

Businesses are taking advantage of Cloud computing

50%

more than half of surveyed CIO company's business to be running over public cloud by 2020 -Gartner

70%

of CIOs will embrace a "cloud first" strategy in 2016 -IDC

45%

of total IT services spent on cloud services by 2020 -Forrester



Cloud innovation

OPPORTUNITY FOR SECURITY & COMPLIANCE BENEFITS

Pr**Benefits** mealized rn

94%

experienced security benefits they didn't previously have on-premise 62%

said privacy protection increased as a result of moving to the cloud

Barriers to Cloud Adoption study, ComScore, September 2013

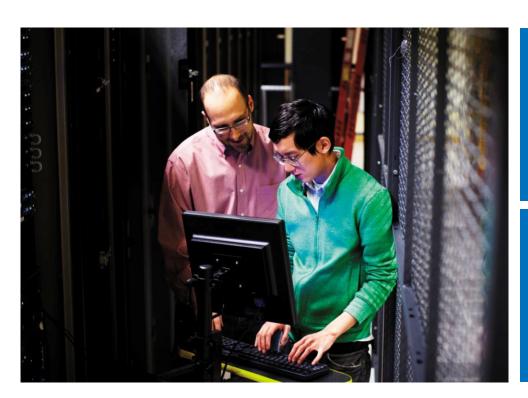


- Design/Operation
- Infrastructure
- Network
- Identity/access
- Data





Cloud security and reliability challenges



Growing interdependence amongst cloud providers and customers

Complex global regulatory requirements and industry standards

Evolving
technologies,
massive scale,
changing business
models, dynamic
hosting
environments

Continuous and increasing sophistication of attacks



worldwide queries each month





250+ million active users

ConeDrive

400+ million Active accounts

Outlook.com

2.4+ million emails per day

Microsoft® Exchange Hosted Services 8.6+ trillion



Windows Azure



48+ million users in 41 markets XBOX LIVE

50+million active users Microsoft Cod. Office Web Apps

1 in 4 Enterprise customers



Office 365

50+ billion Minutes of connections handled each day

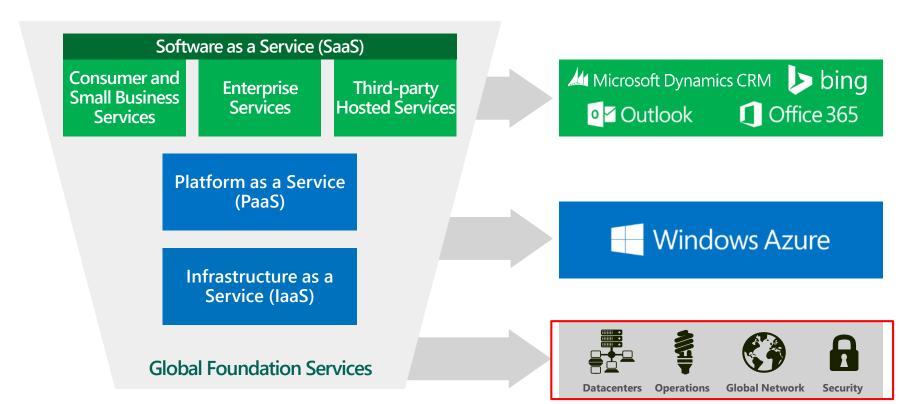


1+ billion customers · 20+ million businesses · 90+ markets worldwide

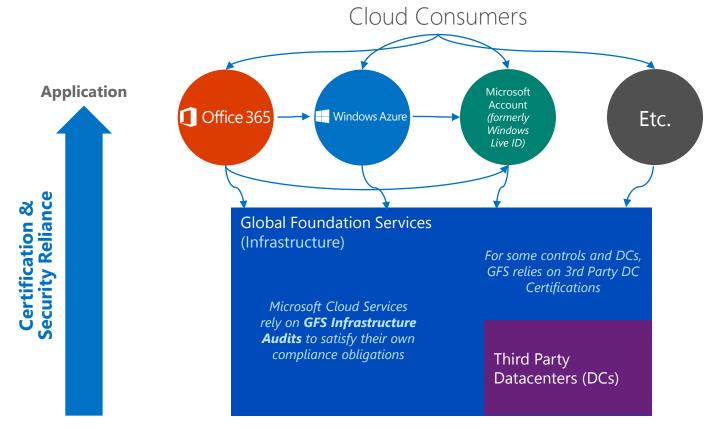




Microsoft's cloud environment

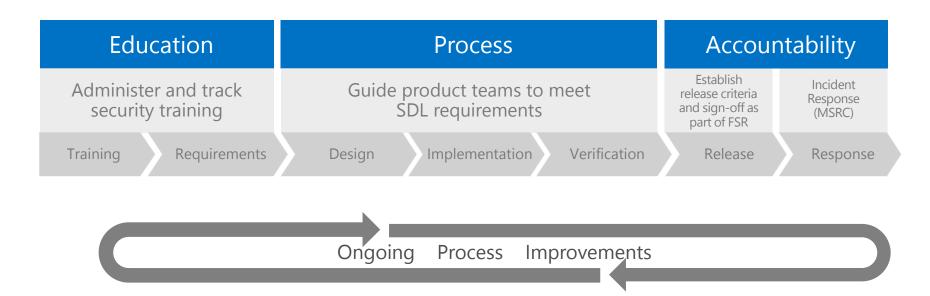


Cloud reliance – Security and compliance



Microsoft Security Development Lifecycle

Security by design - Reduce vulnerabilities, limit exploit severity



http://www.microsoft.com/security/sdl/default.aspx

Defense-in-depth: infrastructure security





Identity and access management



Configuration and Vulnerability Scanning

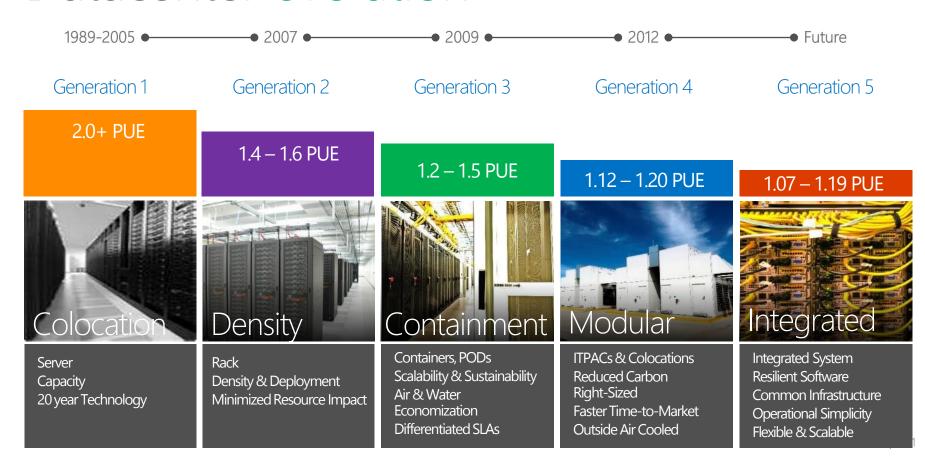


24x7x365 Incident Response

Infrastructure compliance capabilities

(as of	January 2014)
ISO / IEC 27001:2005 Certification	√
SSAE 16/ISAE 3402 SOC 1, AT101 SOC 2 and 3 Attestation	√
HIPAA/HITECH	✓
PCI Data Security Standard Certification	√
FISMA Certification & Accreditation	√
FedRAMP P-ATO by the Joint Authorization Board	√
Various State, Federal, and International Privacy Laws (95/46/EC—aka EU Data Protection Directive; California SB1386; etc.)	✓

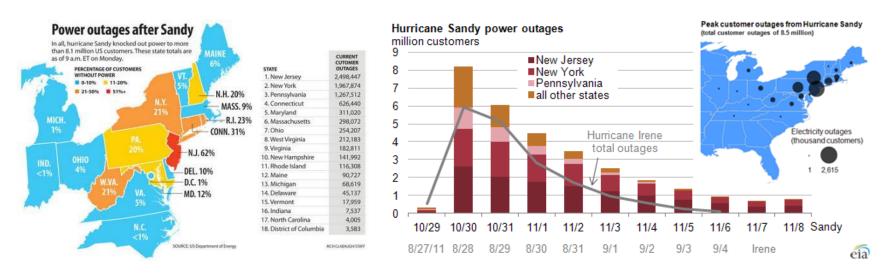
Datacenter evolution





Power outage

About 8.6 million citizens lost electricity in the U.S. during the storm



Source: U.S. Department of Energy, Office of Electricity Delivery and Reliability situation reports. Chart data reflect situation posted at 3:00 PM EST on November 9 2012.

Contingency & business continuity measures

Hurricane Sandy was meticulously managed end-to-end

- Initiated a proactive war room with monitoring and control
- Delivered internal communications
 - Latest developments on hurricane status
 - Health of services
 - Contingency plans
- BCP implemented on all Edge services and properties
- Supply of fuel to generators on regular basis
- Worked with service providers for restoration of internet circuits



Impact to infrastructure & services

Infrastructure Challenges

- Drop in capacity via network provider fiber cut
- Water flooding caused partial failure of communications lines
- Water leakages during storm period at facilities
- Core network device outages due to combination of power, network, and load issues

Services

Microsoft services were migrated to avoid service impact

















Results

- ✓ Successful implementation of Business Continuity and Disaster Recovery Plans
- ✓ No major service impact to customers
- ✓ No significant impact to the datacenter or assets
- ✓ Increased resources to aid local relief efforts
- ✓ Excellent overall coordination among internal and external teams for combined execution to ensure minimal impact



Considerations for choice in cloud services provider



Require that the provider has attained third-party certifications and audits, e.g., ISO/IEC 27001:2005

Consider the ability of vendors to accommodate changing security and compliance requirements

Know the value of your data and processes and the security and compliance obligations you need to meet

Ensure data and services can be brought back in house if necessary Ensure a clear understanding of security and compliance roles and responsibilities for delivered services

Require transparency in security policies and operations



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