

Companies of Schwarz Group and Google to Sign Partnership to Jointly Deliver Sovereign, Secure Workplace Productivity Solutions for Germany and Europe

- Schwarz Digits' Cloud STACKIT will provide local data storage for Google Workspace and offer client-side encryption, delivering a sovereign and secure workplace productivity solution with XM Cyber as the embedded security layer.
- The partnership will integrate XM Cyber's Continuous Exposure Management with Google Cloud's Security portfolio to develop a new joint security offering targeted at public and private sector organizations.
- The companies of Schwarz Group with 575,000 employees will transition to Google Workspace to maximize security, efficiency, and control of its data sovereignty.

Neckarsulm, 14. November 2024 – Google and the companies of Schwarz Group today announced plans for a long-term partnership. The strategic partnership will cover major dimensions for secure and sovereign digital transformation, including best-in-class collaboration and productivity solutions and advanced cyber security offerings in Germany and Europe.

“For future viability in the digital age, it is essential to find partners who are truly willing to shape digitization together,” said Gerd Chrzanowski, General Partner Schwarz Group. “In Google, we found a partner that develops joint solutions with us on an equal footing, provides transparent insights and makes clear commitments. We’re looking forward to shaping digital transformation for Germany and Europe together with Google in a transparent, secure and sovereign way.”

“This new partnership will enable the companies of Schwarz Group to combine its leadership in digital transformation with Google Cloud's strengths in productivity, collaboration and security, enabled by our cutting-edge AI,” said Sundar Pichai, CEO of Google and Alphabet. “Together, we are opening up a world of new, sovereign opportunities for European organizations to innovate and build on our joint solutions, accelerating a new era of innovation.”

Google Workspace in combination with Schwarz Digits' Cloud STACKIT

The planned partnership will deliver truly secure and sovereign cloud-based collaboration solutions for German and European regulated industries, including financial services, healthcare, and the public sector. As part of the solution, STACKIT will offer customers the option to enable client-side encryption of their Google Workspace data – including sensitive and confidential data in regulated industries – through its own cloud platform, prohibiting third party access, including Google

itself. Customers' data will remain resident within the European Union (EU), with full redundancy offered by backups hosted solely in STACKIT's European data centers to meet customer demands around data protection, data residency, and data resiliency.

"Germany and the EU have until now lacked enterprise-grade cloud collaboration solutions that fully address the sovereignty requirements of regulated industries, including ensuring all data is secured and backed up on local soil with absolutely no opportunity for access by foreign nations or platform providers," said Rolf Schumann, Co-CEO of Schwarz Digits, the IT- and digital division of Schwarz Group. "Our partnership and new offering with Google Cloud will fill this gap with an entirely new business model."

With client-side encryption, customers have sole control over their encryption keys—and thus complete control over all access to their data, and even Google as a platform provider has no access. This safeguards the sovereignty of not only the companies of Schwarz Group, but also all customers who value the independence of their operations, giving them full confidence that their data is always in their control.

Best-in-class offering for digital resilience with Google Cloud and XM Cyber

The partnership also addresses collaboration in the field of cyber security, with a goal of helping customers establish a strong foundation for cyber readiness and resilience.

First, Google Cloud's security solutions will be integrated with those of XM Cyber, Schwarz Digits' hybrid cloud security company, and the joint offering will be distributed to customers via the Google Cloud Marketplace. These advanced security solutions will help German and European organizations, particularly those in highly regulated industries, raise the bar on their enterprise and multicloud security. In addition, XM Cyber's Continuous Exposure Management will be embedded into the sovereign Google Workspace solution offered to European enterprises.

"This partnership changes the game for regulated industry players in Europe by removing the sovereignty and security concerns that often hold back more ambitious adoption of the cloud for productivity and collaboration," said Thomas Kurian, CEO, Google Cloud. "Our alliance with companies of Schwarz Group will enable entire industries in Europe to deliver digital innovation with security and compliance at its core."

Workforce transformation at continental scale

The companies of Schwarz Group itself will adopt a similar approach as it transitions its global office workforce to the Google Workspace solution. This will ensure that critical workplace data can be protected against third party access including foreign government institutions, and also transferred to alternate service providers if needed.

"Switching to Google Workspace is an important step for us out of legacy and into innovative, efficient and future proof cloud-based collaboration," said Christian Müller, Co-CEO of Schwarz Digits. "Google Workspace is the most secure and reliable productivity platform in the industry today,

and we expect our organization-wide migration to have significant flow-on benefits to all areas of operations from simplifying IT management to rendering our point-of-sale workflows significantly more efficient.”

Additional Information

For further information on Schwarz Digits, see www.schwarz-digits.de/en/presse.

For further information on the Schwarz Group, see www.gruppe.schwarz/en/press.

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About Schwarz Group

Schwarz Group is an international leader in the retail industry with about 13,900 stores and 575,000 employees in 32 countries. In the 2023 fiscal year, the companies of Schwarz Group generated a total sales volume of 167.2 billion euros. Their unique ecosystem lets them cover the full value cycle: from production and retail to recycling and digitalization. They create solutions to make the lives of billions of people safer, healthier and more sustainable, both right now and in the future – they act ahead.

Lidl and Kaufland form the pillars of the food retail market and are an integral part of their 7.2 billion customers' daily lives. Many of the own-brand products and much of the sustainable packaging on their shelves come directly from Schwarz Produktion. Through its recycling management solutions, the environmental service provider PreZero promotes a functional circular economy and is investing in a clean future. The IT and digital division, Schwarz Digits, provides compelling digital products and services that meet the high German data protection standards, thus ensuring the maximum degree of digital sovereignty. As a partner service provider, Schwarz Corporate Solutions assist the companies of Schwarz Group with all matters related to administration, HR, operational activities and everything in between.

About Schwarz Digits

Schwarz Digits is the IT and digital division of Schwarz Group. It offers compelling digital products and services that meet Germany's high data protection standards. Schwarz Digits thus guarantees the greatest possible digital sovereignty. With this claim, Schwarz Digits provides the IT infrastructure and solutions for the extensive ecosystem of the companies of Schwarz Group and develops it further for the future. Schwarz Digits creates optimal conditions for the development of trend-setting innovations for end customers, companies and public sector organizations. Schwarz Digits includes 7,500 employees of the brands Schwarz IT, Schwarz Digital, STACKIT, XM Cyber, Lidl e-commerce, Kaufland e-commerce, Schwarz Media and mmmake.

About Google

Google's mission is to organize the world's information and make it universally accessible and useful. Through products and platforms like Search, Maps, Android, Google Play, Chrome, YouTube, Google Workspace, and Google Cloud, Google plays a meaningful role in the daily lives of billions of people and has become one of the most widely-known companies in the world. Google is a subsidiary of Alphabet Inc.

About Google Cloud

Google Cloud is the new way to the cloud, providing AI, infrastructure, developer, data, security, and collaboration tools built for today and tomorrow. Google Cloud offers a powerful, fully integrated and optimized AI stack with its own planet-scale infrastructure, custom-built chips, generative AI models and development platform, as well as AI-powered applications, to help organizations transform. Customers in more than 200 countries and territories turn to Google Cloud as their trusted technology partner.