



pressrelease

Gemalto protects banks and card issuers against Card-Not-Present fraud with next generation payment security solution

Dynamic Code Verification: Dynamic CVV/CVC solution available in both mobile and card formats

Amsterdam, Oct. 13, 2015 – Gemalto (Euronext NL0000400653 GTO), the world leader in digital security, announces the launch of *Dynamic Code Verification*, a comprehensive payment security solution that protects against Card-Not-Present (CNP) fraud on-line and ensures an easy user-experience cardholders have come to expect. This complete dynamic CVV/CVC solution includes an EMV payment display card that secures traditional in-store and eCommerce payments, ATM withdrawals, a mobile version, a validation server and associated services. The mobile offer is unique to Gemalto, supporting the digital vision of banks with mobile at the forefront of their business strategies.

The solution allows issuers to replace the static 3-digit visual cryptogram traditionally used for online purchases with a time based dynamic CVV/CVC displayed on the customer's payment card or on their mobile. The code changes every 20 minutes, dramatically enhancing the security level of online transactions.

The Nilson Report estimates that total global fraud losses were \$16.31 billion in 2014, a rise of 19% year-on-year. CNP fraud accounted for 25% of this figure, and is set to increase significantly. Banks have started to introduce solutions that provide a higher level of security but these can still be time consuming and impact on the overall customer experience. As a result the shopping cart abandonment rate is staggering, with 68% of online transactions initiated not completed.

Gemalto is the only company able to provide a fully integrated solution banks can implement easily, either in the physical card or mobile version, and with minimal cardholder education required. The enhanced security level reduces costs associated with CNP fraud management and delivers higher customer retention.

Consumer study and user testing recently conducted by an independent market research firm has demonstrated that end users intuitively understand the security benefits of this display bank card and are more likely to use this bank card as their first choice for everyday card transactions. Enhanced technology also delivers a long product lifecycle, with battery life typically extending to four years

"Gemalto's Dynamic Code Verification solution provides banks with complete flexibility to meet individual customer preferences – card or mobile – and refine their customer segmentation model while maximizing reach," said Håkan Nordfjell, Senior Vice President of eBanking and eCommerce at Gemalto. *"Gemalto is unique in being able to offer banks a complete CNP security solution, further supported by an extended portfolio of services such as consulting, integration, personalization and fulfilment."*

About Gemalto

Gemalto (Euronext NL0000400653 GTO) is the world leader in digital security, with 2014 annual revenues of €2.5 billion and blue-chip customers in over 180 countries.

Gemalto helps people trust one another in an increasingly connected digital world. Billions of people want better lifestyles, smarter living environments, and the freedom to communicate, shop, travel, bank, entertain and work – anytime, everywhere – in ways that are enjoyable and safe. In this fast moving mobile and digital environment, we enable companies and administrations to offer a wide range of trusted and convenient services by securing financial transactions, mobile services, public and private clouds, eHealthcare systems, access to eGovernment services, the Internet and internet-of-things and transport ticketing systems.

Gemalto's unique technology portfolio - from advanced cryptographic software embedded in a variety of familiar objects, to highly robust and scalable back-office platforms for authentication, encryption and digital credential management - is delivered by our world-class service teams. Our 14,000 employees operate out of 99 offices, 34 personalization and data centers, and 24 research and software development centers located in 46 countries.

For more information visit www.gemalto.com, www.justaskgemalto.com, blog.gemalto.com, or follow [@gemalto](https://twitter.com/gemalto) on Twitter.

Gemalto media contacts:

Philippe Benitez
North America
+1 512 257 3869
philippe.benitez@gemalto.com

Peggy Edoire
Europe & CIS
+33 4 42 36 45 40
peggy.edoire@gemalto.com

Vivian Liang
大中华地区 (Greater China)
+86 1059373046
vivian.liang@gemalto.com

Ernesto Haikewitsch
Latin America
+55 11 5105 9220
ernesto.haikewitsch@gemalto.com

Kristel Teyras
Middle East & Africa
+33 1 55 01 57 89
kristel.teyras@gemalto.com

Pierre Lelievre
Asia Pacific
+65 6317 3802
pierre.lelievre@gemalto.com