

F R O S T  S U L L I V A N



# 2022 COMPANY OF THE YEAR

*TAIWAN  
CYBERSECURITY SERVICES INDUSTRY*

## 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. CHT Security excels in many of the criteria in the cybersecurity service space.

AWARD CRITERIA	
<i>Visionary Innovation &amp; 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 and Visionary Scenarios Through Mega Trends*

Accelerated digital transformation and rapid 5G development have increased the number of Internet of Things (IoT) devices connecting to the network. These connected devices range from ordinary household objects, such as internet protocol cameras, televisions, and light bulbs, to medical devices and industrial tools. The proliferation of connected devices has expanded the attack surface, creating additional entry points for potential exploitation and severe security incidents, including data breaches, disruption to business operations, IoT botnet distributed denial-of-service (DDoS) attacks, and network outages.

CHT Security, Taiwan’s leading managed security service provider (MSSP) and a subsidiary of Chunghwa Telecom (the country’s largest telecommunications company), invests in IoT cybersecurity services and

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*– Vivien Pua,  
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innovations. Its service offering aims to secure IoT devices that empower a wide range of use cases for sustainable smart cities in Taiwan, including secure software development life cycle counseling in the development stage to help equipment manufacturers improve system security of the devices. The company also offers testing services in the delivery stage to detect possible entry points for attackers to exploit and continuous monitoring and management to respond to security incidents in real

time. CHT Security's strong commitment to introducing relevant services to secure connected devices and developing a secure IoT ecosystem differentiates the company from competitors.

CHT Security is actively involved in the Smart City Taiwan project, working closely with the government to build a safe and reliable smart city. With its strong industry expertise and cybersecurity capabilities, the company has accumulated more than 40 critical Common Vulnerabilities and Exposures in the past 2 years, many of which are related to IoT device vulnerabilities. CHT Security has also capitalized on its rich threat intelligence to introduce HiNet Cyber Threat Gatekeeper, a new cost-effective solution that helps organizations protect their IoT devices. Frost & Sullivan commends CHT Security for consistently rolling out innovative solutions that address the growing requirements for more robust IoT security.

### **Leadership Focus**

With the rapid adoption of new technologies, many businesses now embark on more complex hybrid and multi-cloud environments, expanding the enterprise attack surface. The complex information technology (IT) infrastructure and environment increase management overheads for organizations. Under the

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pressure of ever-changing regulations and industry requirements, IT and security operation teams have found monitoring and managing the entire IT environment more challenging. Enterprises increasingly seek trustworthy cybersecurity service providers to outsource security operations and improve overall security posture.

As a leading MSSP in Taiwan, CHT Security offers a broad service portfolio, including managed and professional security services, to meet the rising demand for reliable IT security. Its solutions include network and endpoint

security, vulnerability assessment, penetration test, source code security assessment, advanced persistent threat detection, cybersecurity health check, social engineering assessment, digital forensics, security operations center (SOC) as a service, and digital identity services.

CHT Security established the HiNet SOC in 2003 to provide security outsourcing services. Since then, the company has built extensive experience and an impressive track record in protecting enterprises and government bodies against all cybersecurity attacks. With significant investments in innovation and R&D, CHT Security stands out from its competitors in helping industries and customers manage security challenges while achieving broader business objectives.

### **Financial Performance**

Despite challenging and uncertain market conditions, CHT Security dominated the Taiwan cybersecurity service market in 2021, recording a healthy 21.5% year-over-year growth and a significant presence across verticals, including government, manufacturing, and business, financial services, and insurance. The company retained its leadership position as the largest MSSP in Taiwan because of its robust brand reputation as the security arm of the country's largest telecommunications provider.

CHT Security has positioned itself as the trusted security partner to key government agencies, participants in the critical infrastructure sector, financial service providers, and high-technology manufacturers. Its ongoing project opportunities cement the company's brand and reputation in Taiwan's MSS industry, distinguishing it from close competitors that usually find it difficult to penetrate highly regulated industries.

### *Customer Ownership Experience and Brand Equity*

CHT Security leads the cybersecurity service market with its holistic and extensive security service offerings that are strengthened by its established reputation, commitment to innovation, and continuous efforts in expanding its partnerships with technology vendors to better support customers.

In 2021, CHT Security partnered with Radware to safeguard leading gaming publisher NCSoft Taiwan from massive DDoS attacks during a game launch. Using CHT Security's expertise in delivering professional security services and Radware's DDoS protection solution, NCSoft Taiwan successfully mitigated the DDoS attacks and launched its new game without disruption. Frost & Sullivan applauds CHT Security's strong domain expertise in working closely with technology partners to deliver real-time support and trusted services against sophisticated cyberattacks.

## **Conclusion**

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CHT Security has differentiated itself in the competition with comprehensive security offerings, a solid reputation, and a commitment to innovation and providing reliable and quality services. It has carved a niche as the leading MSSP in Taiwan and the security arm of the country's largest telecommunications provider. Its continuous efforts in expanding its solutions and strategic partnerships have enabled it to achieve a competitive edge and remain the top-of-mind choice among enterprises and government agencies in Taiwan. Its robust business performance in 2021 amid a challenging business environment reflects its solidified market leadership position in the country. With its strong overall performance, CHT Security earns Frost & Sullivan's 2022 Taiwan Company of the Year Award in the cybersecurity service industry.

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

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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

