

Press Release

Artificial Intelligence: Companies of Schwarz Group Invest in Aleph Alpha

- **Security for sensitive applications: Promoting sovereign AI technology in compliance with European data protection standards**
- **Diverse range of potential to apply AI along the Schwarz Group's entire supply chain**
- **"AI Codex" as basis for collaboration—in house and with partners**

Neckarsulm, 6 November 2023 – Technology is fundamentally changing our everyday life, society, and business. In the companies of Schwarz Group, technological innovations play an important role in terms of expanding their position as one of the world's leading retail groups. Secure and sovereign AI is a key technology in this regard.

For this reason, the companies of Schwarz Group, together with six other investors, are participating in the second funding round for Aleph Alpha, the leading developer of artificial intelligence in Germany. The investment is intended to promote AI technology in compliance with European data protection standards and to translate it into practice. The investment will contribute to advancing AI research and to accelerating the development and commercialization of generative AI and large language models for complex and critical applications. In doing so, artificial intelligence can also be used in sensitive sectors, such as critical infrastructure, as well as along the Schwarz Group's entire supply chain.

"Artificial intelligence is omnipresent. The reason why we are investing in Aleph Alpha is to study it and use it responsibly. We aim to build trust in this technology and to integrate it more and more into our everyday lives. The technology developed by Aleph Alpha meets our requirements for sovereignty in line with our corporate values and is a perfect match for our sovereign cloud and cybersecurity solutions. Our goal is to improve the customer experience in the long term and to simplify the work of our employees," explains Rolf Schumann, Co-CEO of Schwarz Digits.

Great Potential for Using AI in the Schwarz Group: Clear Code of Ethics

Artificial intelligence can be used to streamline processes in all divisions and areas of the Schwarz Group: from administrative and retail processes to food production and recycling. Furthermore, the technology also has the potential to optimize the customer experience and improve customer service.

For the companies of Schwarz Group, it is imperative that the use and development of a sovereign AI be secure, fair, explainable, and reliable. These values were manifested in a jointly developed code of ethics, the “AI Codex” of the companies of Schwarz Group, which is also a requirement for collaborating with partners. In this internal codex, the companies of Schwarz Group explain the conditions that apply when using AI, the objectives to be pursued with the technology, and the responsibility entailed by using AI.

About the Funding Round

Aleph Alpha, the leading company in explainable and trustworthy generative AI applications, raised investment capital and forged strategic partnerships in a Series B funding round to launch the next stage of its development in the global AI race. The consortium, consisting of seven new investors, is led by Innovation Park Artificial Intelligence (Ipai), Bosch Ventures, and the companies of Schwarz Group. Other new investors include Berlin-based Christ&Company Consulting, the global edge-to-cloud company Hewlett Packard Enterprise, and the German software company SAP, as well as the investor Burda Principal Investments. Former investors complete the round. This strategic investment will further strengthen Germany and Europe’s position in the AI sector for the development of sovereign AI.

Additional information

For further information, see www.gruppe.schwarz/en.

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