the effectiveness of its strategy. The company's double-digit revenue growth in 2017 testifies to its success. STT GDC has also won several strategic customers in the retail co-location

services segment, specifically in the financial services, content, and digital media sectors. The customer gains are expected to form a strong reference base for accelerating its growth further in the region.



Competitive Differentiation

STT GDC is continually improving its service offerings quality to create competitive differentiation. In doing so, it has been leveraging certifications, as communicated to customers. These certifications include:

- BCA-IMDA Green Mark Platinum
- ISO 27001
- LEED Gold (2017)
- Uptime Institute Tier III
- Singapore Standard SS 564 Green Data Centres
- TIA-942 Rated-3

Customer Ownership Experience

STT GDC has positioned its ownership experience around offering customers carrier-neutral data center services. This offering creates immense value by enabling customers to choose their preferred connectivity services provider. The positioning also

allows STT GDC to further differentiate itself from several providers offering bundled services, especially in India and China, two of Asia-Pacific's fastest-growing data center markets.

Brand Equity

STT GDC is driving multiple initiatives using a Go-To-Market strategy set to enhance its brand equity and positioning. A focus on combining content-driven

thought leadership with key customer acquisitions is strengthening its brand equity among target market segments.

Conclusion

STT GDC is aggressively expanding into multiple Asia-Pacific markets. Besides investments backed by a strong growth strategy, STT GDC has gained significant customers, notably key fast-growing, born-in-the-cloud Chinese conglomerates. Its crucial and robust customer wins and aggressive growth plans have earned STT GDC Frost & Sullivan's 2018 Asia-Pacific Data Center Services Competitive Strategy Innovation and Leadership Award.



Any successful approach to achieving top-line growth must (1) take into account what competitors are, and are not, doing; (2) meet customer demand with a comprehensive, value-driven product or service portfolio; and (3) establish a brand that resonates deeply with customers and stands apart from other providers. Companies must succeed in these three areas—brand, demand, and positioning—to achieve best-practice levels in competitive strategy.

Demand

- Acquire competitor's customers
- Increase renewal rates
- Increase upsell rates
- Build a reputation for value
- Increase market penetration

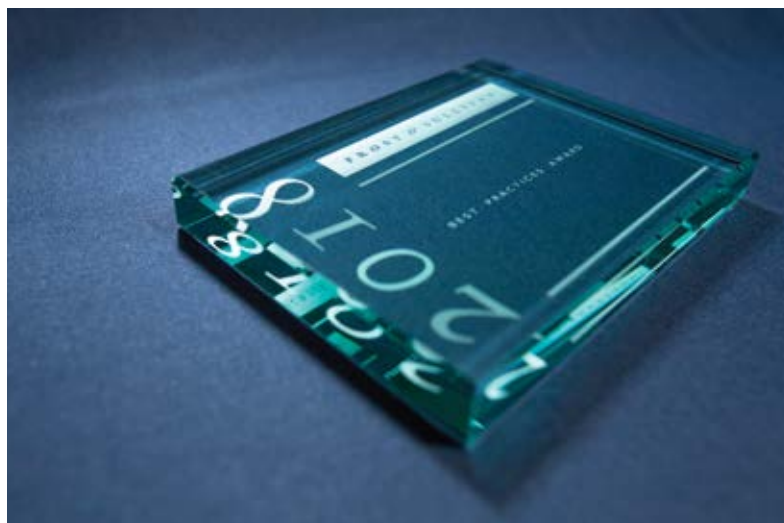
Brand

- Earn customer loyalty
- Foster strong corporate identity
- Improve brand recall
- Inspire customers
- Build a reputation for creativity

Competitive Positioning

- Stake out a unique market position
- Promise superior value to customers
- Implement strategy successfully
- Balance price and value
- Deliver on the promised value proposition

Understanding Competitive Strategy Innovation and Leadership



As discussed above, driving demand, brand strength, and competitive differentiation all play a critical role in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on Strategy Innovation and Customer Impact.

Key Benchmarking Criteria

For the Competitive Strategy Innovation and Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Strategy Innovation and Customer Impact—according to the criteria identified below.

Strategy Innovation

- Criterion 1: Strategy Effectiveness
- Criterion 2: Strategy Execution
- Criterion 3: Competitive Differentiation
- Criterion 4: Executive Team Alignment
- Criterion 5: Stakeholder Integration

Customer Impact

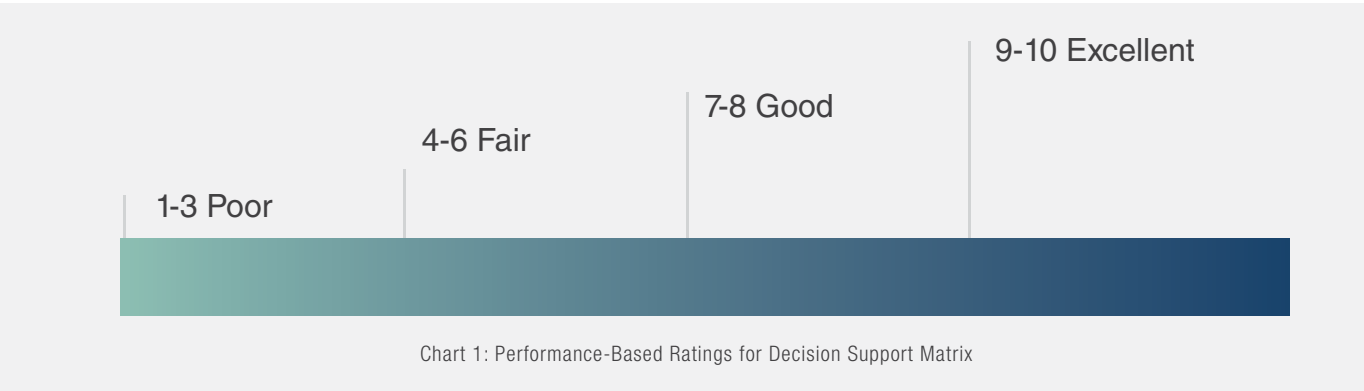
- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

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 our 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



The Decision Support Scorecard is organized by Strategy Innovation and Customer Impact (i.e., these are 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, we have chosen to refer to the other key participants as Competitor 1 and Competitor 2.

DECISION SUPPORT SCORECARD FOR COMPETITIVE STRATEGY INNOVATION AND LEADERSHIP

Measurement of 1–10 (1 = poor; 10 = excellent)	Competitive Strategy Innovation and Leadership		
	Strategy Innovation	Customer Impact	Average Rating
STT GDC	9.0	9.0	9.0
Competitor 1	9.0	8.0	8.5
Competitor 2	8.0	8.0	8.0

Strategy Innovation

Criterion 1: Strategy Effectiveness

Requirement: Strategy effectively balances short-term performance needs with long-term aspirations and vision for the company.

Criterion 2: Strategy Execution

Requirement: Adoption of best-in-class processes supports the efficient and consistent implementation of business strategy.

Criterion 3: Competitive Differentiation

Requirement: Unique competitive advantages with regard to solution or product are clearly articulated and well accepted within the industry.

Criterion 4: Executive Team Alignment

Requirement: The executive team is aligned along the organization's mission, vision, strategy, and execution.

Criterion 5: Stakeholder Integration

Requirement: Strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees.

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 most 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.

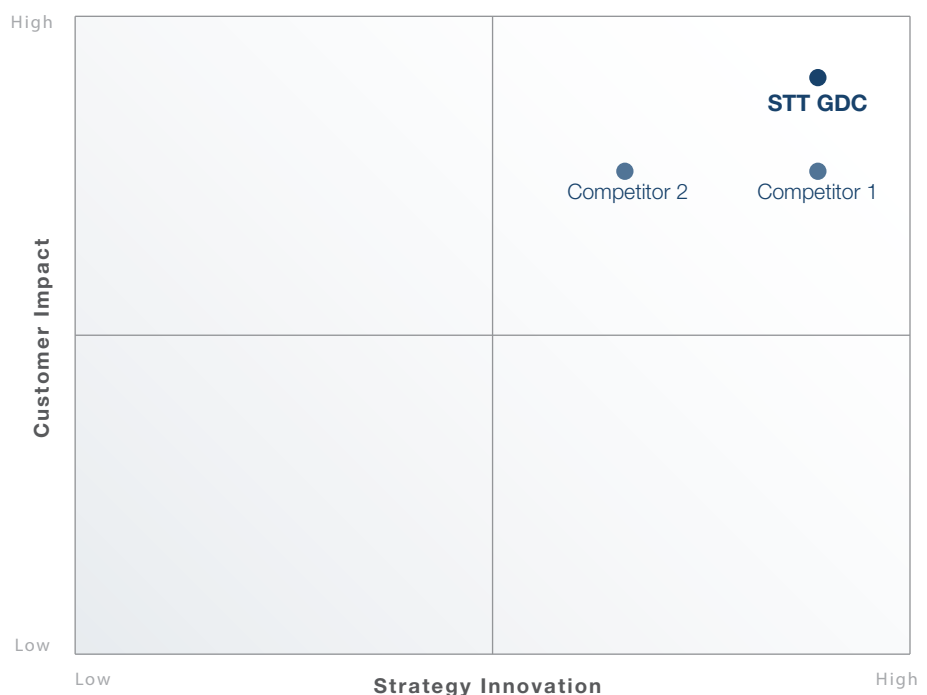
Criterion 5: Brand Equity

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 here, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.

DECISION SUPPORT MATRIX
FOR COMPETITIVE STRATEGY
INNOVATION AND LEADERSHIP



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
 Monitor, target, and screen	Identify award recipient candidates from around the globe	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies 	Pipeline of candidates who potentially meet all best-practice criteria
 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates 	Matrix positioning all candidates' performance relative to one another
 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best-practice positioning paper
 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized award candidates
 Conduct global industry review	Build consensus on award candidates' eligibility	<ul style="list-style-type: none"> • 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
 Perform quality check	Develop official award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
 Assemble board of advisors	Finalize the selection of the best-practice award recipient	<ul style="list-style-type: none"> • Present candidates to a Board of Advisors • Build consensus • Select winner 	Decision on which company performs best against all best-practice criteria
 Communicate recognition	Inform award recipient of award recognition	<ul style="list-style-type: none"> • Present 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
 Take strategic action	Share award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess award's role in future 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



360-degree research: seeing order in the chaos

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our 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, leading to 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 players and for identifying those performing at best-in-class levels.

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Frankfurt
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Bahru
Istanbul
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Miami

Milan
Mumbai
Moscow
Oxford
Paris
Pune
Rockville Centre
San Antonio
São Paulo
Seoul
Shanghai
Shenzhen

Silicon Valley
Singapore
Sophia Antipolis
Sydney
Taipei
Tel Aviv
Tokyo
Toronto
Warsaw
Washington, DC

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, works in collaboration with clients to leverage visionary innovation that addresses the global challenges and related growth opportunities that will make or break today's market participants. For more than 50 years, we have been developing growth strategies for the Global 1000, emerging businesses, the public sector and the investment community.

Is your organization prepared for the next profound wave of industry convergence, disruptive technologies, increasing competitive intensity, Mega Trends, breakthrough best practices, changing customer dynamics and emerging economies?

Learn more about Frost & Sullivan
at www.awards.frost.com



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