



Proofpoint, Inc. Recognized for

2021

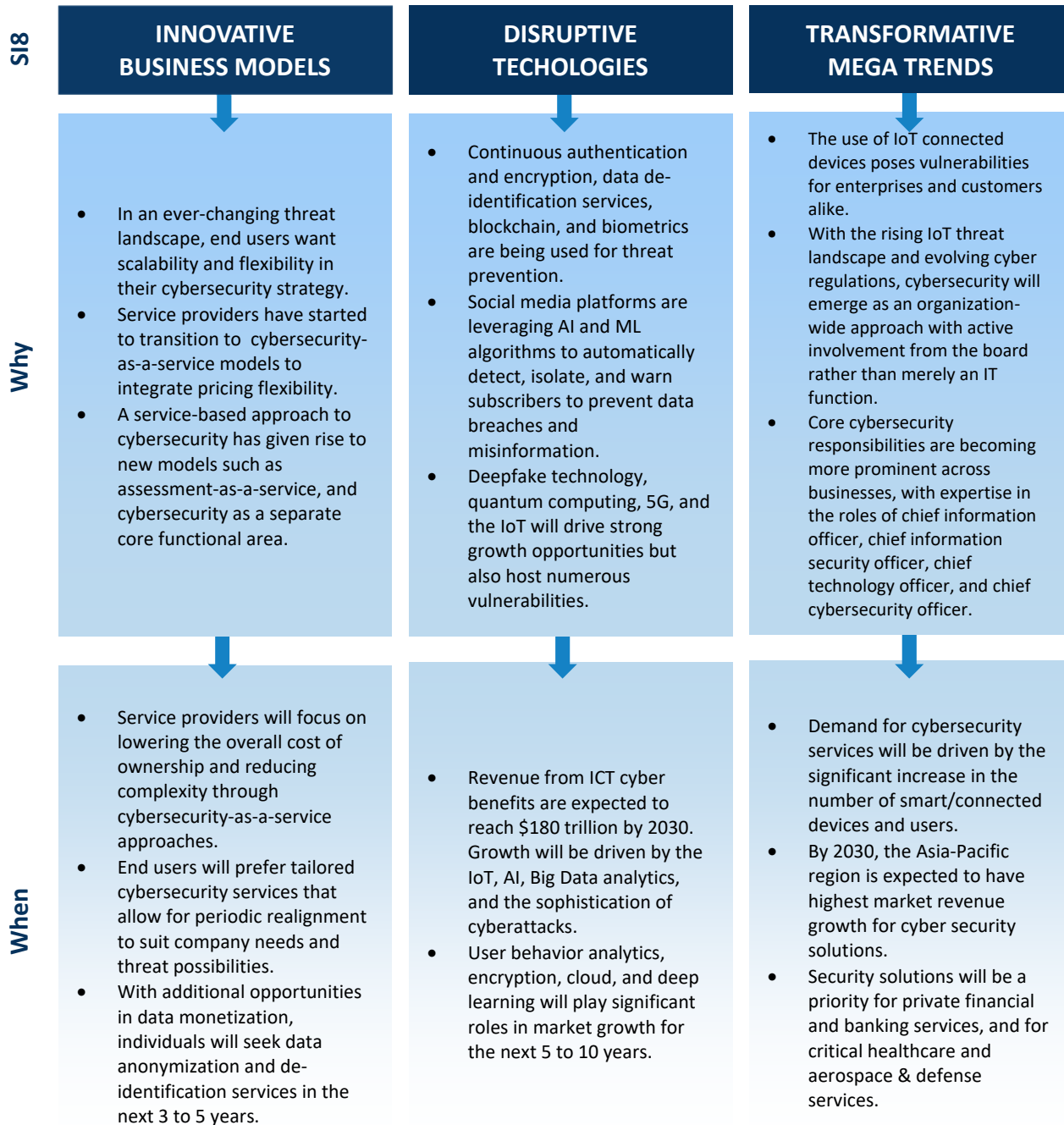
Market Leadership

Global Email Security Industry

Excellence in Best Practices

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 company. Proofpoint excels in many of the criteria in the Email Security space.

AWARD CRITERIA	
Growth Strategy Excellence	Technology Leverage
Implementation Excellence	Price/Performance Value
Brand Strength	Customer Purchase Experience
Product Quality	Customer Ownership Experience
Product Differentiation	Customer Service Experience

Growth Strategy Excellence

Email remains the number one threat vector. It is the predominant mode of corporate communication and remains the de facto standard for B2B and B2C communications. Moreover, given the surging trend of remote/hybrid work, organizations are increasingly harnessing cloud-based collaboration tools. As a result, people have become the new perimeter with attackers focused more on people than systems. Email-based attacks including malware and ransomware, as well as newer threats like business email compromise (BEC) and email account compromise (EAC) fraud are growing in sophistication and continue to affect organizations, both large and small. Frost & Sullivan notes that the most significant trend in the email security market is the acceleration of organizations' migration to the cloud. Increasingly, companies are adopting cloud-based mailbox services and migrating from on-premise servers to the cloud.

Frost & Sullivan recognizes the way that Proofpoint has successfully established the leading market position in email security by focusing on email and cloud application security. The company's email protection solutions are deployed and operate entirely as a cloud service. Proofpoint's long guiding principle is its commitment to a people-centric approach to security. The company's detection engine handles payload attacks of malware, ransomware, and non-payload BEC and EAC attacks.

The Proofpoint Threat Protection Platform integrates threat intelligence and layered controls across email, cloud, users and suppliers. This integrated platform enables organizations to reduce risk with highly effective protection against a myriad of threats (e.g., phishing, BEC or email fraud, malware and ransomware) while improving operational effectiveness of the security team. Frost & Sullivan analysts observe how Proofpoint is driving growth with its integrated platform by leveraging its unmatched depth and breadth of data, investing in new detection technologies, and delivering multi-layered defenses to protect the number one threat vector. The company offers seamless integration with other leaders of cybersecurity solutions to share intelligence and mitigate risk. Proofpoint has expanded its product portfolio, to also include Information Protection and Compliance & Risk solutions as part of the broader portfolio. Access to this data further improves the effectiveness of its email security through its integrated end-to-end platform.

Since 2015, Proofpoint's email security revenues have outperformed the overall market. Frost & Sullivan's own analysis concludes that the company is both the market leader in email security and a leader in market share gain.

Implementation Excellence

Proofpoint has an aggressive roadmap to deliver innovations and enhancements to its Threat Protection Platform. Advanced BEC Defense uncovers the most sophisticated email fraud attacks, including supplier invoicing attacks, and is powered by Proofpoint's next generation machine learning-based detection engine - NexusAI. The Supplier Risk Explorer dashboard detects compromised supply chain partners. Email Warning Tags drive user engagement by providing visual cues for end users to take extra precautions with suspicious email. Nexus People Risk Explorer gives security executives visibility into their people-centric risk and was announced in summer 2020 and is now general available. The company has a formal process of collecting customer feedback for product development, with a focus on customer satisfaction. The company's Healthcare Advisory Board, established in 2019, includes private and quasi-private agencies, healthcare systems, and pharmaceuticals companies (about 20 organizations, all top customers).

Product Differentiation

Proofpoint offers a comprehensive, integrated platform that enables organizations to implement layered email security controls. The Threat Protection Platform provides real-time protection through

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email and cloud threat detection powered by machine learning/AI that is trained with threat intelligence across email, cloud, network and more. Proofpoint also integrates post-delivery protection capabilities such as isolation and automated remediation of email threats as well as pro-active controls including email authentication and security awareness training . The platform also provides security teams with visibility into who their Very

Attacked People (VAPs) are, including how those people are being attacked, and who their risky suppliers are so security teams can prioritize and implement downstream controls to mitigate their risk.

Technology Leverage

Proofpoint also provides information protection and cloud security. They acquired ObserveIT (December 2019) for its insider threat management platform and to help extend its DLP capabilities to the endpoint. The company also acquired IntelliSecure (February 2021) to help customers implement DLP capabilities. Proofpoint Threat Protection Platform integrates its email gateway, advanced threat detection, automated remediation, isolation, email authentication, and user security awareness for comprehensive protection that reduces risk and security team workload. This is an integrated end-to-end platform.

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Proofpoint foresees the need for unified DLP. The company is building shared services to enable organizations to build their DLP policy once and utilize that policy across multiple channels quickly and easily.

Customer Ownership Experience

Proofpoint’s customer renewal rate is greater than 90%. Seventy percent of customers have 3 or more products. Proofpoint has a formal process of collecting customer feedback for product development, with a focus on customer satisfaction. The company engages its customers in key markets; the previously noted Healthcare Advisory Board is one example.

Brand Strength

Proofpoint holds a leadership position in the email security market and has continued to gain market share for the last several years. Customers choose Proofpoint for its overall product efficacy and real-time threat intelligence. Proofpoint clients include the majority of the F100, F1000 and G2000 as well as more than 140,000 small and medium sized businesses (SMBs) all over the world. Proofpoint strengthens its brand through media coverage related to the threat landscape. Using its view of the threat landscape, Proofpoint is able to glean unique insights to educate the market. These insights are shared via reports, webinars, and blogs. In 2020, the company covered threats relating to the shift in lures using Covid-19 related themes by hosting monthly webinars and giving a threat landscape update.

Conclusion

Frost & Sullivan applauds the way that Proofpoint has achieved the leadership position in the Email Security market with a market share of 27.2% in 2020. The company continues its trend of outperforming the overall market since 2015, gaining significant market share each year. Through a difficult year due to the turmoil and uncertainty of the COVID-19 pandemic, the company continues to drive growth through its innovations, key acquisitions, and investing 20% of revenues into R&D.

Proofpoint has an aggressive roadmap to enhance and expand its Email Gateway, integrated platform, and dashboards. The company continues to expand and improve its shared threat intelligence through more and more key partner relationships. The results for Proofpoint are that it has seen an annual renewal rate of over 90%.

With its strong overall performance, Proofpoint earns the 2021 Frost & Sullivan Global Market Leadership Award in the email security industry.

What You Need to Know about the Market Leadership Recognition

Frost & Sullivan's Market Leadership Award recognizes the company that achieved the greatest market share resulting from outstanding performance, products, and services.

Best Practices Award Analysis

For the Market Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Growth Strategy Excellence: Company demonstrates an ability to consistently identify, prioritize, and pursue emerging growth opportunities

Implementation Excellence: Company processes support efficient and consistent implementation of tactics designed to support the strategy

Brand Strength: Company is respected, recognized, and remembered

Product Quality: Products or services receive high marks for performance, functionality, and reliability at every stage of the life cycle

Product Differentiation: Products or services carve out a market niche based on price, quality, or uniqueness (or some combination of the three) that other companies cannot easily replicate

Technology Leverage: Company is committed to incorporating leading-edge technologies into product offerings to enhance product performance and value

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 are proud to 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 of high quality

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)**

