

NPECA

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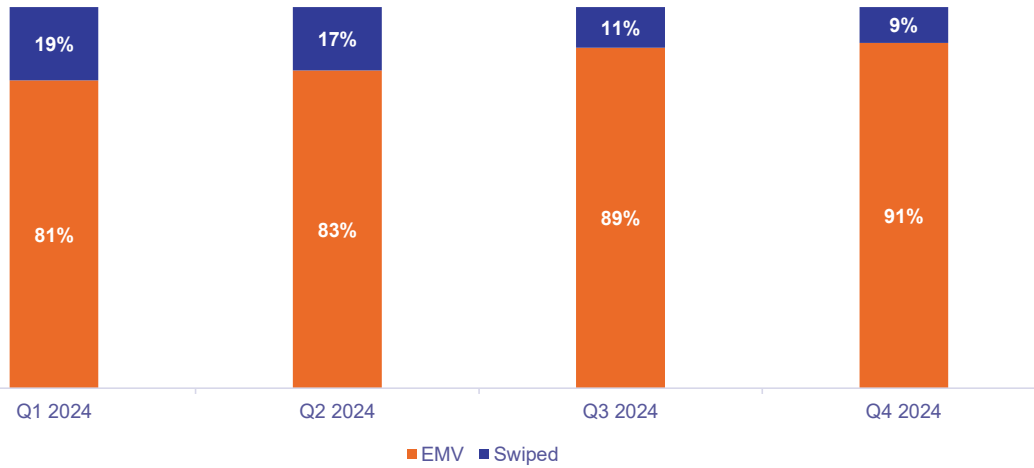


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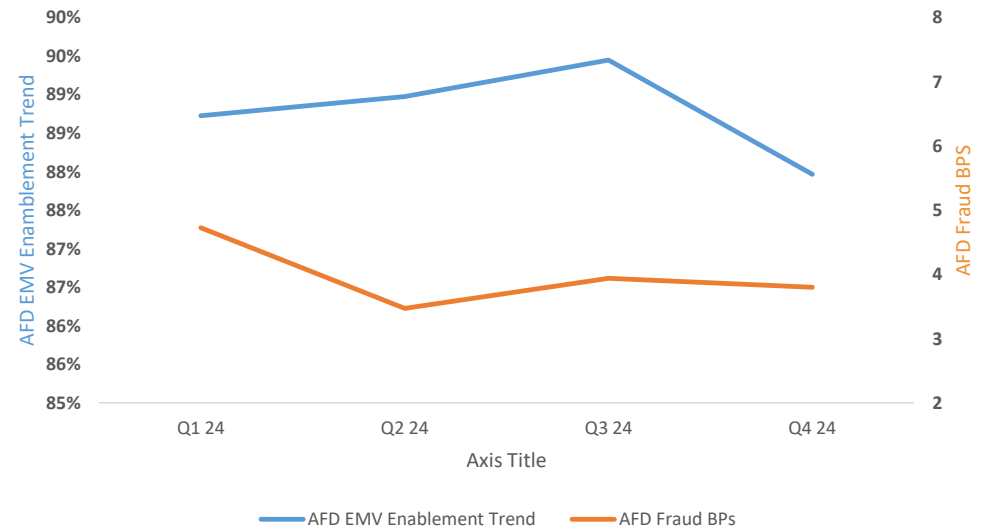


EMV vs Swiped

EMV vs. Swiped % of CP Fraud

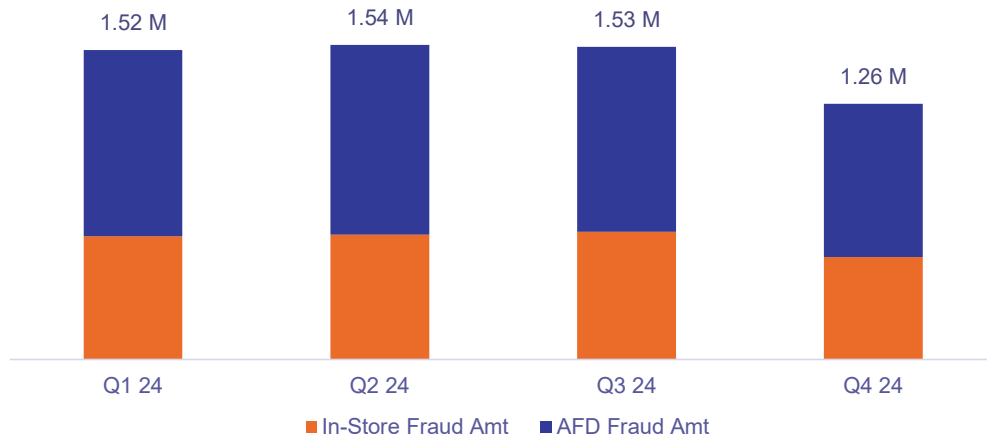


AFD EMV Enablement % and AFD Fraud BPs

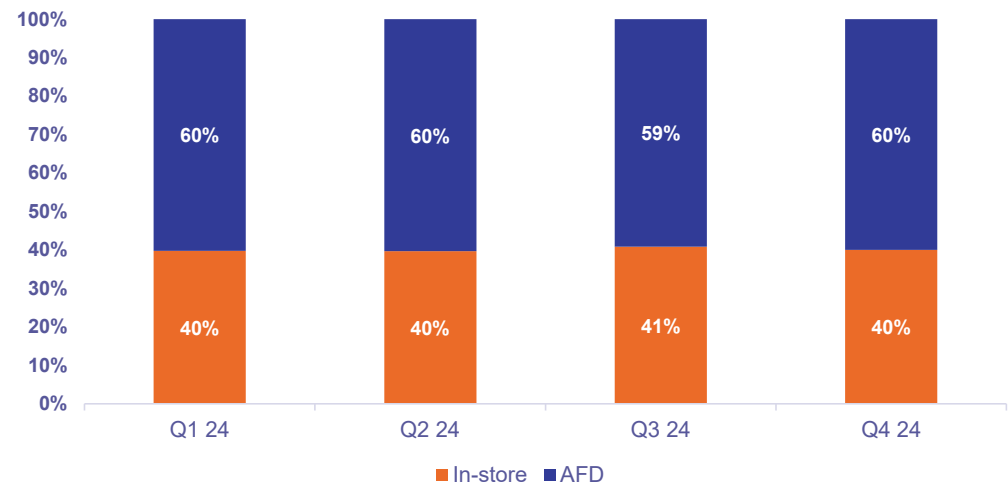


Source: Discover Global Network Analytics - GNA

In-Store Vs AFD Fraud Amount



In-store vs. AFD % of Total Fraud

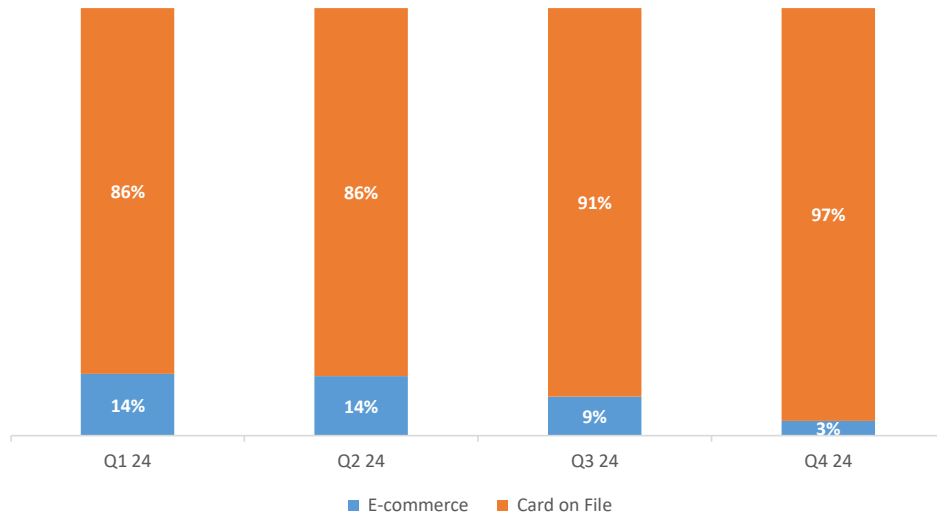


Source: Discover Global Network Analytics - GNA

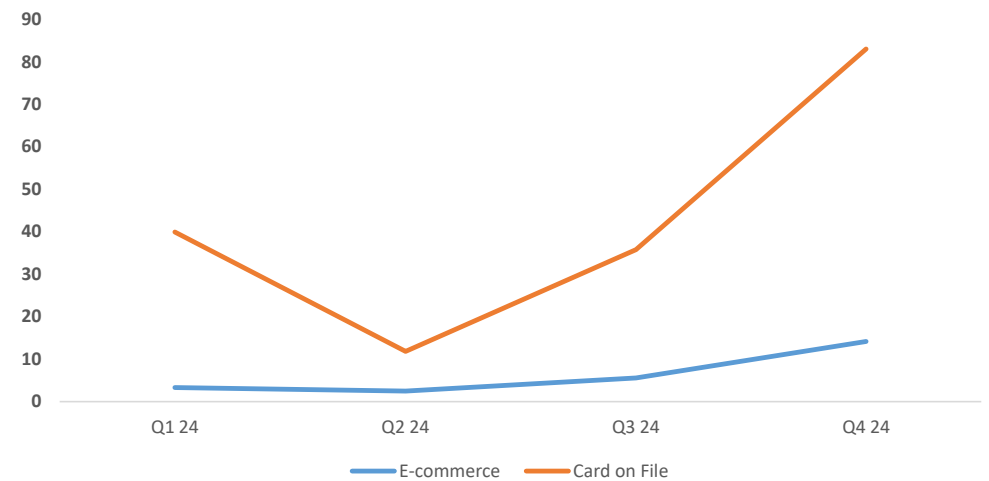


Fraud Emulation

E-commerce vs. Card on File % of CNP AFD Fraud



E-commerce vs. Card on File AFD Fraud BPs



Source: Discover Global Network Analytics - GNA

1. Texas

The Lone Star State



2. Illinois- The Land of Lincoln



Public

3. Maryland The Old Line State



48. Wyoming

49. Montana

50. Vermont



Discover® Global Network Products

What is Discover® Enhanced Decisioning?



Enhanced Decisioning allows merchants to share customer checkout data with issuers real-time during authorization for Card-Not-Present Transactions (CNP) transactions.



Issuers use the data to make a more informed decision to approve or decline a transaction.



Result



Consumer

Able to complete purchase reduced possibility of false decline



Merchant

Reduces possibility of risky transactions are blocked and increases approval of valid transactions



Issuer

Increases genuine transaction approval leading to reduced disputes

Who can use Enhanced Decisioning?

Merchants, Acquirers, and Fraud Service Providers are eligible to enroll

- **Discover® Card** is the only issuer participating
- Broader portfolio of acquirers who have enabled DED
- Additional Discover Network issuers can enroll once they certify to receive the additional data fields
- Diners Club® issuers are currently out of scope
- **Applicable to card-not-present transactions only**



Benefits to Merchants and Acquirers



Reduced Friction

- Smoother checkout experience with **less friction** for customers



Increased Revenue

- Higher approval rates
- Lower fraud related false declines



Faster Implementation

- Leverages **existing** DGN authorization **infrastructure** or easy to implement API
- **No cost** to participate
- Merchants do not need to collect new data



Industry Trends & Best Practices

Account Data Compromise Trends & Best Practices



Data Breaches at Petroleum Merchants

- ✓ Third Party Service Provider vulnerabilities
- ✓ Ransomware Attacks on Companies and Critical Infrastructure



Data Breach Prevention and Preparedness

- ✓ Restrict Inbound / Outbound Traffic
- ✓ Train Staff to Identify Malicious Emails, Phishing & Smishing
- ✓ Restrict Access to Personal Email and Websites/Internet
- ✓ Implement Strong Vulnerability and Patch Management
- ✓ Ensure Compliance with PCI DSS 4.0
- ✓ Multi-Factor Authentication (MFA)
- ✓ Have an Incident Response Plan and Practice It



Common Attack Vectors Include:

- ✓ Phishing
- ✓ Lack of segmentation
- ✓ Critical Vulnerability Contagion from Third-Party Providers
- ✓ Access Control
- ✓ Malicious Uploads



Skimmers

- ✓ Require Policy and Training for proper inspection and handling of skimmers
- ✓ Incentivize Policy for Frequent Pump Inspections
- ✓ CCTV and Log Retention and Review
- ✓ Notify Law Enforcement if Skimmer is Discovered

Recommendations and Best Practices



1 Continue to work towards 100% EMV enablement and track volume metrics



2 Monitor swiped fraud Chargebacks and focus efforts on high fraud locations



3 Identify and transmit proper POS Entry Mode (e.g. Wallet transactions)



4 Review Fraud Policies, Procedures and Incident Response Plan yearly at minimum



5 Be aware of liability scenarios and the necessary information required to win disputes



6 Work with Acquirers and Card Brands as volume shifts to Card Not Present payment options to ensure awareness of shift in volume



7 Utilize a Fraud Service Provider if possible and implement layered security to your payment environment



8 Ensure correct operating version is active on ALL EMV enabled terminals

Contact Information

Transaction Risk

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Thank you