FROST & SULLIVAN

2024
COMPANY OF THE YEAR

IN THE SOUTH KOREAN ENDPOINT SECURITY INDUSTRY

FROST & SULLIVAN

BEST PRACTICES AWARD

2024

AhnLab

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. AhnLab excels in many of the criteria in the endpoint security space.

AWARD CRITERIA

Visionary Innovation & Performance	Customer Impact
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

AhnLab: South Korea's Leading Provider of Comprehensive Endpoint Security Solutions

Founded in 1995, AhnLab has become a cornerstone of South Korea's cybersecurity industry, leveraging nearly three decades of expertise to provide cutting-edge protection in an increasingly digital world. The company has built a strong reputation for delivering comprehensive endpoint security solutions, safeguarding individuals and organizations against various cyber threats, including malware, ransomware, and other vulnerabilities. AhnLab's innovative approach to cybersecurity ensures that it remains a trusted name in the industry, continuously evolving to meet the demands of modern digital threats.

"AhnLab's development of "AhnLab Annie" represents its forward-looking vision of using generative artificial intelligence (GenAI) to enhance cybersecurity. AhnLab's strategic integration of AI into its security solutions, including AhnLab XDR showcases its innovative approach to addressing modern cybersecurity challenges."

- Vivien Pua
Cybersecurity, Senior Industry Analyst

AhnLab addresses the growing complexity of cybersecurity threats through its Managed Detection and Response (MDR) service, designed to simplify threat management while offering clear, actionable insights. By consolidating multiple security capabilities, the MDR service enables faster and more efficient responses to complex threats. For added support, the premium package includes on-site technical assistance, enhancing the company's commitment to delivering a high level of service to its customers.

The company's endpoint security platform, known as the AhnLab EPP (Endpoint Protection Platform), integrates advanced threat detection with robust response methods, ensuring comprehensive monitoring of both confirmed and potential threats. Through its advanced technologies, innovative solutions, and deep commitment to cybersecurity, AhnLab continues to play a pivotal role in shaping the future of digital protection, offering clients the tools they need to stay ahead of evolving cyber threats.

Competitive Advantage in Advanced Threat Protection

With the growing demand for advanced threat detection, especially for threats often overlooked by traditional antivirus solutions, AhnLab fortifies its Endpoint Detection and Response (EDR) capabilities through AhnLab EDR. The company prioritizes customer education on EDR technologies, helping bridge the awareness gap while addressing sophisticated security needs. In its EDR 2.0 update, AhnLab introduced a seamless interoperation function, enabling smooth integration between its endpoint security solutions, AhnLab MDS (Malware Defense System), and its threat intelligence platform. This improvement enhances overall protection by combining EDR with other endpoint security products, creating a more comprehensive security ecosystem.

AhnLab offers a robust endpoint security portfolio with a platform-centric approach, which is represented by AhnLab EPP. The platform's comprehensive security modules include antivirus solutions for desktops and servers, endpoint patch management, security assessment, data protection, and device control. Also, the platform can be integrated with AhnLab EDR as needed. These offerings collectively deliver holistic protection, meeting the dynamic needs of businesses. Below is an overview of AhnLab EPP modules that exemplify its commitment to endpoint security and operational efficiency:

AhnLab V3: The AhnLab V3 suite has earned global recognition, achieving top-tier detection rates in evaluations such as AV-TEST and CC certifications. Leveraging a multidimensional analysis platform, the V3 products combine behavioral detection, cloud-based machine learning, and process memory scanning to dynamically identify and mitigate endpoint threats.

AhnLab EPP Patch Management (EPM): AhnLab EPM simplifies patch management by providing verified, safe patches through its dedicated patch lab. The solution maintains operational stability by limiting patch download sizes and offers offline patching options for air-gapped environments. This ensures comprehensive coverage for both connected and isolated systems.

AhnLab EPP Security Assessment (ESA): AhnLab ESA is designed to help organizations meet multiple security compliance requirements through a unified management approach. By consolidating deployment and operation under a single-agent platform, ESA reduces the complexity and burden of security management. It also leverages 70 assessment criteria to ensure comprehensive security compliance success.

AhnLab EPP Privacy Management (EPrM): AhnLab EPrM focuses on safeguarding personal data throughout its lifecycle, from creation to deletion. This centrally managed solution enables continuous monitoring and rapid responses to potential data breaches, providing an added layer of security for sensitive information.

AhnLab EPP Device Control (EDC): AhnLab EDC provides granular control over external device access to corporate assets and monitors the transmission of corporate data through connected endpoint devices. As such, the module delivers a robust defense against endpoint security risks inside and outside of the organization.

> *"AhnLab's solutions cater to domestic customers who seek comprehensive security within a single product. This all-in-one approach, tailored to each customer's security needs, is particularly well-received by organizations with stringent security standards."*
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> *- Norazah Bachok*
> *Best Practices, Research Analyst*

In addition to its endpoint offerings, AhnLab expands its capabilities with AhnLab XDR (eXtended Detection and Response). The XDR solution extends threat detection and response beyond EDR to cover third-party and heterogeneous products across diverse security domains. In operational technology (OT) security, the company's comprehensive security solutions for cyber-physical systems (CPS) delivers extensive asset visibility and powerful protection tailored for industries in need of IT-OT converged security.

Furthermore, AhnLab's development of "AhnLab Annie" represents its forward-looking vision of using generative artificial intelligence (GenAI) to enhance cybersecurity. Applied to AhnLab XDR, AhnLab Annie assists customers in making informed security decisions and managing security incidents effectively. AhnLab Annie exemplifies how GenAI is transforming cybersecurity operations, enabling more efficient and precise threat responses.

AhnLab's strategic integration of AI into its security solutions, including AhnLab XDR showcases its innovative approach to addressing modern cybersecurity challenges. By focusing on AI for security, security for AI, and GenAI, the company enhances threat detection, safeguards AI systems, and paves the way for AI-driven security management. With the release of AhnLab Annie, AhnLab reinforces its leadership in the cybersecurity field, offering cutting-edge, AI-powered solutions that empower businesses to stay ahead of potential threats.

Based on Frost & Sullivan's analysis, AhnLab's integration of these advanced features and proven expertise provides a competitive advantage. The company empowers organizations to protect their digital environments against evolving cyber threats while maintaining high levels of operational efficiency.

Innovative Approach in Customer Experiences

A key factor in AhnLab's continued success is its emphasis on enhancing the customer journey and refining touchpoints. The company prioritizes improving customer experiences by defining customer journeys clearly, segmenting its customer base, and implementing online and offline engagement programs. These initiatives aim to optimize purchase rates, track customer status, and improve lead generation. To support these efforts further, AhnLab integrates its website with customer service operations to reflect purchase history better and ensure consistency across four countries.

AhnLab's solutions cater to domestic customers who seek comprehensive security within a single product. This all-in-one approach, tailored to each customer's security needs, is particularly well-received by organizations with stringent security standards. Additionally, customer feedback highlights the strong alignment of the company's MDR service with advanced security requirements. Businesses benefit from

flexible support options such as shadow servers and on-site engineering assistance, improving satisfaction and driving requests for additional features.

By delivering customizable, highly effective security solutions, AhnLab continues to maintain its leadership position within the industry.

AhnLab's Strategic Growth

In 2023, AhnLab generated nearly $100 million (approximately 120 billion) in revenue from its endpoint security solutions in South Korea, reflecting a 5% growth over the previous year, outpacing the industry average of 3%.[1] This growth highlights the company's competitive advantage, driven by its platform-based approach in the EDR space. By integrating additional services, AhnLab offers comprehensive security solutions, allowing it to surpass competitors in innovation and revenue growth.

AhnLab's leadership strategy emphasizes demand generation in a highly competitive market. The company leverages content marketing automation, case studies, and lead generation tools to target new and existing customers. Its participation in domestic solution seminars and collaboration with the government on policy-related initiatives bolsters its market presence further. AhnLab's robust marketing automation strategy plays a crucial role in driving customer engagement, supported by six distinct marketing programs and approximately 80 offline events annually. The AhnLab Industry Security Forum stands out, inviting Chief Information Officers and Chief Information Security Officers to industry-specific discussions. Additionally, the company organizes local events across various South Korean cities (Daegu, Gwangju, Busan, Changwon, and Seoul) to strengthen customer relationships and expand market reach.

The company's channel program, with 55 domestic authorized partners, offers extensive engineer training and provides end-to-end customer support from pre-sales to post-sales, ensuring comprehensive service throughout the customer lifecycle. These initiatives solidify AhnLab's leadership in the South Korean endpoint security market.

AhnLab is also strategically expanding into the Asia-Pacific region, targeting markets with fewer political challenges to scale its solutions and achieve long-term growth across diverse geographies. By leveraging innovation, customer engagement, and targeted regional growth, the company strengthens its leadership in the endpoint security market, setting a strong foundation for sustained growth and broader market influence.

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[1] Frost & Sullivan interview with AhnLab

Conclusion

AhnLab's unwavering commitment to innovation, customer-centricity, and cybersecurity excellence has established it as a leader in endpoint security. With nearly three decades of expertise, the company provides robust protection against sophisticated threats, including malware and ransomware. Its advanced Endpoint Protection Platform (EPP) integrates anti-malware, threat detection and response, data protection, patch management, security assessments, and device control, delivering holistic protection tailored to diverse business needs.

The company's Managed Detection and Response (MDR) service simplifies threat management with actionable insights, while the AhnLab EDR 2.0 update enhances integration with other endpoint solutions, creating a seamless security ecosystem. AhnLab's expansion into eXtended Detection and Response (XDR) demonstrates its dedication to comprehensive cybersecurity, bridging information technology and operational technology. Furthermore, the introduction of "AhnLab Annie," powered by generative artificial intelligence, underscores its forward-looking approach to addressing evolving digital threats.

AhnLab's success also stems from its focus on customer experience, offering tailored security solutions and proactive support. Its strategic marketing and expansion into the Asia-Pacific region further highlight its growth-oriented vision.

With its strong overall performance, AhnLab earns Frost & Sullivan's 2024 South Korea Company of the Year Award in the endpoint security industry.

![Frost & Sullivan logo]

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 ongoing 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 6 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)