

EPSILON RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

*Identified as best in class in the Global
data centre connectivity 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. Epsilon excels in many of the criteria in the data centre connectivity 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

Epsilon Telecommunications: Developing Dependable, Agile, and Continuously Evolving Solutions

Drawing on two decades of unparalleled expertise in global network development, Epsilon (acquired by KT Corp [KT] and Daishin Private Equity in 2021) is among the few global telecommunications companies facilitating a comprehensive suite of connectivity and communication solutions (including data, colocation, satellite, and voice services) to enterprises, network operators and managed service providers. The company’s ability to offer private interconnect to a large ecosystem of Cloud and Internet Exchange (IX) partners in different geographic locations fortifies its market-leading position. Its cloud providers network encompasses renowned names, such as Alibaba Cloud, Amazon Web Services (AWS), Google Cloud, IBM Cloud, Microsoft Azure, and Oracle Cloud, specialized providers (KT Cloud, KINX IX Cloud, NHN Cloud, Naver Cloud, and Tencent Cloud), and software-as-a-service (SaaS) providers (SAP, Salesforce, ServiceNow, Webex, Office 365 and Zoom). Furthermore, Epsilon has access to more than 8,000 members from 10+ IX providers, allowing customers to easily connect to the world's major IXs.

Infiny: Epsilon’s NaaS platform

In 2015, Epsilon made a significant move into the future by pioneering the CloudLX Platform, which evolved into its network as a service platform, Infiny. Epsilon’s partners and customers can seamlessly connect to its providers’ ecosystem through Infiny and access numerous multi-cloud and IX connectivity and voice options with swift deployment and superior performance. Infiny makes it simpler and quicker

for customers to purchase and scale their network services. Epsilon's Infiny solution helps businesses switch from capital expenditure to operating expenditure models, minimizing network management and maintenance complexity. Customers benefit from Infiny, such as self-service, increased visibility, control over services, guaranteed high-quality service and experience, on-demand connectivity, and unified integration with existing infrastructures through its application programming interface (API)-powered framework.¹

Many organizations face the challenge of swiftly provisioning and scaling safe and reliable connections across numerous sites. In addition to addressing technical complexities, it is also essential to ensure connection visibility and optimal performance. These challenges can potentially raise costs and lower companies' output. To tackle these obstacles, Epsilon's trailblazing Infiny platform delivers a more accessible alternative to purchasing, operating, and enhancing connectivity services. Furthermore, organizations are increasingly toiling with the complexities of running and maintaining system infrastructures while trying to drive digital transformation solutions. To that end, Epsilon's Infiny

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- Gautham Gnanajothi
Global Vice President of Research

incorporates end-to-end network connectivity and management solutions, enabling customers to overcome challenges and handle many network services through a unified platform. By doing so, Infiny enhances network services' installation and management, condenses complications, and boosts operational efficiency.²

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swiftly, it also helps minimize risks, ultimately enabling it to stay ahead of the competition. Infiny's success has been pivotal in Epsilon's business development and competitive differentiation. Through an unmatched focus on constant growth, seizing early-mover opportunities, and continuously honing its platform, Epsilon has emerged as a frontrunner in facilitating businesses with front-line network automation and organization capabilities. In addition to helping customers optimize network management, Infiny enables them to swiftly adapt to market requirements and give momentum to their digital transformation.

Epsilon continues building upon its Infiny platform to create "Infiny 2.0" to enhance user experience. Some key initiatives in this space include service offering expansion, such as adding new market-specific cloud service providers, delivering layer three connectivity to applications, and on-demand provisioning of KT products and services as well as programmable real time voice services. Epsilon has also increased its focus on alliances and investing in API development. The company is growing the single pane of glass

¹ Frost & Sullivan's Interview with Epsilon

² Ibid.

approach, offering end-to-end visibility over multiple network technologies and providers for a single solution view. In addition, it enhances the procurement experience by creating customized user journeys and adapts and tailors for different communities, environments, and geographies to cater to evolving security regulations.

Frost & Sullivan's research indicates that Infiny perfectly embodies Epsilon's emphasis on continuous innovation that caters to industry and customer needs. This groundbreaking solution can transform data centre networking capabilities through operational excellence and cost-effectiveness. Infiny empowers customers with flexible acquisition and control of network services. The company's advanced solution helps data centre operators develop a cohesive strategy to support customers' cloud adoption and information technology (IT) modernization. Infiny takes Epsilon's technological superiority to the next level by helping data centre service providers monetize connectivity and generate new revenue streams. The company's robust partner program allows channel partners to resell Epsilon's services (data centre interconnection, cloud connect, remote peering, and voice services) and white-label Infiny; therefore, making Infiny indispensable to channel partners due to access to new revenue streams.

Best Practice Examples

Tokopedia, a leading Indonesian technology company, opted for Epsilon's secure and high-performance multi-cloud solutions to address the surge in electronic commerce (e-commerce) in Indonesia. Epsilon's Cloud Connect services, accessible via Infiny, supports Tokopedia with a scalable and flexible bandwidth solution to address the mounting e-commerce demands. Epsilon's cutting-edge technology empowered Tokopedia to deliver a secure marketplace platform to its massive network of "10+ million merchants and 100+ million monthly active users."³

Epsilon partnered with NetIX, a Europe-based carrier-class Ethernet exchange, to integrate both companies' Ethernet networks (through Infiny) to operate as a single end-to-end network with a global presence. This strategic collaboration enabled NetIX to scale its business with intelligent, flexible, and globally connected solutions while cutting operational costs. Using Epsilon's solution, NetIX acquired on-demand connectivity to 220+ data centres and cloud service providers and effortlessly kept an eye on multiple IXs without being physically present. As a part of this partnership, NetIX also leveraged Epsilon's North American footprint and added 46 new points of presence (PoPs) to its network, now covering over 200 PoPs in 66 cities, 35 countries, and six continents.⁴

Harnessing Mega Trends to Address Customers' Evolving Needs

Many factors contribute to Epsilon's preferred provider status, such as its ability to connect businesses to hard-to-reach places. Its global backbone supports high-capacity connectivity to 300 PoPs in 45 cities (within Europe, the Middle East, the United States, and Asia, including mainland China and Korea), helping companies reach even the most challenging locations. The company excels in tracking, studying, and understanding drivers of change impacting current market dynamics and mega trends that will influence future market requirements. Epsilon's approach towards identifying and capitalizing on growth

³ <https://newswire.telecomramblings.com/2021/05/tokopedia-partners-with-epsilon-to-serve-e-commerce-boom-across-indonesia-with-secure-multi-cloud/>

⁴ <https://epsilontel.com/case-studies/extending-carrier-grade-global-connectivity-through-partnership/>

opportunities reflects in its close customer proximity and meticulous voice of customer analysis. The foundational element of the company's ethos is not simply delivering a product but a holistic solution and substantial value to its customers. Epsilon integrates software-defined wide area network (SD-WAN) and SASE solutions alongside its underlying networks, such as internet protocol, virtual private network, Ethernet, and cloud connectivity. This capability allows customers to connect their locations, prioritize applications, and manage their network. The company further enhances its reliability and accessibility quotient by linking traffic to its network at the closest possible point. Thus, it harnesses public cloud infrastructure as a gateway between the public internet and Epsilon's private network. By doing this, the company can direct traffic to and from different endpoints with amplified security levels.⁵

Regarding its Ethernet network, Epsilon is tracking the Metro Ethernet Forum Lifecycle Service Orchestration framework. This approach allows the company to stimulate digital transformation by delivering service automation, optimizing service delivery, and aggrandizing customer experience.

Frost & Sullivan's research on Epsilon signifies that the company's ability to identify and address customers' unmet and evolving needs fortifies its competitive edge. Remote and hybrid work models have become progressively common, catalyzing new problems for IT security teams in securing networks. This is a direct result of a regionally dispersed workforce accessing applications hosted in company data

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centres and SaaS applications across various devices. To address these issues, Epsilon works closely with SD-WAN and secure access service edge technology partners (such as Z-scaler, Cisco, Aruba, and Cato Networks).

Harmonizing with the increased demand for a multi-cloud environment, Epsilon has teamed up with Aviatrix to facilitate customers with a single pane of glass for handling connectivity across multiple clouds and streamlining network operations. Customers can promptly install and oversee network connectivity in various cloud platforms, including AWS, Azure, Google Cloud Platform, Alibaba Cloud and Oracle Cloud. Epsilon's multi-cloud connectivity services and Aviatrix's secure cloud networking expertise deliver

elevated flexibility and efficiency levels to customers' cloud networking strategies. Harnessing Epsilon's expansive network reach and Aviatrix's leading-edge multi-cloud networking platform, customers can effortlessly connect and control their applications and data across different cloud environments. This collaboration empowers companies to maximize the power of multiple cloud providers while maintaining control, visibility, and security through a single portal.⁶

It is a known fact that Asia-centric cloud providers are experiencing strong demand growth, and South Korea has emerged as a strategic country for international trade and commerce. The country is also an

⁵ Frost & Sullivan's Interview with Epsilon

⁶ Ibid.

important information and communication technology hub in Asia, with easy access to other regional main markets. South Korea's financial market is the fourth largest in Asia; anticipated to sustain expansion in the coming years. Owing to these factors, the need for direct connectivity in and out of South Korea has increased; Epsilon is positioned perfectly to address these needs.⁷

In 2022, Epsilon launched three new PoPs in Seoul at MokDong IDC 2, KINX Gasan IDC, and KT Hyehwa. This excellent development adds to the company's uniqueness, helping it provide customers with direct connectivity to South Korea's digital infrastructure and ecosystems. With the new PoPs, Epsilon has magnified its service and quality levels while solidifying its regional presence.⁸

Epsilon quickly identified that businesses are expanding internationally to reach customers regionally, and there is a surging need for global distribution of content and services. To address this market development, Epsilon facilitates adjustable, flexible, and unswerving networks that manage large volumes of traffic and content across multiple regions and users. Additionally, the company has enlarged its presence in data centre interconnects and Internet exchanges (IXs), efficiently and securely delivering content to end-users globally.⁹

Epsilon also focuses on businesses' lingering struggle with little visibility into network health and performance, obstructing them from adapting to change and quickly resolving problems. The company solves this challenge through a comprehensive data dashboard that integrates insights into health, status, and other vital indicators, enabling customers to make mindful decisions.

Another solid demonstration of Epsilon's commitment to meeting and exceeding customer requirements is addressing the escalating demand for colocation services in Singapore and supporting businesses with the necessary infrastructure. The company is also accelerating businesses' overseas expansion and data centre footprint into other markets in the Asia Pacific region, including mainland China.

With regards to Voice services, Epsilon was early to recognize the potential for real-time communications platform as a service, adapting its Infiny platform to present programmable numbering as an on-demand resource for the Communications Platform as a Service (CPaaS) community. This opened up a new direct and indirect addressable market for many application-driven service providers who utilize real-time communications, such as UCaaS providers and taxi ride services.

Frost & Sullivan recognizes Epsilon for its deep understanding of customers' requirements and proactive approach to monitoring industry trends. Its robust customer-centric strategy guides its technology roadmap and helps enrich its solutions to sustain its innovative advantage.

A People-centric Approach Driving Unmatched Client and Employee Experiences

Epsilon excels in implementing best practices to galvanize customer value. With its customer-centric corporate philosophy, the company operates on the central tenet that its success hinges upon customer satisfaction. This philosophy permeates every aspect of Epsilon's daily operations. Epsilon actively engages with customers to assess their unique needs thoroughly and crafts tailored solutions with

⁷ Ibid.

⁸ <https://www.thefastmode.com/investments-and-expansions/29018-kts-epsilon-launches-three-pop-across-south-korea>

⁹ Frost & Sullivan's Interview with Epsilon

roadmaps for seamless execution. This foundational approach helps the company establish customer trust and foster long-lasting relationships throughout the solution lifecycle. To maintain code quality and pinpoint errors early on, Epsilon embraces test-driven development. Furthermore, the company retains regular customer interactions and feedback to understand customers' pain points and preferences better. This approach promotes a strong sense of ownership, augments the development process, and enables Epsilon to single out its areas of improvement.

Epsilon uses Net Promoter Score (NPS) to measure customer satisfaction and loyalty. In 2022, its NPS exceeded 57, double the industry standard.¹⁰ This high score attests to the company's commitment to excellence in service delivery, quality, and user experience, ultimately setting it apart from competitors. In addition, the increased NPS indirectly catalyzed a higher revenue expansion than the industry average. In 2022, Epsilon realized 15.5% growth, above the industry average growth rate. Epsilon's impressive growth momentum and trajectory testify to its business' superiority and customer-centricity.

Epsilon targets its innovation initiatives to support its customers as their requirements shift. The company bolsters its industry-leading position by making its offerings more compelling and easier to implement. Epsilon simplifies the purchase experience and facilitates user-friendly interfaces and exceptional customer support post-deployment.

As a service-oriented business, Epsilon places high importance on its employees' professional development and training, which has helped the company succeed throughout the last 20 years. Furthermore, Epsilon nurtures its employees with growth opportunities, cultivating a culture of learning. Moreover, the company promotes a healthy work-life balance through flexible schedules and other measures. Its fundamental values foster a company culture where employees feel Epsilon's leaders care about their accomplishments and wellness. This people-centered framework promotes employee well-being and indirectly translates into customer value enhancement.

Augmenting Brand Equity with Strategic Initiatives

Epsilon's brand name is synonymous with technology excellence, innovation, and, most importantly, customer focus. The company's product positioning strategy and the effectiveness of its customer-centric approach toward product development have played a vital role in enhancing its brand image globally. The company has generated excitement and anticipation among its customers, who are trying to gain a competitive edge by engaging with state-of-the-art, futuristic technologies. Epsilon prioritizes building and fortifying its brand equity; it actively integrates strategies that magnify its reputation. For example, the company revised its tagline from "Connectivity Made Simple" to "Interconnecting Your World." This change better represents Epsilon's dedication to globally empowering customers to seamlessly interconnect to the cloud, IXs, office locations, and remote users. In 2023, the company is celebrating its 20th anniversary and using this milestone to augment its brand visibility through celebratory events with valued customers.

Epsilon actively partakes in major conferences and events both in EMEA and APAC. Understanding that social media presence is a significant factor in sustaining visibility and prominence, the company diligently fortifies its social media activities. This proactive approach allows Epsilon to engage with stakeholders and

¹⁰ Frost & Sullivan Presentation and Initial Call (Epsilon, April 2023)

exhibit its expertise and unique selling points. Epsilon's current media and publication share of voice has reached 31%, and its social media followers and engagement score ranks as one the highest among its competitors.¹¹

Frost & Sullivan acknowledges Epsilon's dedication to maintaining a reputable brand image through strategic initiatives and believes the company is well-positioned to drive the data centre connectivity space into its next growth phase.

Conclusion

Epsilon has become a renowned name in the data centre connectivity market. Its cutting-edge network-as-a-service platform, Infiny, facilitates many customer benefits that other market players cannot easily duplicate. Epsilon's technology success stories showcase the excellence, value, reliability, and quality the company integrates into its offerings.

Epsilon's preferred provider status results from its ability to leverage mega trends to identify and pursue growth opportunities. It employs several technologies to fortify its business architecture, providing customers with a reliable connection and contributing to their digital transformation journeys. Furthermore, the company closely works with customers to understand their unique needs and customize solutions accordingly. This foundational approach helps the company establish customer trust and foster long-lasting relationships throughout the solution lifecycle. Epsilon's high net promoter score (57+ in 2022) confirms its commitment to delivering industry-leading customer experience.

Overall, Epsilon addresses customers' unmet needs with a robust leadership focus that integrates customer-centric strategies and demonstrates best practice implementation. The company remains a trusted partner, earning a reputation for offering the overall best in the market.

For its strong overall performance, Epsilon earns Frost & Sullivan's 2023 Global Company of the Year Award in the data centre connectivity industry.

¹¹ Frost & Sullivan's Interview with Epsilon

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™.

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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)**

