



proofpoint[®]

Recognized as the

2020

Australia Email Security

Vendor of the Year

Congratulations!

Frost & Sullivan is proud to present Proofpoint with this year's Best Practices Company of the Year Award in the Australia email security industry.

Frost & Sullivan's global team of growth pipeline experts continuously identifies and evaluates growth opportunities across multiple industries, technologies, and regions of the world. As part of this on-going effort, we identify companies that consistently develop new growth strategies based on a visionary understanding of the future, and, thus, more effectively address new challenges and opportunities. This approach involves deep strategic deliberation around best practices and the development of core analytics across the entire value chain of specific products and services. Against the backdrop of these analytics, Frost & Sullivan recognizes Proofpoint for its valuable achievement.

Frost & Sullivan strictly reserves this recognition to companies at the innovation and growth forefront in their respective industries. These companies consolidate or grow their leadership position by continuously innovating and creating new products and solutions that serve ever-evolving customer needs. These companies are also best positioned to expand the market by strategically broadening their product portfolio. Driving innovation and growth is never an easy task. Still, it is one made even more difficult considering today's strategic imperatives, from disruptive technologies and value chain compression to industry convergence and new business models. In this context, Proofpoint's recognition signifies an even greater accomplishment.

Moreover, this recognition is the result of many individuals (employees, customers, partners, and investors), making critical decisions every single day to support the organization and meaningfully contribute to its future. Frost & Sullivan enthusiastically acknowledges and celebrates their contributions.

Once again, congratulations on your accomplishments, and we wish you great success in the future. We look forward to connecting with your CEO, Board of Directors, and executive leadership team to help them leverage the full power of this recognition.

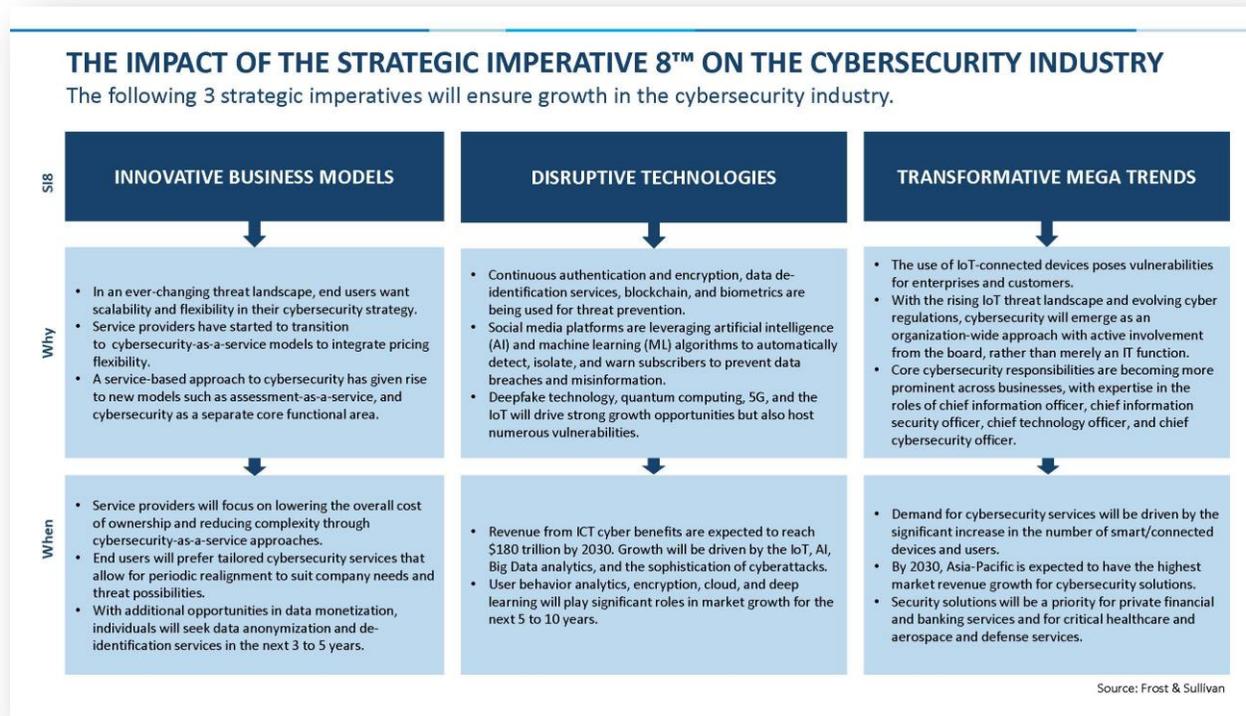
Sincerely,



Darrell Huntsman
Chief Executive Officer
Frost & Sullivan

Strategic Imperatives

Frost & Sullivan identifies three key strategic imperatives that impact the cybersecurity industry: innovative business models, disruptive technologies, and transformative Mega Trends. Every company that is competing in the cybersecurity 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 Proofpoint 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. Proofpoint excels in many of the criteria in the email security 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

Proofpoint has been making waves in the cybersecurity market in recent years owing to its pioneering email security approach, its main domain of expertise. The company was founded nearly two decades ago to address the threats of today’s modern computing practices. Integral to Proofpoint’s solutions is

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- Lim Qi Yong, Associate

the ability to integrate various capabilities with each other and third-party platforms. The enterprise market has long sought ways to incorporate capabilities from typically standalone solutions into others, resulting in the ability to work together seamlessly. To illustrate, demand for data loss prevention (DLP) functionality in email security has been growing over the years as businesses face not only material but financial, reputational, and intellectual property losses from

compromised data. Proofpoint fulfills this need via its email data loss prevention feature which is part of its larger Proofpoint information protection solution. Other that can be integrated into Proofpoint’s email security solutions include Cloud App Security Broker, email isolation, and advanced malware protection. Customers have the option to fine-tune capabilities as required by their evolving security needs. As a result, Proofpoint meets the demand for flexibility and scalability while offering a breadth of capabilities.

Customers are also demanding greater degrees of integration for another reason: the evolution of security infrastructure. Software-as-a-service (SaaS) models have quickly risen in popularity over the decade as a means of procuring enterprise applications. Cybersecurity in particular has already seen massive shifts in consumption patterns as cloud and SaaS-based deployments become ever more common.

Moreover, companies, especially in Australia, have become increasingly receptive to outsourcing cybersecurity management to third parties via managed security services providers (MSSPs). Such security solutions must be able to work in harmony with a mélange of disparate technologies from distinct suppliers. Proofpoint achieves this through partnering and integrating with a wide array of technology providers, most notable of which are CrowdStrike for threat intelligence, Okta for security orchestration, and Splunk for SIEM.

Proofpoint's forward-looking approach to email security has put it in a prime position to meet the demands of the shifting and amalgamating email security landscape.

Visionary Scenarios through Megatrends

In traditional email security, threats are screened for and blocked by referencing a trusted database of known threats. Such an approach is limited by the security vendor's threat intelligence capabilities and the rate at which new threats are produced and disseminated on a day-to-day basis. Furthermore, filtering threats in such a matter only addresses external sources and does nothing against threats coming from the inside such as an enterprise's own users. Proofpoint has demonstrated its keen awareness of the main security concerns plaguing email systems today and focuses its efforts on targeting the weakest link in the chain: the user. Central to this approach is its people-centric focus to evaluating threats. Users are analyzed on how they are being targeted, behaviors that put them at high-risk, and how valuable data is accessed and used. The approach is further bolstered by Proofpoint's suite of capabilities as they are designed to plug the gaps in ordinary email filtering. First and foremost, Proofpoint is one of the few email security vendors with a functioning email isolation feature. The capability takes away much of the stress put on information technology (IT) managers as isolated sessions essentially separate the email inboxes from the enterprise environment, taking away the risk of malicious downloads and attachments.

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Risky and fraudulent URLs are also assessed and blocked in real-time via the company's URL Defense offering—mitigating a major risk factor in today's connected environment as links are often shared to access resources and services. Finally, the company's fraud protection feature capstones its array of capabilities by utilizing the power of machine learning to detect impostor messages and stop them in their tracks.

Financial Performance

Consistent with its recognition as an innovative email security vendor, Proofpoint is doing equally as well on the financial front. According to Frost & Sullivan analysis, Proofpoint is the leader in the Australian email security market where it holds 26.1% of the market share. The company is growing at consistent double-digit rates over the years, culminating in an estimated \$28.3 million in revenues in 2019. In the same year, the company was estimated to have grown 21.0% in Australia with a majority of those revenues coming from cloud-based email security deployments.

The company's key vertical markets in the country are banking and finance, education, and service providers, equating to an estimated 50% of its revenue base. More than three-quarters of its revenues are estimated to come from large enterprises as opposed to small and medium-sized businesses.

Brand Equity

Proofpoint's prowess in email security contributes to its growing recognition amongst customers, service providers, and industry associations alike. Proofpoint has won several cybersecurity awards for a variety of its products. Furthermore, the company has generally received positive ratings across a wide variety of metrics such as ease-of-use, integration capabilities, threat protection abilities, and the speed of support. The company also boasts plentiful customer success stories showcasing how its customers—both large and small—have seen tangible value added to their companies after deploying Proofpoint's email security products.

In the realm of cloud-delivered security, competition is quickly emerging. Proofpoint's head start will likely keep it ahead of the game in terms of innovation and sales.

Price/Performance Value

Proofpoint's price/value proposition comes from the level of security it provides per dollar spent. The company's wide-ranging capabilities provide a nearly unparalleled level of security to enterprise email environments by covering all of the major points of vulnerability inherent in modern email services while keeping costs within customer price considerations. Its SaaS-based offerings further allow customers granular control of security costs through a pay-as-you-go model instead of having to front the cost of the entire solution at the point of sale.

Leadership Focus

Australia is an extremely mature cybersecurity market and one of the largest in the Asia-Pacific region. With that comes a considerable number of cybersecurity vendors vying for a slice of the proverbial pie. In the face of the stiff odds it faces in this market environment, Proofpoint has managed to not only survive but thrive. The company offers the Australian market uniquely cloud-focused, people-centric, and integrated email security solutions. Proofpoint has expanded its presence in the country through additions to its local sales force and support teams and has also made efforts in working with distributors to market and sell its products to a wider audience. Furthermore, its hybrid deployment options are aligned with the growing preference of the local market for flexible, combined hardware and cloud infrastructure

Conclusion

Proofpoint has shown it is deserving of Frost & Sullivan's Company of the Year award due to its authority in email security innovation, adeptness, and business leadership in the Australian market, and for its excellent brand recognition and equity.

With its strong overall performance, Proofpoint earns Frost & Sullivan's 2020 Australia Email Security Vendor of the Year award.

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™. [Learn more.](#)

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

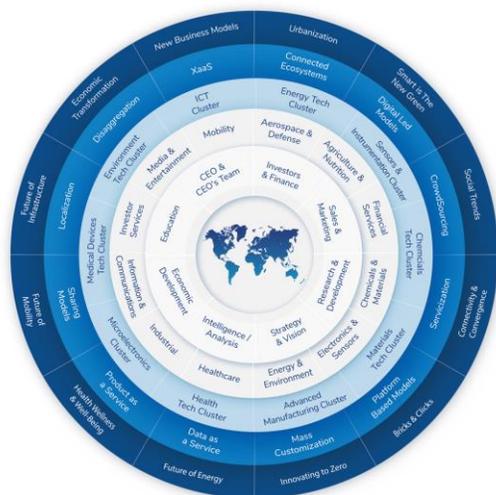


The Innovation Generator™

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)**



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