



Security
Standards Council®



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Schwarz Group Worldwide

Overview of the Retail Presence

3.6 BILLION TRANSACTIONS
PER YEAR



We are part of the daily lives of millions of people.

We are present on an international level.



Retail Group

Pioneer and pacemaker

Over

575,000

employees world-wide

of these, 204,000 are in Germany

Round

7.2 billion

store customer

at Lidl and Kaufland

Represented in 32 countries,
Lidl and Kaufland together have
round



13,900

stores

The companies of Schwarz Group achieved more than



167.2 billion euros

sales* in fiscal year 2023

*Net sales in fiscal year 2023 (includes all sales under commercial law incl. other revenues)

PCI

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Implementing Point-to-Point Encryption (P2PE)

Group's Strategic Goals vs. Payment Solutions



Goal Alignment

Aligning payment solutions with broader strategic goals, emphasizing security, compliance, and operational efficiency.

Innovation

Emphasizing the need for innovative, scalable, and adaptable payment solutions.

Future Readiness

Preparing the technology in place and supporting infrastructure for future technological advancements and regulatory changes, ensuring long-term sustainability.

Implementing Point-to-Point Encryption (P2PE)

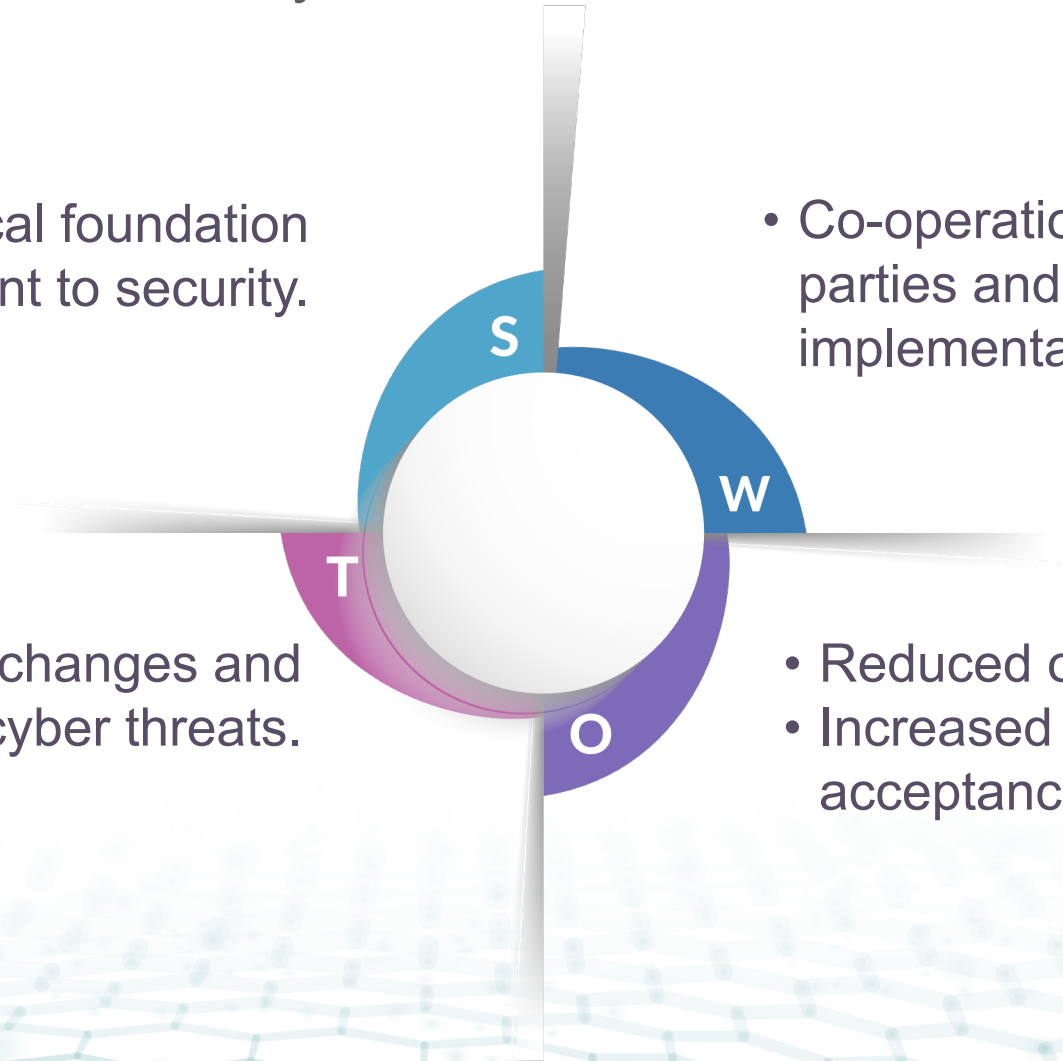
Group's Strategic Goals vs. Payment Solutions

- Strong technological foundation and commitment to security.

- Co-operational from multiple parties and complexity of implementation.

- Regulatory changes and evolving cyber threats.

- Reduced offline transactions.
- Increased availability of card acceptance



Challenges of Implementing Resilience

Top 6 Resilience Challenges



- Regulatory Challenges
- Technology Limitations
- Customization Needs



- Hardware Agnostic Solutions
- Multi-Processor Capability
- Provider Switching



- PIM Management
- Service Consistency
- Audit Fatigue

Challenges of Implementing Resilience

Top 6 Resilience Challenges



- Costs associated with audit
- Contractual clauses
- Vendor relationships



- Terminal Ownership
- Inventory Tracking
- Operational Impact



- P2PE compliance requirements
- Continuous monitoring

“Instead of thinking outside the box, get rid of the box.”

- Deepka Chopra

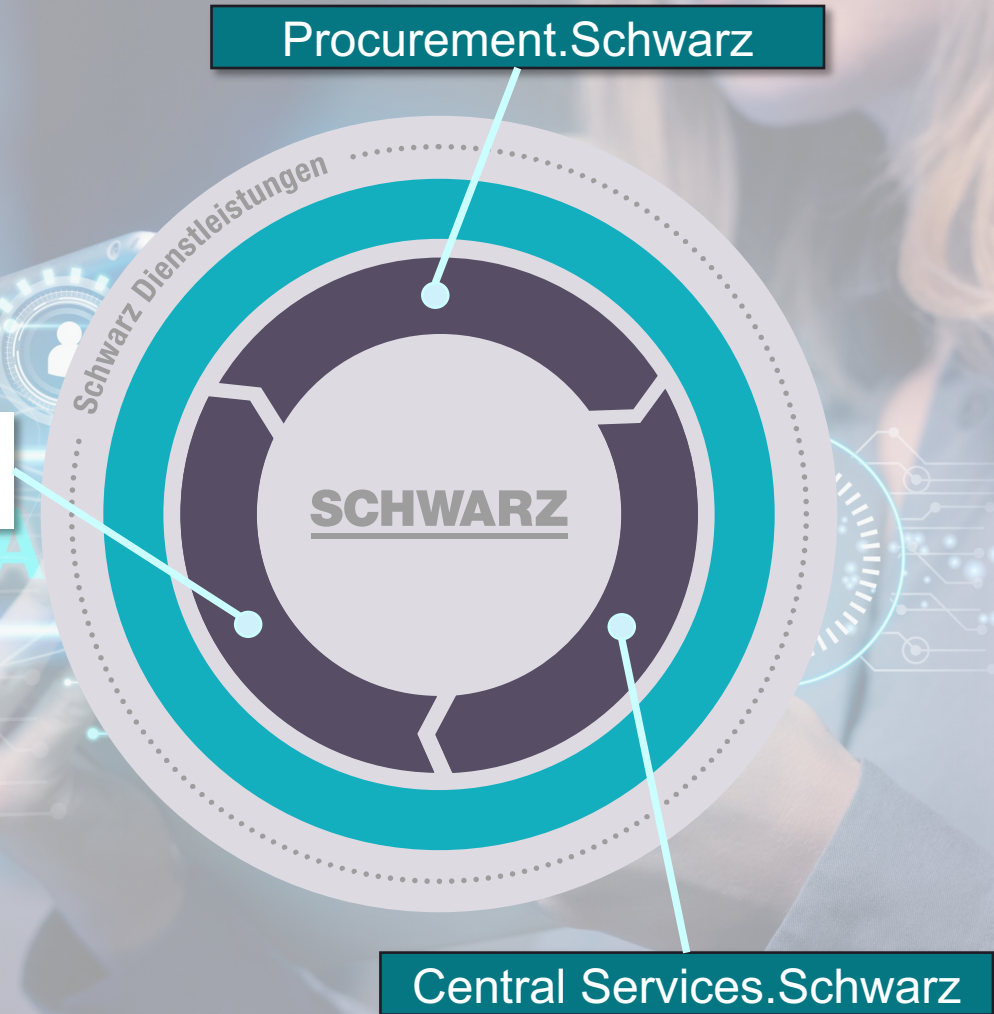


Solutions Driven Teams

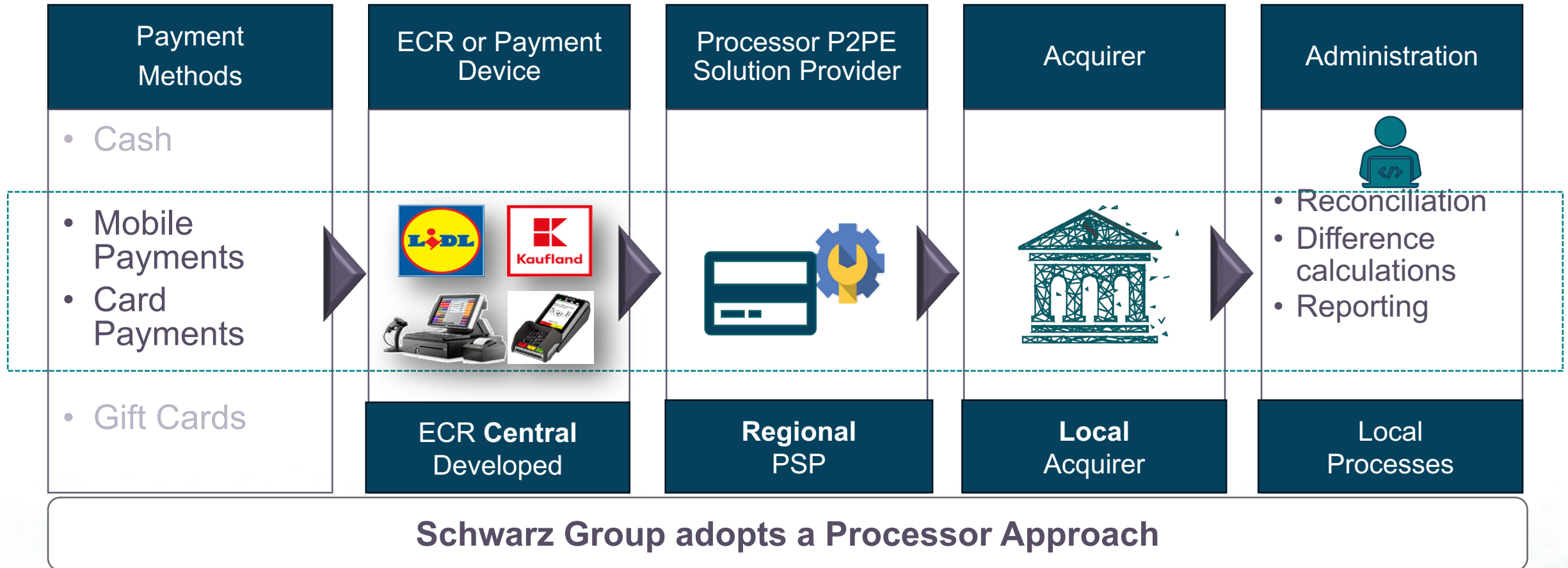
Collaboration Across Functions

The cross functional team has 4 main roles:

- Standardization
- Project Management
- Consulting
- Governance

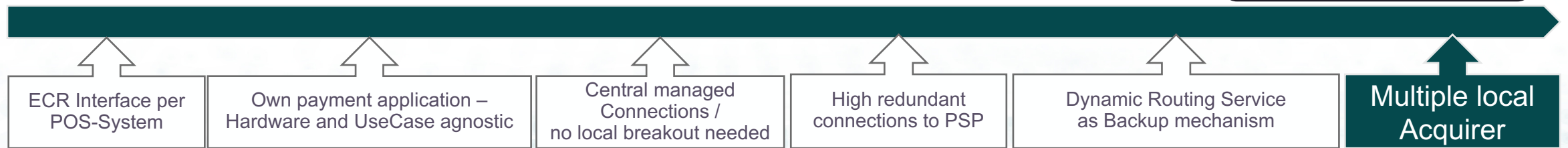
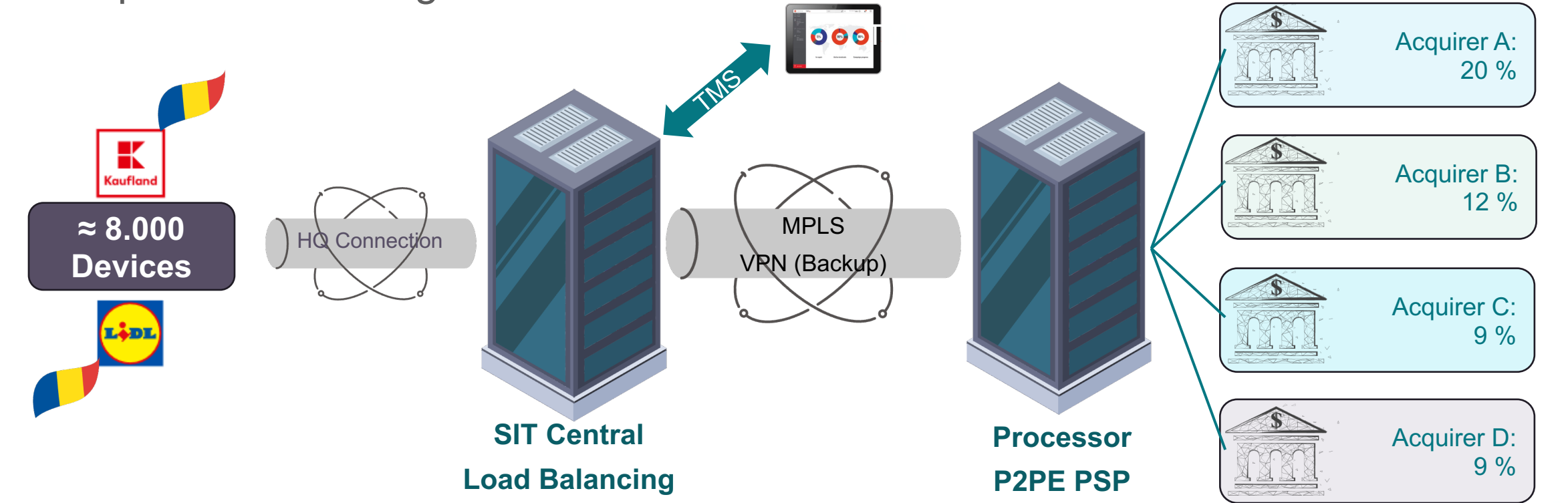


Main Card Payment Strategy



Centralized Unified Card Payment Solution

Example of an existing solution



Enhancing Payment Solution Flexibility

What Are the Builders vs. Blockers



Unified Platforms

Using unified payment platforms that support multiple processors/ acquirers and hardware configurations.

Integration Capabilities

Enhancing integration capabilities to allow seamless switching between different payment solution providers.

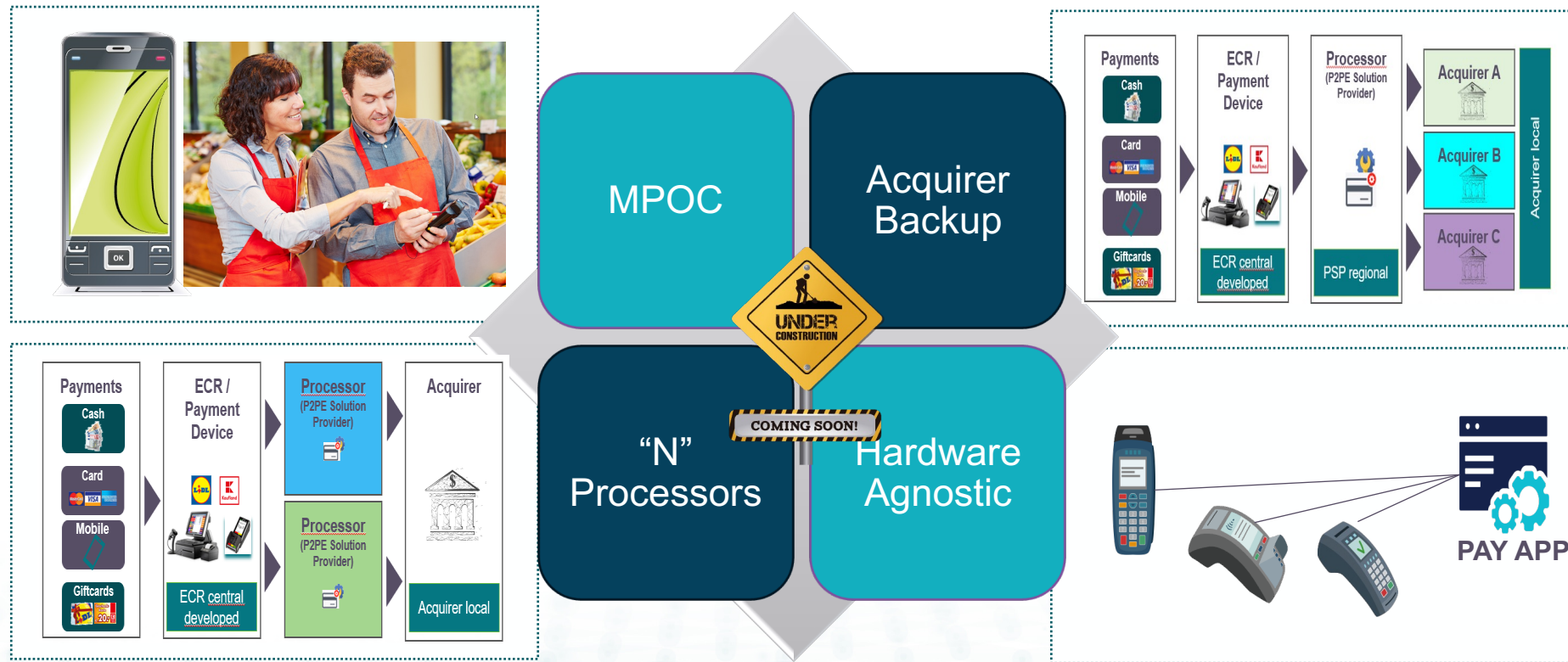
Future-Proofing

Ensuring solutions are adaptable to future technological advancements and regulatory changes.



What's Next.....

Key Questions whilst on the Journey to Resilience



Key Takeaways

Holistic Integration

- The centralized unified card payment solution ensures compliance with global and local regulations, enhancing security and efficiency.
- P2PE once implemented as an accepted standard, helps to scale existing solutions for further Use-Cases.
- The standard provides a common way to collaborate with partners for a common understanding
- Our Backup strategies ensures resilience due to external influences without neglecting security aspects
- No compromises in the availability of core processes and security
- The implementation of P2PE methodology resulted in reduced PCI DSS scope, enhanced data protection, and cost efficiency, showcasing the enduring benefits of a secure and compliant payment environment.

Global
Compliance

1

P2PE
Implementation

2

Resilience

3

Long-Term
Benefits

4



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