Microsoft

Module 1

Microsoft Cloud for Financial Services Overview
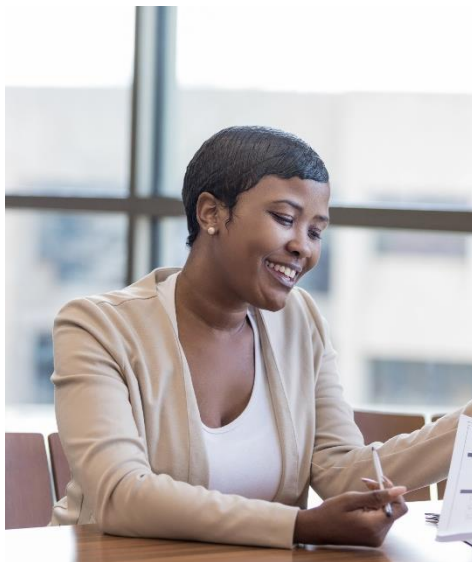
April 2021

The COVID-19 pandemic was a catalyst for change and shifting business priorities
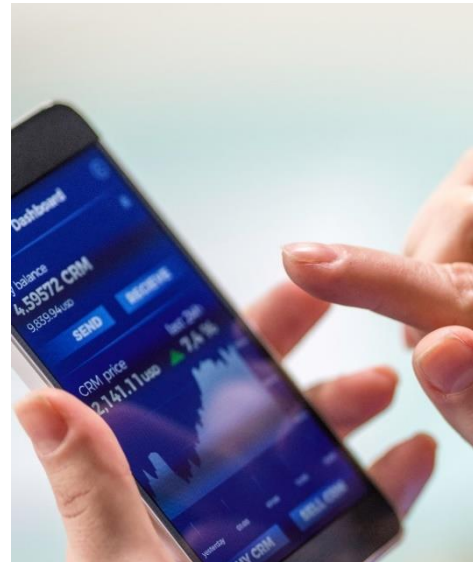
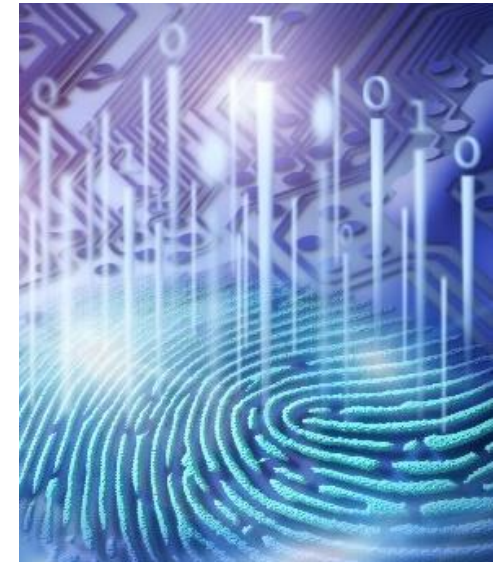Here's what we've heard from the industry:

Customer engagement

Employee experience

Value creation

Fraud protection

Security and compliance

Microsoft Cloud
for Financial Services

Microsoft Cloud
for Healthcare

Microsoft Cloud
for Manufacturing

Microsoft Cloud
for Nonprofit

Microsoft Cloud
for Retail

Microsoft Cloud for Sustainability

Microsoft Cloud

Modern
work

Business
applications

Infrastructure

Digital and
app innovation

Data & AI

Security

The most trusted and comprehensive cloud

Microsoft Cloud for Financial Services - The Basics

- **What is Microsoft Cloud for Financial Services?**
  - A collection of capabilities for FSI that include - purpose-built solutions, building blocks, existing capabilities, risk assurance support & regulatory compliance assessments initially targeting Retail Banking
  - Enables partners and customers to easily implement or extend Microsoft 1st party solutions
  - General Availability - Nov 1st, 2021
- **What it is not**
  - It is not a sovereign cloud. Runs within existing Microsoft data centers
- **How do we acquire it?**
  - Single SKU for Microsoft Cloud for Financial Services (Not required for every scenarios)
  - Need licenses for underlying services (Azure, M365, Teams, D365)

Microsoft Cloud for Financial Services
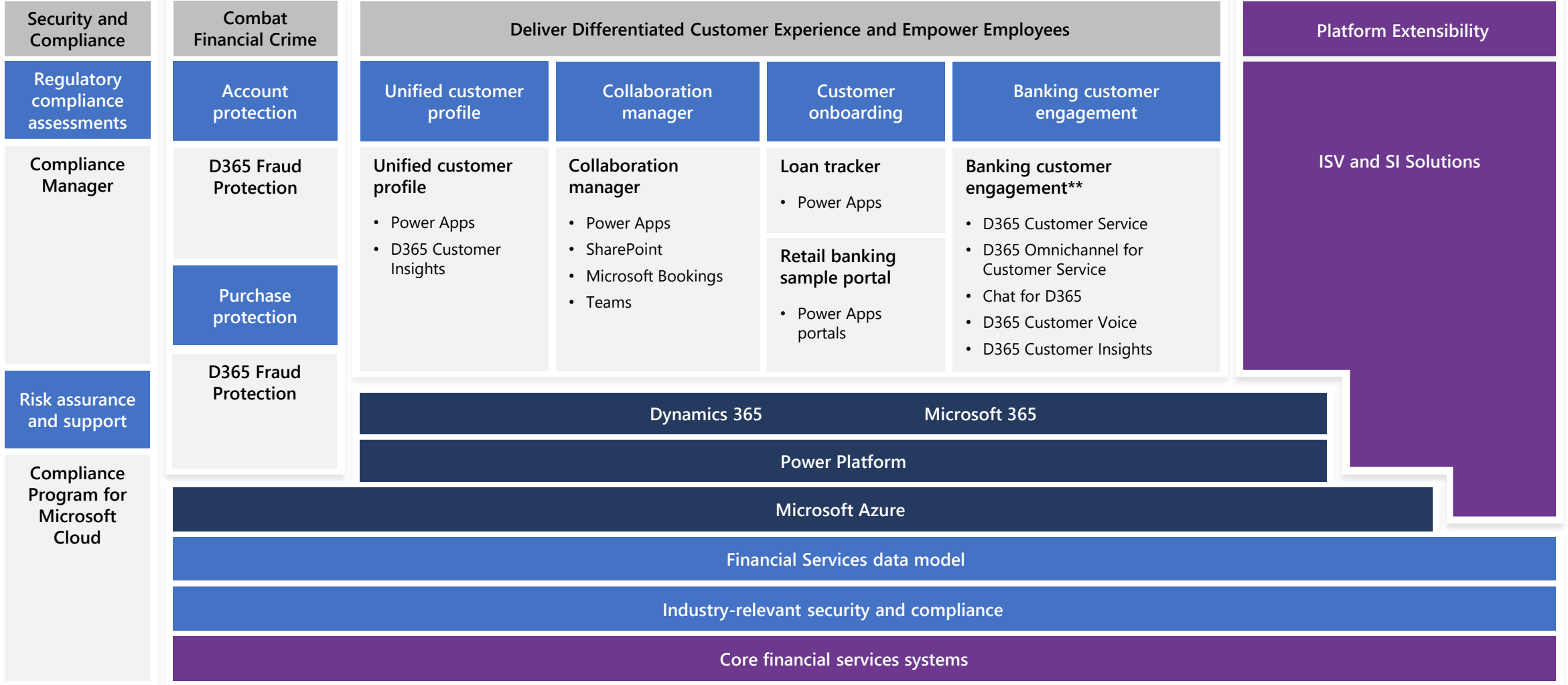
Capabilities for Retail Banking

Customer onboarding
Provide customers with easy-access loan apps and self-service tools, streamlining the loan process to help enhance customer experience and loyalty

Unified customer profile
Help tailor customer experiences via a comprehensive view of the customer's financial situation

Risk assurance and support
White glove service to support risk, audit, and compliance teams in addressing financial services regulatory compliance, cybersecurity, and privacy

Regulatory compliance assessments
Assess, monitor, and help improve compliance posture with global, regional, and industry regulations and standards

Collaboration manager
Enable automation, collaboration, and communications to help accelerate lending processes, minimize errors, and enhance customer experience

Banking customer engagement
Help personalize customer interactions with relevant financial information to accelerate time to resolution

Account protection
Help prevent fraudulent digital account creation and account takeover

Purchase protection
Help provide a differentiated experience for merchants to improve revenue and retention

Deliver Differentiated Customer Experience and Empower Employees

Security and Compliance

Combat Financial Crime

Industry Specific

Data model and connectors — **Partner ecosystem**

Microsoft Cloud

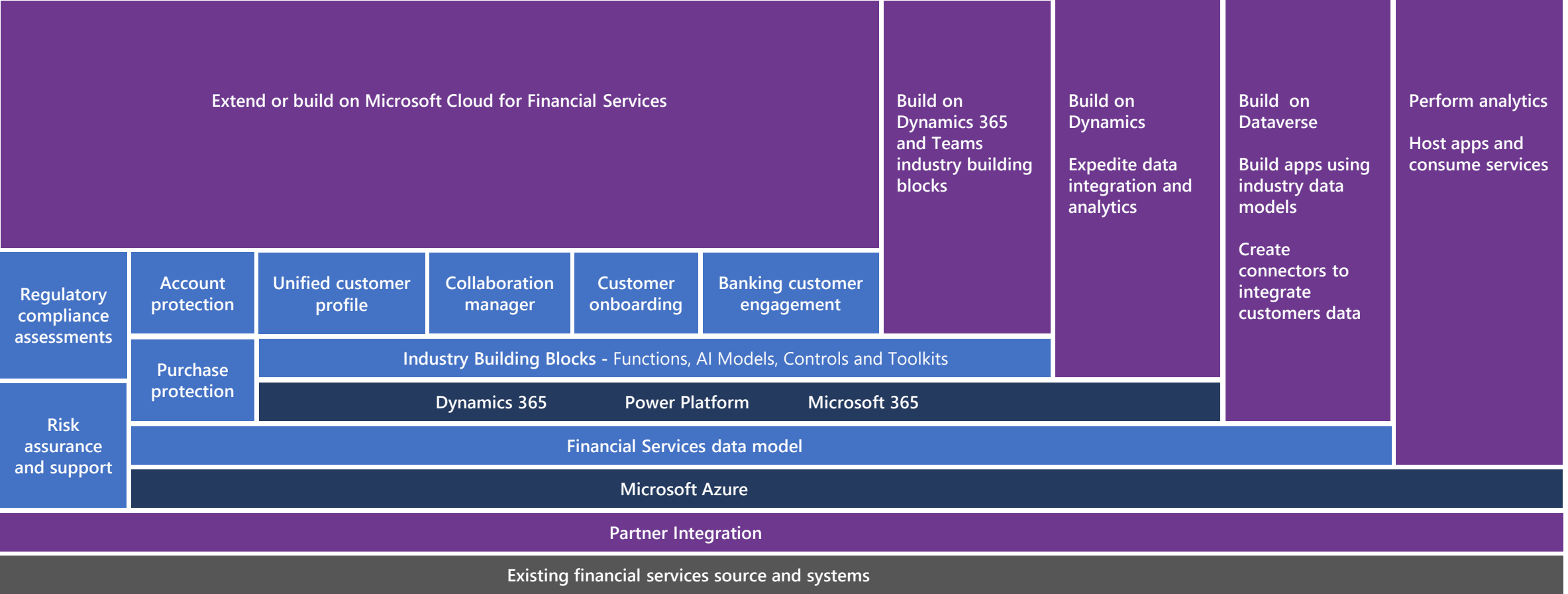# Enabling Technologies - Microsoft Cloud for Financial Services

Security and Compliance

Regulatory compliance assessments

Compliance Manager

Risk assurance and support

Compliance Program for Microsoft Cloud

Combat Financial Crime

Account protection

D365 Fraud Protection

Purchase protection

D365 Fraud Protection

Deliver Differentiated Customer Experience and Empower Employees

Unified customer profile

Unified customer profile
- Power Apps
- D365 Customer Insights

Collaboration manager

Collaboration manager
- Power Apps
- SharePoint
- Microsoft Bookings
- Teams

Customer onboarding

Loan tracker
- Power Apps

Retail banking sample portal
- Power Apps portals

Banking customer engagement

Banking customer engagement**
- D365 Customer Service
- D365 Omnichannel for Customer Service
- Chat for D365
- D365 Customer Voice
- D365 Customer Insights

Platform Extensibility

ISV and SI Solutions

Dynamics 365	Microsoft 365

Power Platform

Microsoft Azure

Financial Services data model

Industry-relevant security and compliance

Core financial services systems

Industry priority scenarios ■ Microsoft Cloud for Financial Services capabilities ■ Microsoft solutions ■ Microsoft core technology ■ Third party

** Public Preview at GA

Retail Banking | Building Blocks

Email	SMS	Voice	Web	Ads	Mobile	Social	Branch	Remote consultation

Retail Banking Solutions

Unified Customer Profile	Banking Customer Engagement	Customer Onboarding	FSI Collaboration Manager

Retail Banking Building Blocks

Functions

Customer Intelligence	Intelligent Scheduling	Document Intelligence	Intelligent Orchestration	Identity and Verification

AI models

Profitability Optimization	Leading Indicators	Process Optimization		

Controls

Customer Snapshot	Groups & Relationships	Life Events	Financial Holdings	Financial Insights

FSI Collaboration Toolkit

Chats	Meetings	Files	Tasks	Approvals

Dynamics 365	Microsoft 365

Power Platform

Azure

Partner Apps

Retail Banking Data Model

Core Financial Systems (Core Banking Systems, Loan Origination Systems etc.)

* Proposed plan – some building blocks may be subject to change

Partner Opportunity – Microsoft Cloud for Financial Services

Extend or build on Microsoft Cloud for Financial Services

Build on Dynamics 365 and Teams industry building blocks

Build on Dynamics

Expedite data integration and analytics

Build on Dataverse

Build apps using industry data models

Create connectors to integrate customers data

Perform analytics

Host apps and consume services

| Regulatory compliance assessments | Account protection | Unified customer profile | Collaboration manager | Customer onboarding | Banking customer engagement |

| Purchase protection | Industry Building Blocks - Functions, AI Models, Controls and Toolkits |

| Dynamics 365 | Power Platform | Microsoft 365 |

Risk assurance and support

Financial Services data model

Microsoft Azure

Partner Integration

Existing financial services source and systems

- Legacy Solutions and Data
- Microsoft Cloud for Financial Services capabilities
- Microsoft Cloud
- Partner Solutions

** Public Preview at GA

Unified customer profile

Customer and employee experience

"With our Microsoft-based solution, our relationship managers now have the tool they need to serve clients even more successfully, build and maximize relationships, and identify and act on new opportunities.

— Anneke Broere
Business Owner of ClientLink at Rabobank

Unified customer profile

Help tailor customer experiences via a comprehensive view of the customer's financial situation

Customer insights

Financial details, such as life events and household information, help create a single customer view

Summary view

Insights drawn from unified customer information help drive better customer outcomes

Banking segments

Segmentation helps you focus on the right customers and opportunities to increase success

Churn risk

Adaptive AI helps anticipate customer abandonment so you can work proactively to reduce risk of churn
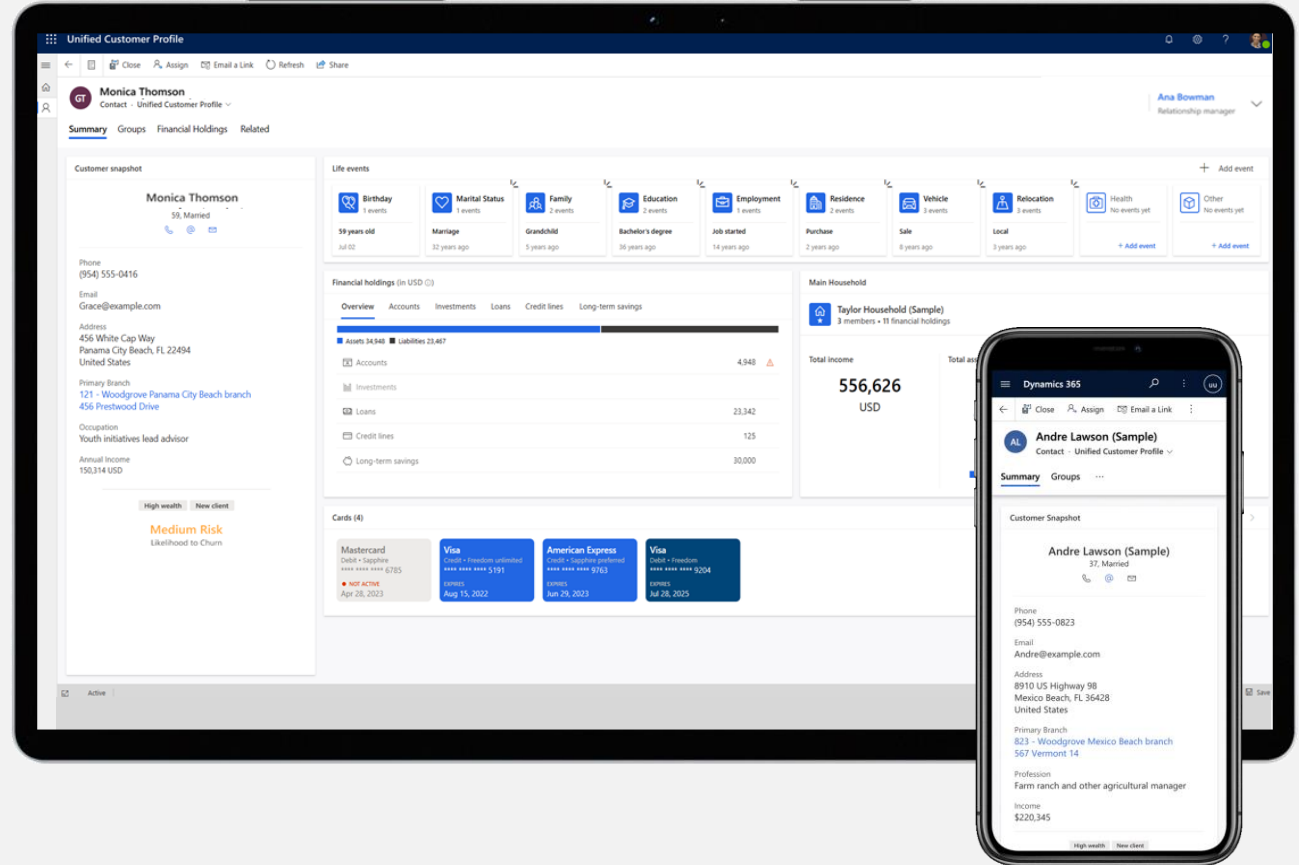
Unified customer profile

Customer 360 unlocked

- Centralize your customer data in a single place via Microsoft Dataverse and the industry data model
- Benefit from a data-first experience that helps bring together financial details, life events, and household information into a single view
- Leverage 500+ built-in connectors to bring in your customer-relevant data and information
- Build custom applications leveraging our controls with low- and pro-code tools
- Build custom connectors to nearly any system of record or data source and integrate apps and data directly

Relationship manager productivity

- Help drive better customer outcomes with insights drawn from unified customer information
- Leverage a purpose-built banking churn model to help understand churn risk at a glance
- Leverage our existing banking segments and bring in your own rules and definitions
- Offer the most accurate and important customer information to your relationship managers to improve the customer experience

Unified customer profile

Financial holding

Empower bank agents to quickly understand wallet share, total assets and liabilities, and key flags related to holdings to help surface opportunities and deepen relationships

Life events

Offer at-a-glance view of life milestones to help identify financial opportunities, create personalized offers, and deliver consistent engagement experiences across bank agents

Connections

Help bank agents understand the "impact and influence" of their customers, the potential financial strength of the customer, based on their groups and relationships, e.g., familial connections

Dependencies: Power Apps, Dynamics 365 Customer Insights
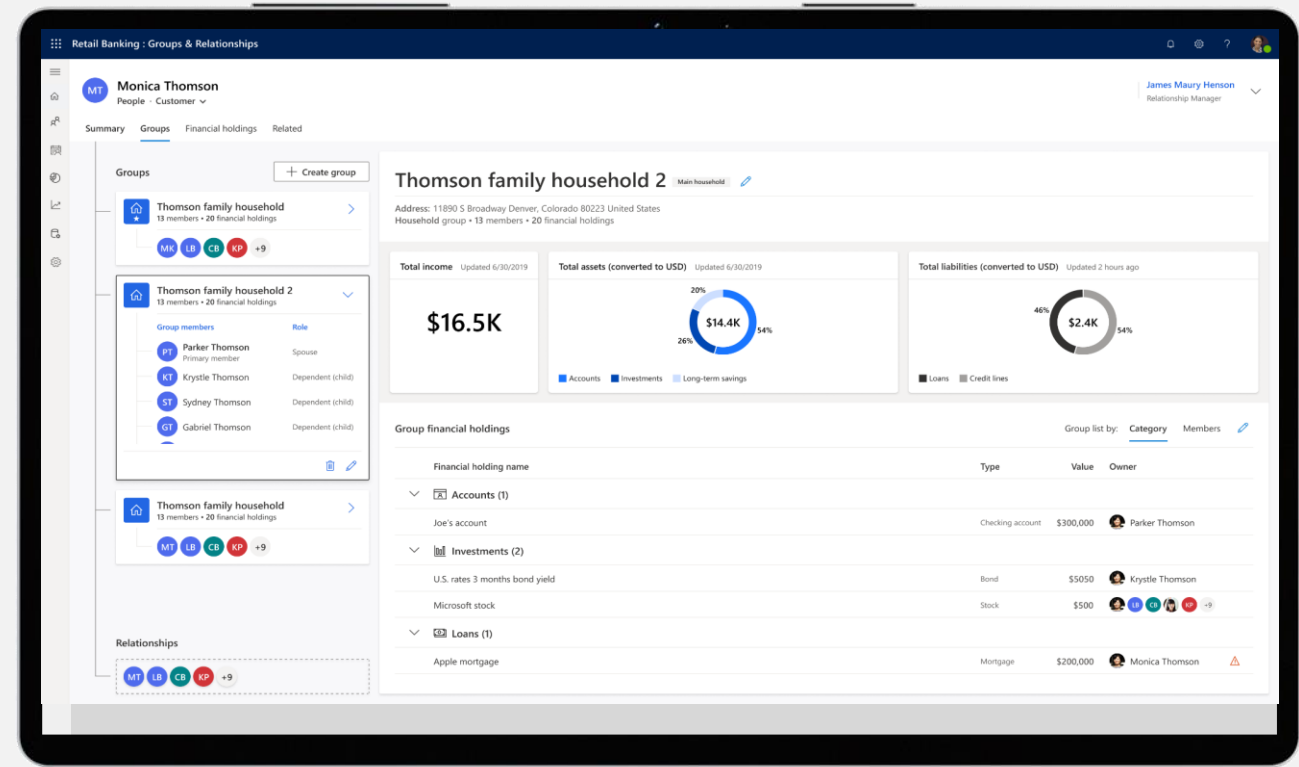
Unified customer profile

Componentization
Flexibly leverage components and add your own

Embed your processes
Bring your business processes by building custom applications leveraging our controls with low- and pro-code tools
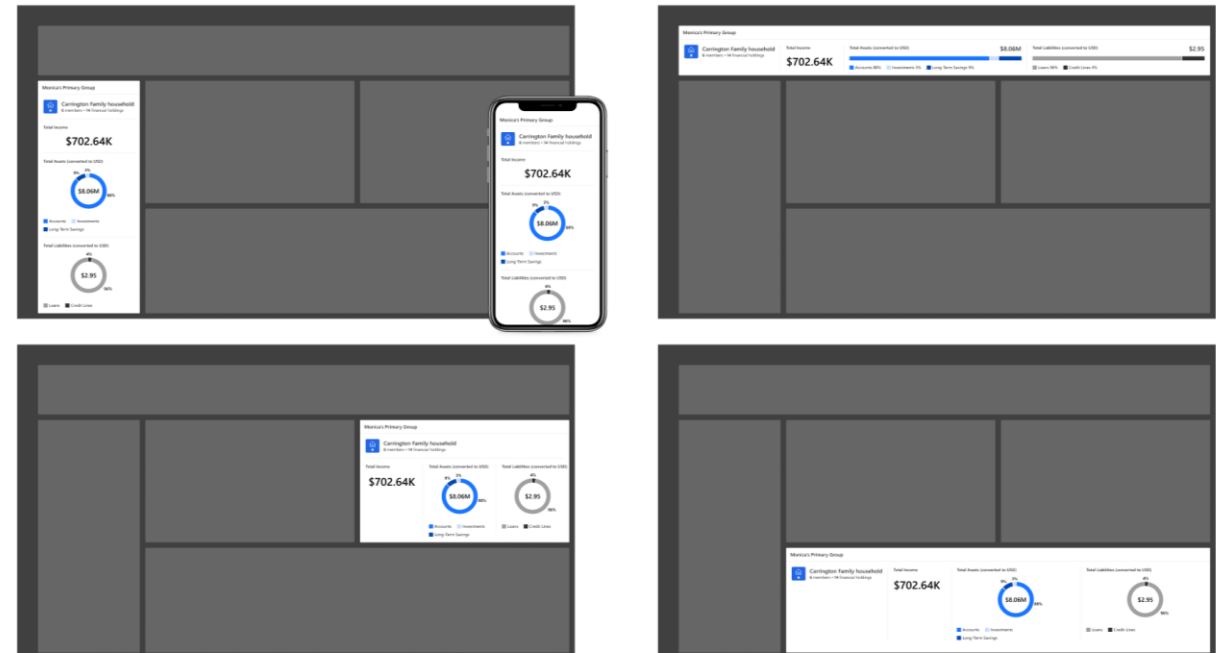
Unified customer profile

Reference architecture
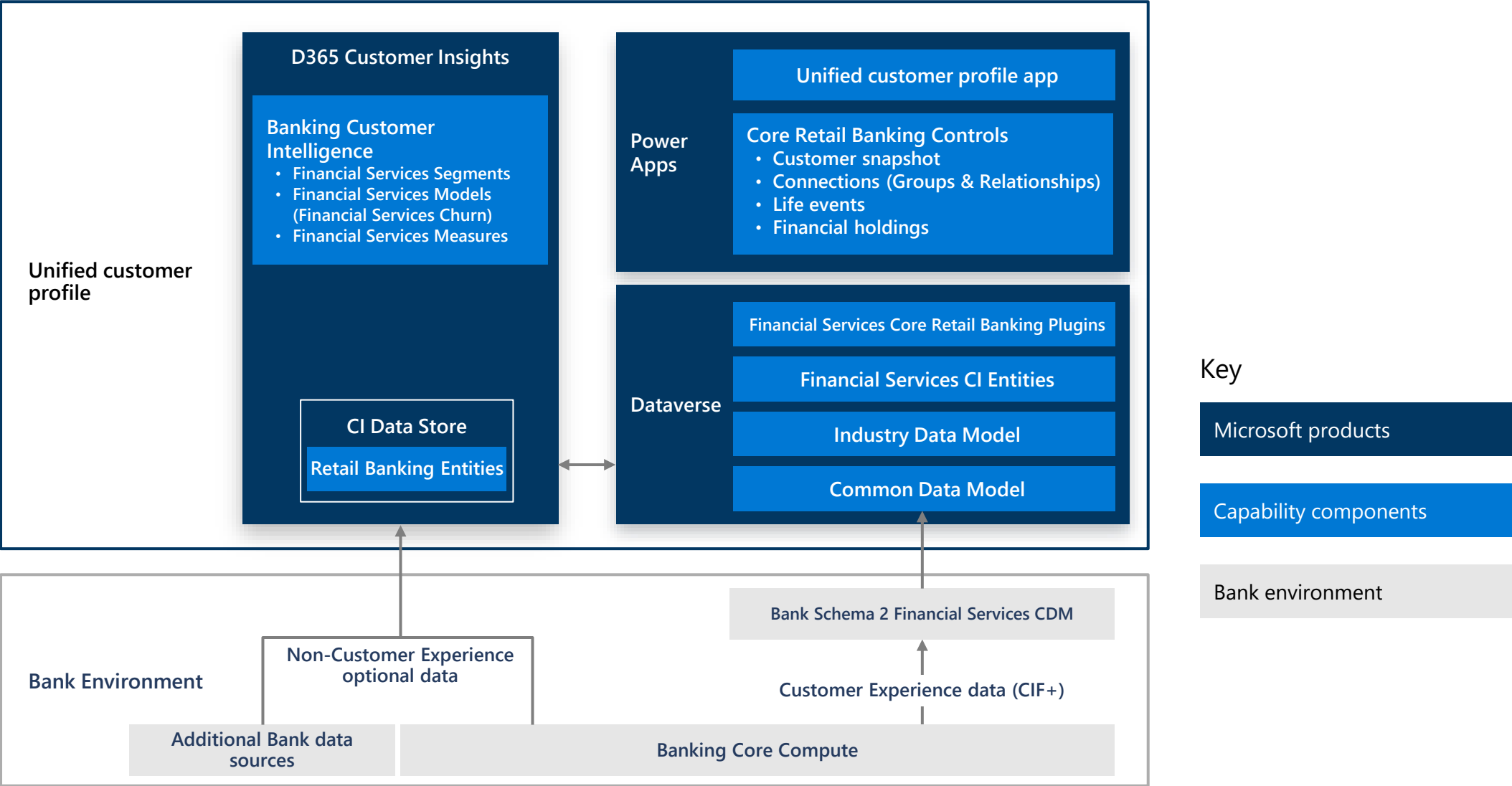
Customer Onboarding

Customer onboarding

Provide customers with easy-access loan apps and self-service tools to help streamline the loan process

Accelerated application process

Enable customers to efficiently apply for and keep track of a loan through mobile app or online portal to help improve loyalty and satisfaction

Loan process management

Enable loan managers to monitor the loan process to help increase productivity and ensure consistent customer experiences
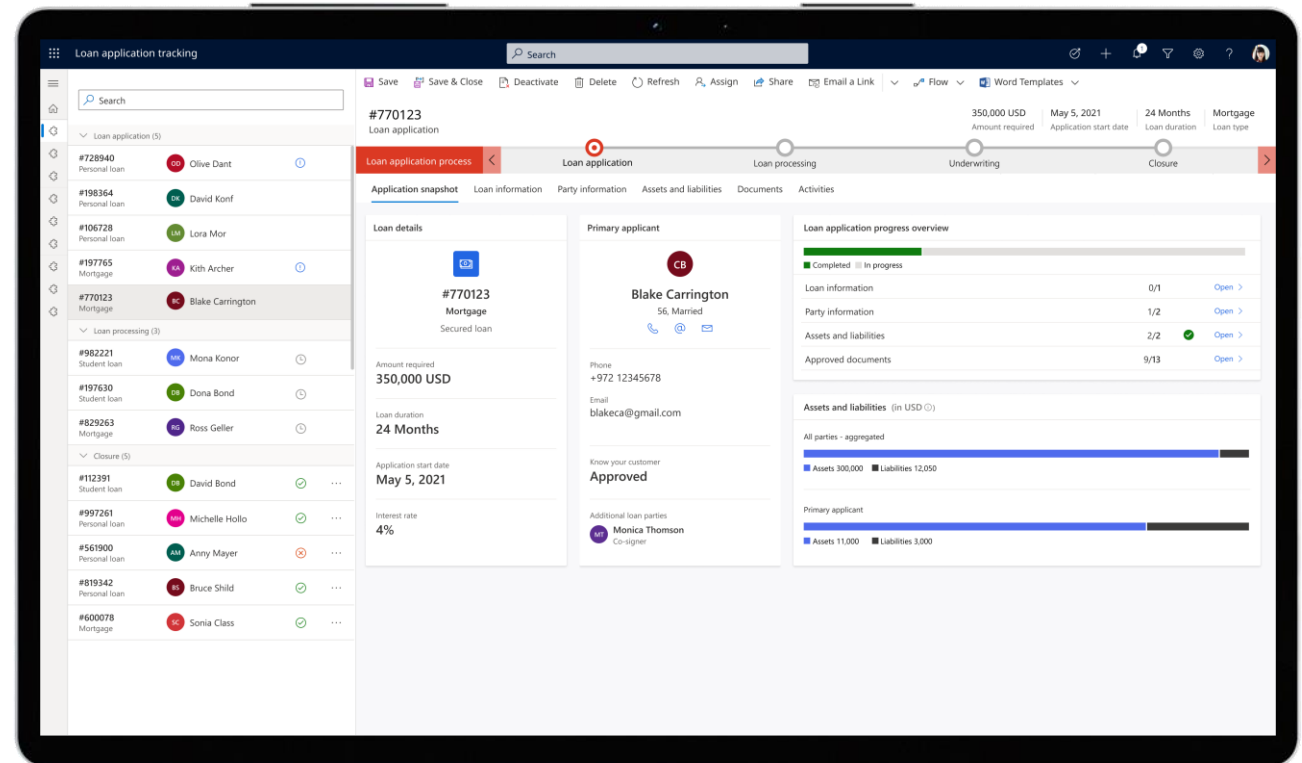
Public preview edition

Customer onboarding
Reference architecture

Key

Microsoft products
Capability components
Bank environment

C2 Customer

Note: Customer onboarding includes an optional sample portal powered by Power Portal to showcase how C2 can interact with the system

Customer Onboarding

Power Automate

Auto Archiving

Power Apps

Loan Tracker Application

Customer Onboarding Controls
- Application snapshot
- Loan parties' details verification
- Financial strength snapshot / assets & liabilities view
- Loan application document management

Dataverse

Loan Application Plugins	Loan Application Business Process	Loan Application Management Logic	Document Rule Engine

Loan onboarding DM

Financial Services Common DM

Common Data Model

Bank Environment

Bank Schema 2 FSI CDM

Customer Experience data (CIF+)

Banking Core Compute

Collaboration Manager

Current Mortgage Process
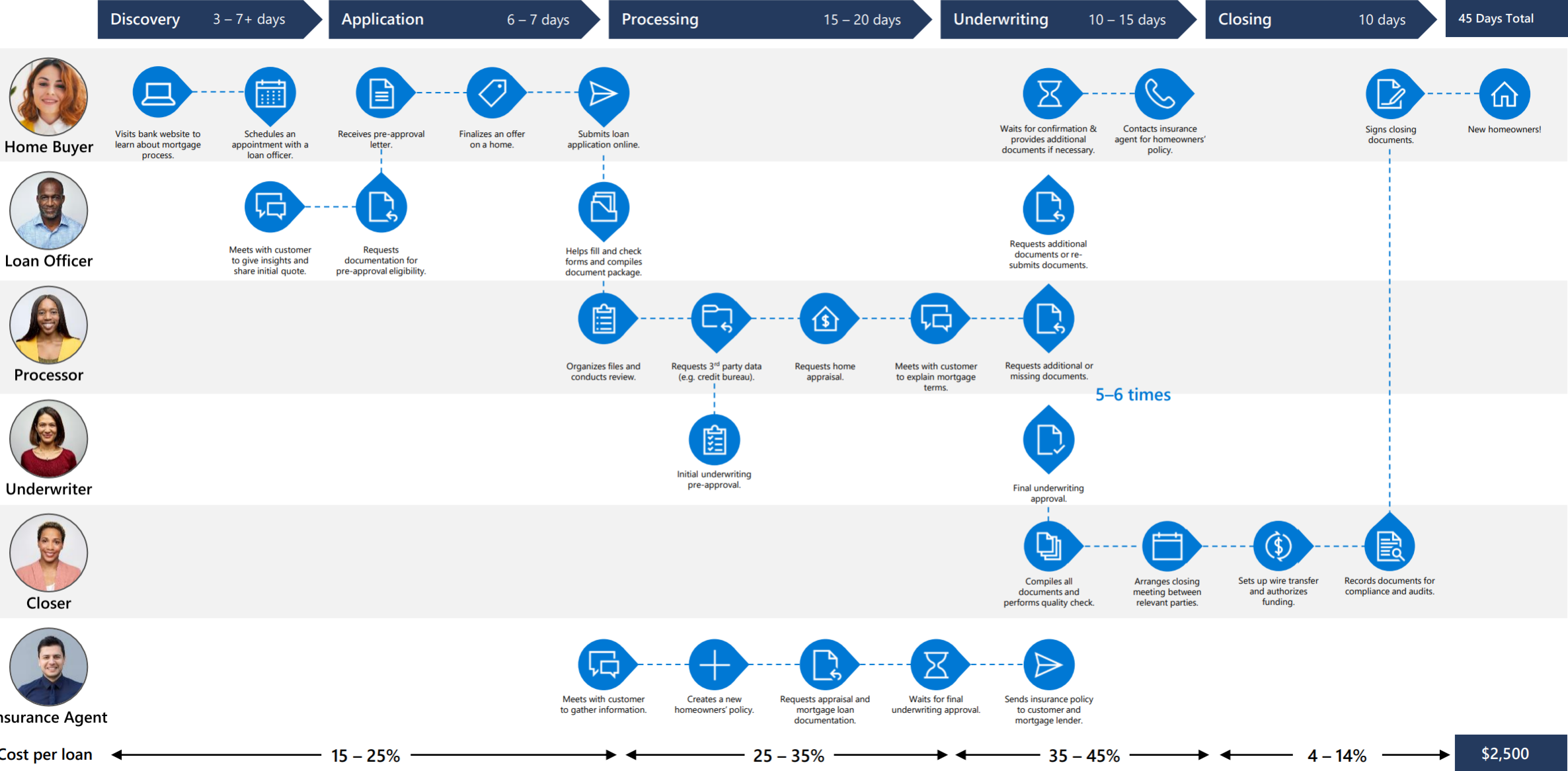
Collaboration manager

Lending automation

Intelligent tools help orchestrate lending processes and streamline operations

Cross-team collaboration

Intelligent dashboards help empower teams to collaboratively manage lending volume and centralize task and file management

Communications

Communications features help support customers virtually while meeting security and compliance needs

Public preview edition

Collaboration manager

Process orchestration

- Create flows with Power Automate triggered right from your Microsoft Teams data
- Use low and pro-code development tools to ideate, test, and deploy workflows
- Save costs and accelerate innovation with intelligent bots and robotic process automation (RPA)

Data aggregation

- Centralize your data via Microsoft Dataverse and the industry data model
- Leverage 500+ built-in connectors to help bring your content, tools, and apps into the Teams workspace
- Build custom connectors to nearly any system of record or data source and integrate apps and data directly into Teams

Centralized task management

- Start a list from scratch or save time with pre-built templates in Lists
- Manage teams' tasks from Planner and individual tasks from To Do
- Assign specific tasks to individuals or teams and easily track actions

Public preview edition

Dependencies: Teams, Power Apps, Azure AD B2C, Bookings | **Recommended:** Partner solutions from Adobe Sign and DocuSign

Collaboration manager

Document management

- Ingest and store customer loan documents in SharePoint or third-party document repositories
- Collaborate on documents, assign tasks, and route for approval

Approval management

- Create, manage, share, and act on approvals across your structured and unstructured systems from the Approvals hub in Teams
- Leverage integration with Adobe Sign and DocuSign for electronic signatures on loan documents, including Live Signing and notarization
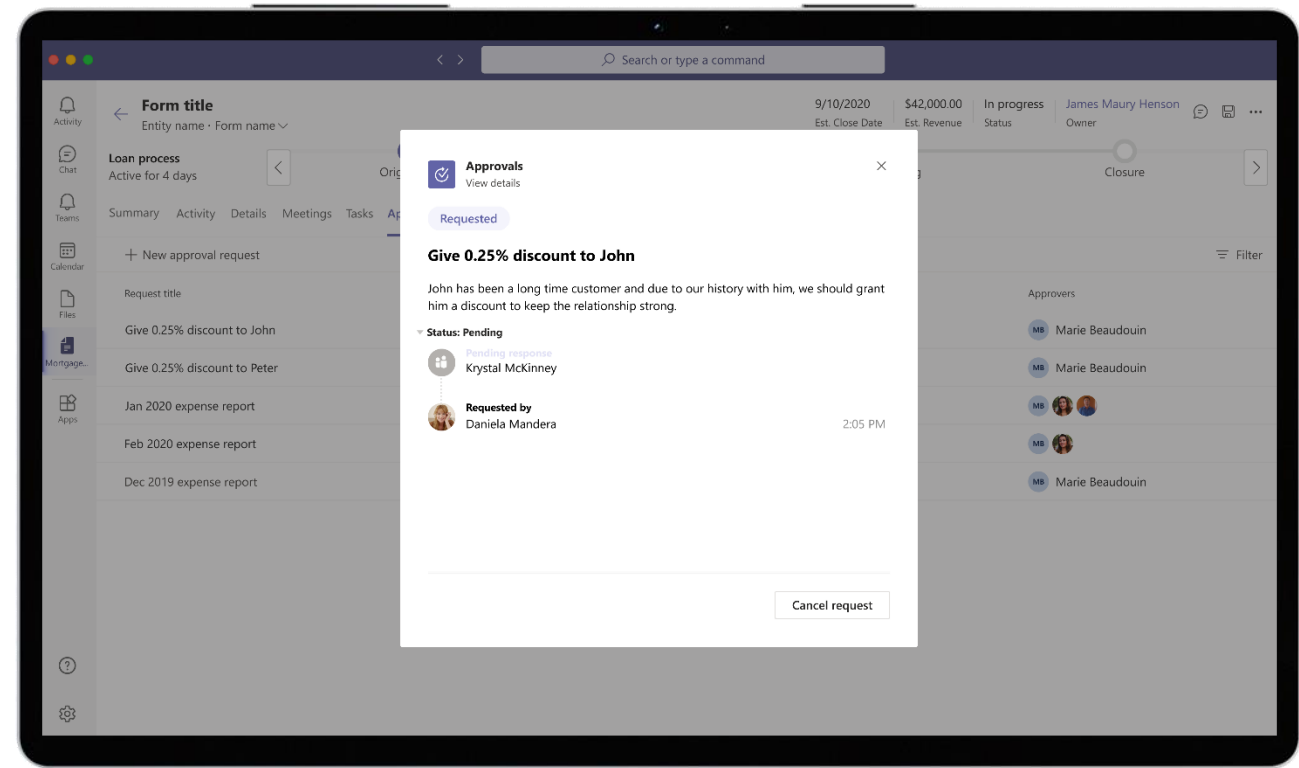
Public preview edition

Collaboration manager

Automate lending processes, help foster internal collaboration, and facilitate omnichannel communications with customers

Appointment scheduling and booking

- Use the web-based booking calendar of Bookings and integration with Outlook to help optimize staff calendar's and empower customers with flexibility for scheduling
- Conduct virtual appointments via Teams and manage day-to-day scheduling via the Bookings app in Teams

Real-time communications

- Help drive robust bank-to-customer and front-to-back-office digital communications with Teams
- Embed customer information from CRM systems (Dynamics 365 and third-party) directly into Teams channels, meetings, chats, etc.
- Utilize compliance capabilities with recording and integration with multiple third-party and compliance systems

Secure messaging

- Leverage priority notifications, tagging capabilities, and read receipts
- Enable federated messaging within Teams to connect with authorized external users
- Automatically escalate messages to another user when an intended recipient is unavailable or out of office

Public preview edition

Dependencies: Teams, Power Apps, Azure AD B2C, Bookings | **Recommended:** Partner solutions from Adobe Sign and DocuSign
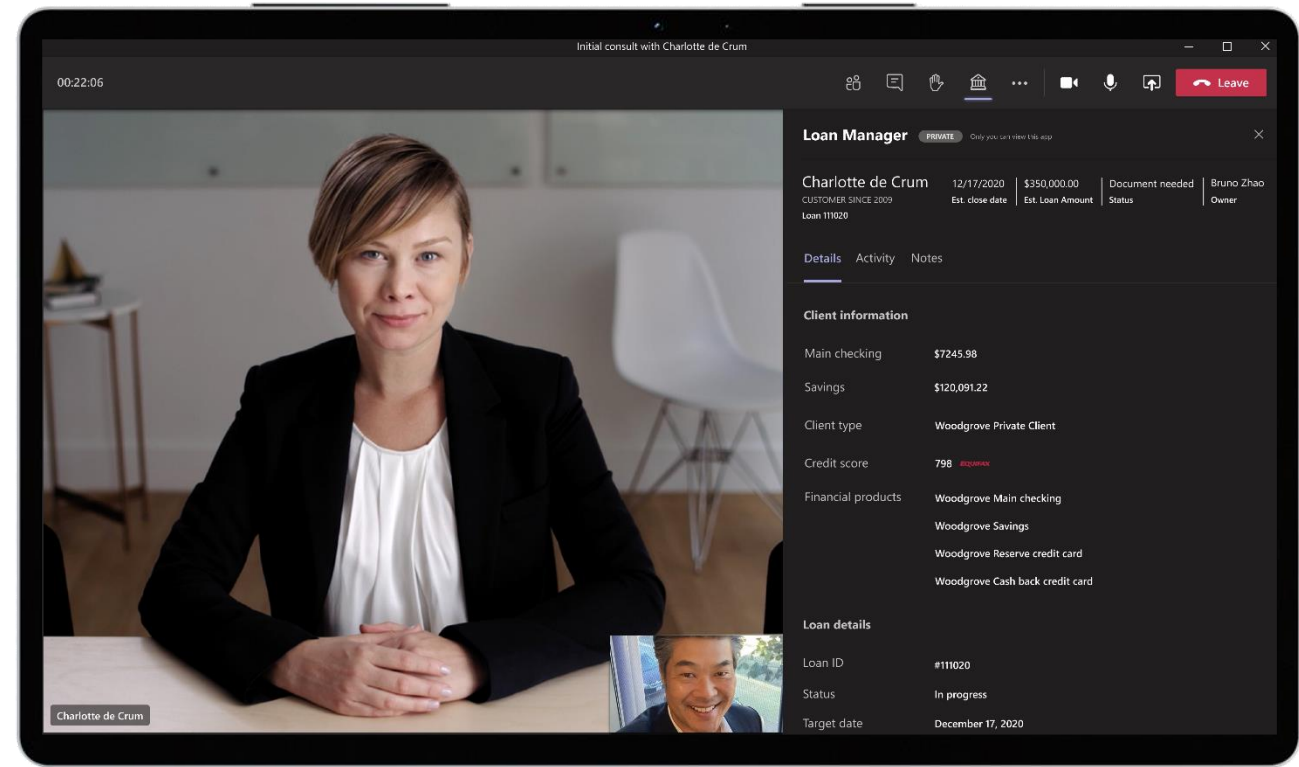
Collaboration manager

Reference architecture
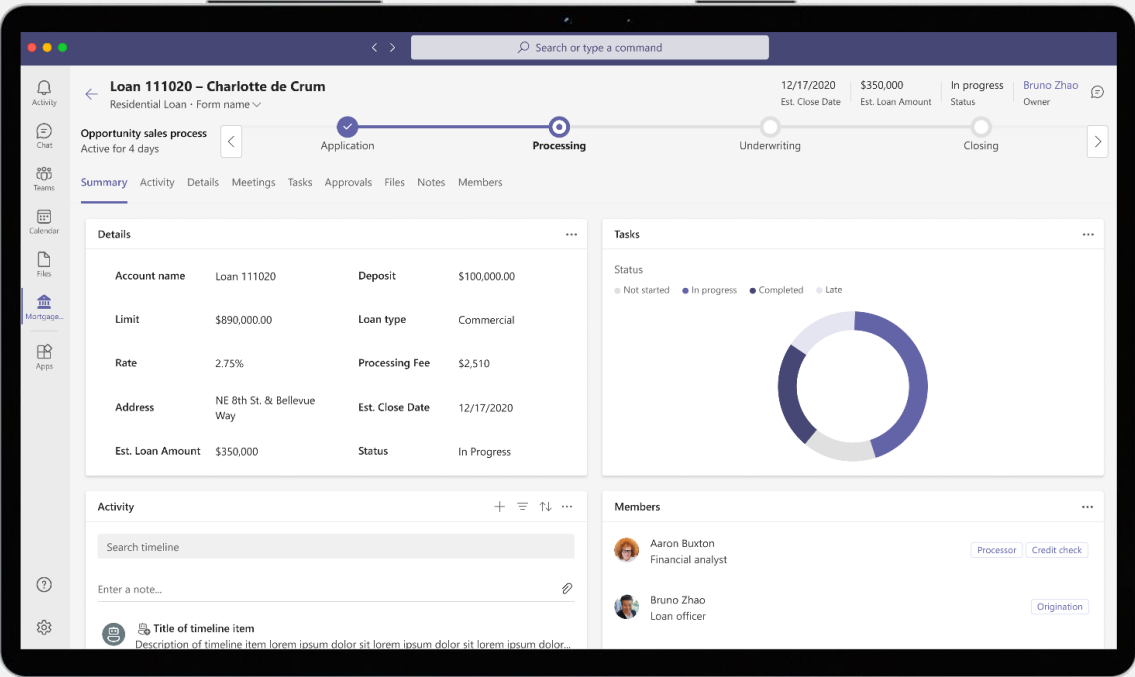
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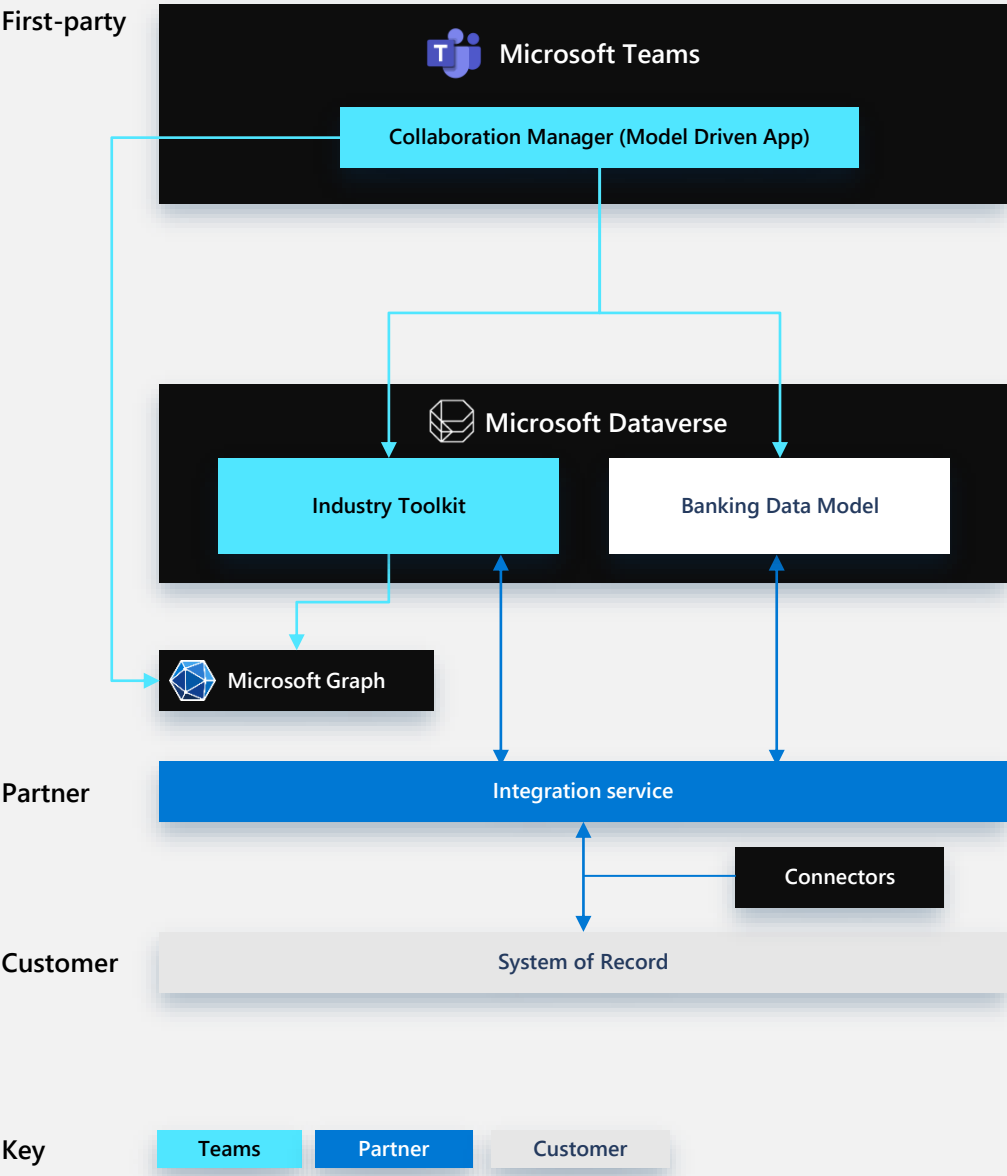
First-party

Microsoft Teams

Collaboration Manager (Model Driven App)

Microsoft Dataverse

Industry Toolkit

Banking Data Model

Microsoft Graph

Partner

Integration service

Connectors

Customer

System of Record

Key

Teams

Partner

Customer

Banking customer engagement

Banking customer engagement

Personalization

Financial understanding helps personalize interactions for meaningful engagement

Customer service center

Unified customer profiles help empower service agents with the right information to drive towards quick resolution

Omnichannel experiences

A unified agent desktop helps deliver consistent, connected experiences across channels including voice, messaging, and social
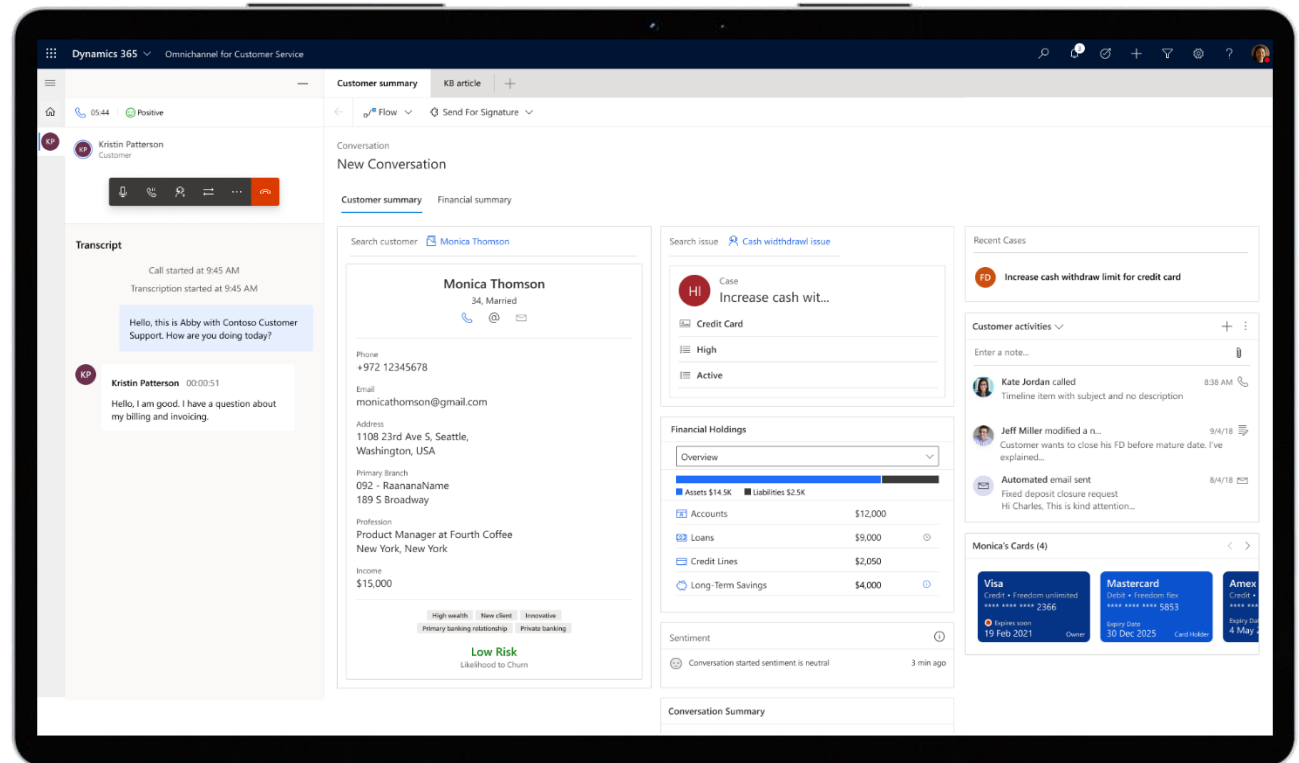
Public preview edition

Banking customer engagement

Financial information in the flow

- Inform customer conversations with an easily available financial summary to help drive better customer engagements

- Help understand the risk of churn at a glance powered by a purpose-built banking churn model

- Leverage our existing banking segments and bring in your own rules and definitions

Accelerate and optimize customer service

- Offer easy access to financial holding details to personalize customer engagements

- Deliver a full customer view within Omnichannel, arming service providers with relevant information at their fingertips
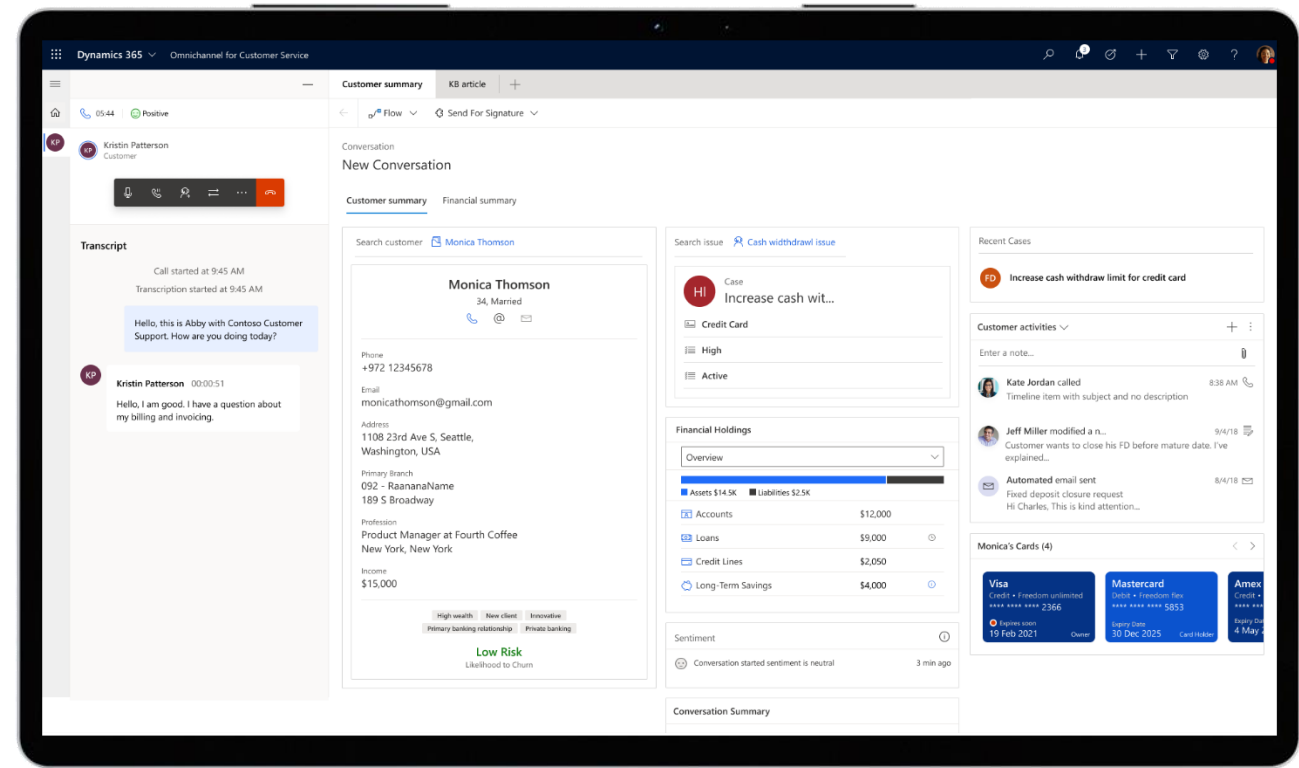
Public preview edition

Banking customer engagement

Help personalize customer interactions with relevant financial information to accelerate time to resolution

Engage customers in their preferred channel

- Benefit from consistent, connected experiences across channels including voice, chat, SMS, Facebook Messenger, WhatsApp, WeChat, Twitter DM, and Line – all from a unified agent desktop

- Automate self-service with virtual agents and rich knowledge-base portals via Power Virtual Agent

Leverage experts on the fly

- Use Microsoft Teams to help agents connect with subject-matter experts and resolve complex cases quickly, regardless of their job function or location

- Reference relevant resources quickly with AI-powered suggestions that use real-time context cues to recommend similar knowledge articles or cases
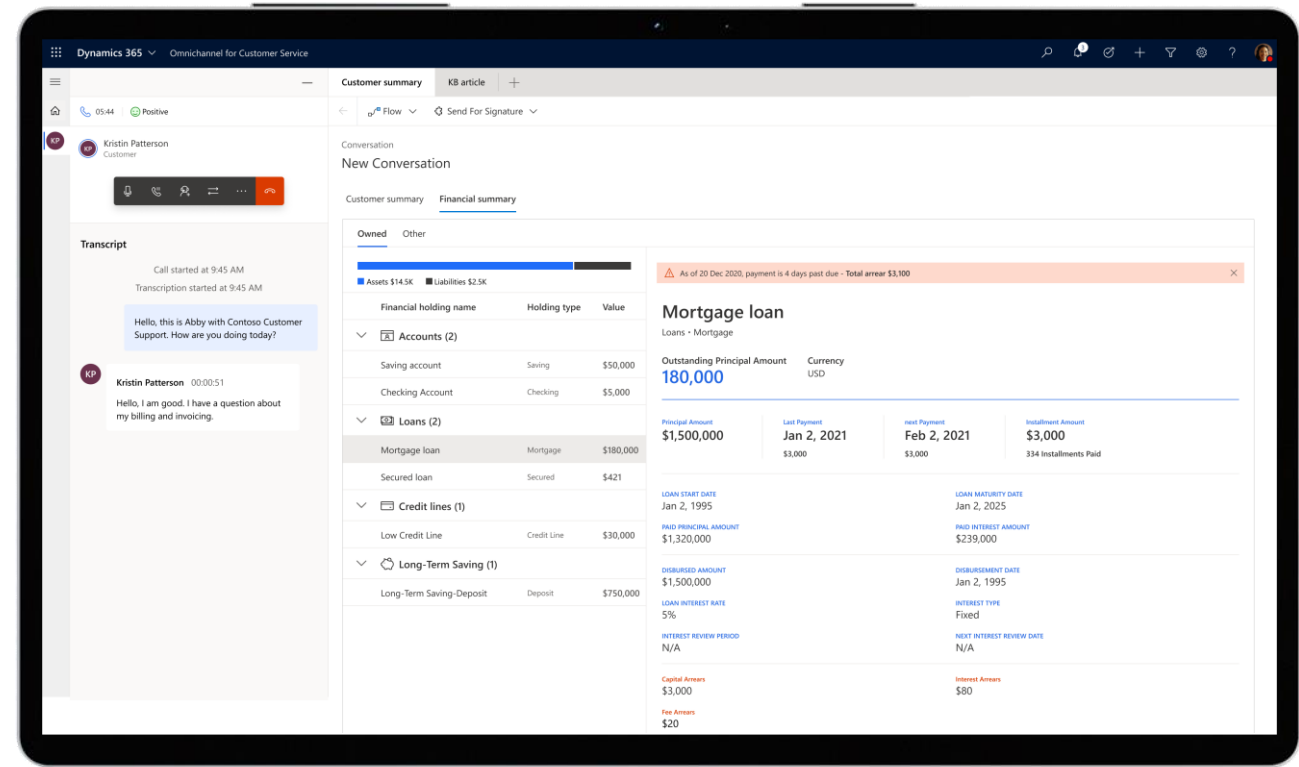
Public preview edition

Banking customer engagement

Reference architecture

Banking Customer Engagement

D365 Customer Insights

Customer intelligence
- Financial Services Segments
- Financial Services Models (Financial Services Churn)
- Financial Services Measures

CI Data Store

Retail Banking Entities

D365 Customer Engagement

Omnichannel

Power Apps

Core Retail Banking Controls
- Customer snapshot
- Life events
- Financial holdings

Dataverse

Financial Services Core Retail Banking Plugins

Financial Services CI Entities

Industry Data Model

Common Data Model

Bank Environment

Non-Customer Experience optional data

Bank Schema 2 Financial Services CDM

Customer Experience data (CIF+)

Additional Bank data sources

Banking Core Compute

Key

Microsoft products

Capability components

Bank environment

The capabilities connect for a unified journey

Customer
onboarding

Banking customer
engagement

Unified customer
profile

Collaboration
manager
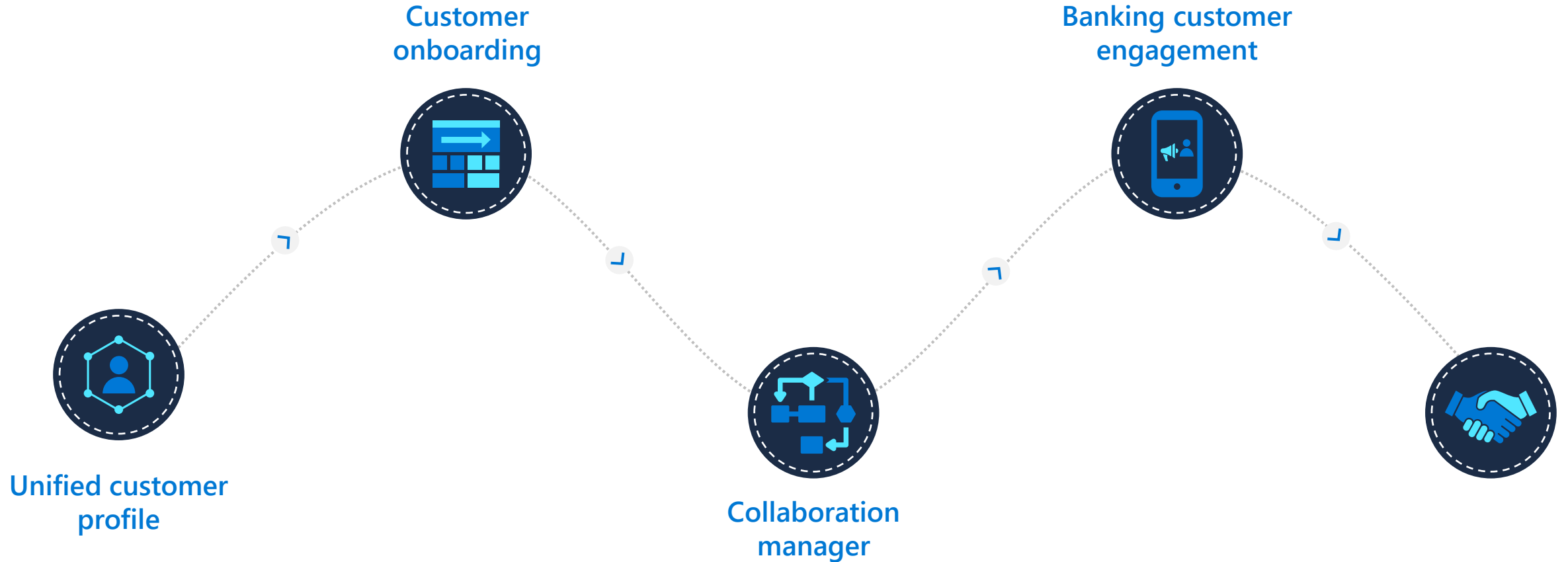
Combatting financial crime

"Next-gen tech can increase productivity in financial crime operations by 30-75%. These are significant numbers as global spending on AML and fraud operations is estimated at $31.6B for 2020."

— **Neil Katkov, PhD**
Head of Risk and Compliance, Celent

Account protection

Risk assessment and bot protection

Take advantage of these two key services in a single solution

Simple integration

An API within this SaaS solutions helps you easily integrate with your existing systems

Built-in compliance

Leverage an approach built for compliance with encryption of data in transit and at rest
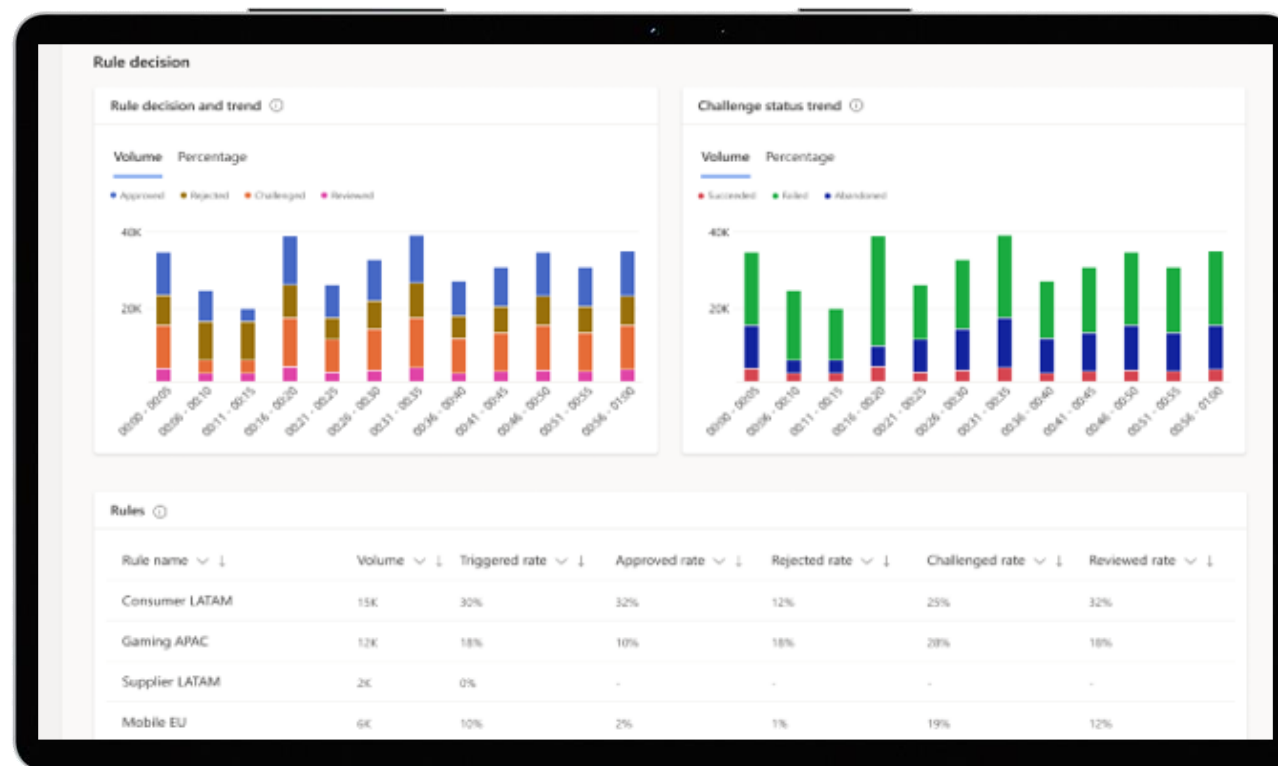
Purchase protection

Balanced approach

Help reduce loss and decrease false positives to improve merchant profitability

Transaction acceptance booster

Stream live data to your card authorization engine to help authorize more legitimate transactions

Customer value

Help manage fraud for your customers at scale as a service
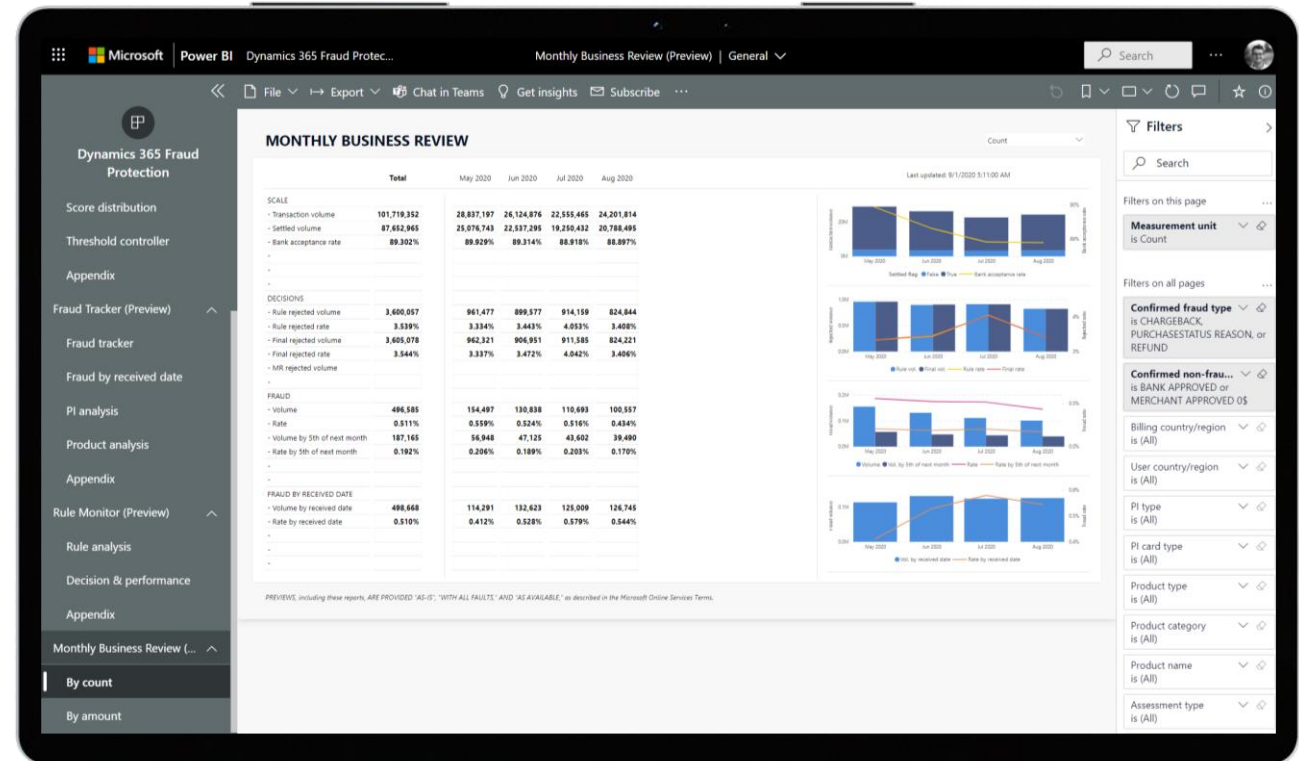
Security and compliance

"We do not compromise on data privacy. Against that background, the security and compliance functions of Azure were convincing, which is why we chose Microsoft as our competent cloud provider."

— Lutz Küderli
Head of Underwriting, Claims, Digital Services
and Insurance Medicine (Europe/LATAM)
for Life & Health at Munich Re

Regulatory compliance assessments
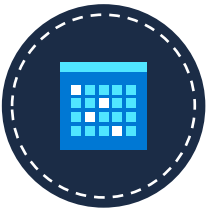
Assess, monitor, and help improve compliance posture with global, regional, and industry regulations and standards

Cloud risk assessments

Help accelerate your Microsoft cloud and vendor-related risks assessments

Industry standards

Leverage 40+ pre-built assessments for standards and regulations such as GDPR

Compliance posture

Help improve your overall compliance posture, enhancing security and privacy controls
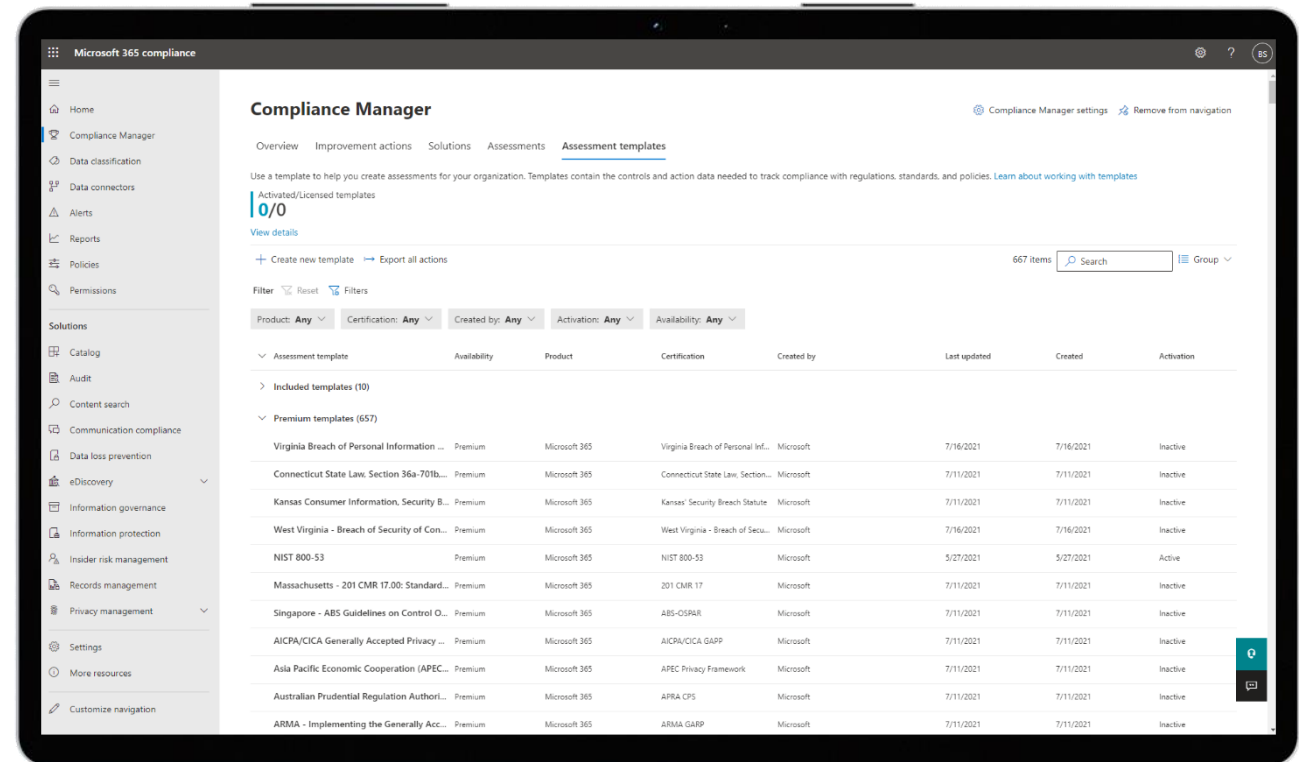
Risk assurance and support

Compliance Summit and Community

Connect with Microsoft Leadership on compliance topics and engage directly with peers and regulators in industry

Ask an expert

Support risk stakeholders to accelerate their assessments and approval cycles

Proactive risk assurance

Stay up to date on important regulatory changes and explore walk-throughs of curated audit artifacts

Concierge and learning paths

Upskill on cloud risk assessment and navigate our rich set of resources

Financial Services Compliance Program

Industry standards and certifications

We have the extensive compliance coverage in the industry with 90+ compliance offerings

Global

- CIS Benchmark
- CSA STAR Attestation
- CSA STAR Certification
- CSA STAR self-assessment
- ISO 27001:2013
- ISO 27017:2015
- ISO 27018:2014
- ISO 22301:2012
- SOC 1 Type 2
- SOC 2 Type 2
- SOC 3
- ISO/IEC 27701:2019
- ISO 9001:2015
- ISO 20000-1:2011
- WCAG 2.0 (ISO 40500:2012)

Industry

- European Banking Authority (EBA)
- FFIEC (US)
- OSFI (Canada)
- PCI DSS Level 1
- SEC 17a-4 (US)
- European Securities and Markets Authority (ESMA)
- European Insurance and Occupational Pensions Authority (EIOPA)
- GLBA (US)
- Shared assessments (US)
- CFTC 1.31 (US)
- FINRA 4511 (US)
- SOX (US)
- 23 NYCRR 500 (US)
- FCA + PRA (UK)
- APRA (Australia)

- FINMA (Switzerland)
- FSA (Denmark)
- RBI + IRDAI (India)
- MAS + ABS (Singapore)
- K-ISMS
- KNF (Poland)
- FISC (Japan)
- HIPAA BAA (US)
- HITRUST certification
- GxP (FDA 21 CFR Part 11)
- MARS-E (US)
- FERPA (US)
- CDSA
- MPAA (US)
- FACT (UK)
- DPP (UK)
- TISAX (Germany)
- NERC
- GSMA

Regional

- California Consumer Privacy Act (CCPA)
- GDPR
- Germany C5
- European Standard Contractual Clauses (SCC)
- Argentina PDPA
- Australia IRAP Unclassified
- Australia IRAP PROTECTED
- Canada Privacy Laws
- China GB 18030:2005
- China DJCP (MLPS) Level 3
- China TRUCS/CCCPPF
- EU EN 301 549
- EU ENISA IAF
- Germany IT—Grundschutz workbook

- India MeitY
- Japan CS mark gold
- Japan my number act
- Netherlands BIR 2012
- New Zealand Gov CIO Framework
- Singapore MTCS Level 3
- UK cyber essentials plus
- UK G-Cloud
- UK PASF

US Gov

- FedRAMP high
- FIPS 140-2
- NIST CSF
- FedRAMP moderate
- CNSSI 1253
- CJIS
- DFARS
- DoE 10 CFR Part 810
- EAR
- IRS 1075
- ITAR
- NIST SP 800-171
- Section 508 VPATs
- DoD DISA SRG Level 5
- DoD DISA SRG Level 4
- DoD DISA SRG Level 2

Note: Certifications in blue are specific to financial services

For additional compliance resources, see the full list of compliance offerings and compliance guides

The FSI cloud offer and pricing *

Microsoft Cloud for FSI		Per Tenant $20,000 per month
Purpose-built Industry IP	Unified customer profile	●
	Banking customer engagement	●
	Customer onboarding	●
	Collaboration Manager	●
Customer Success	Industry-specific technical solution architects (CSA)	● *(up to 20 hours)*
	Specialized, industry focused customer support	●
Benefits and Discounts	Compliance Manager (Trial)	Up to 25 premium assessments via 90-day trial of E5 Compliance/ Compliance Manager
	Assurance Program (Trial)	One time engineer guided assessment *(Up to 2 hours)*
	D365 fraud protection (Trial)	AP 50,000 transactions Limited PP and LP (5,000)

* subjected to change until GA

Microsoft Cloud For Financial Services – Regional Availability

Wave 1 General
Availability

November 1st , 2021
US
UK

January 2022
Canada

Early 2022

Regional Availability Roadmap will be published

Microsoft Cloud for Financial Services Strengths

Business model alignment
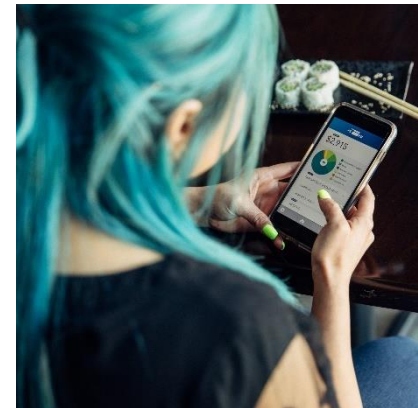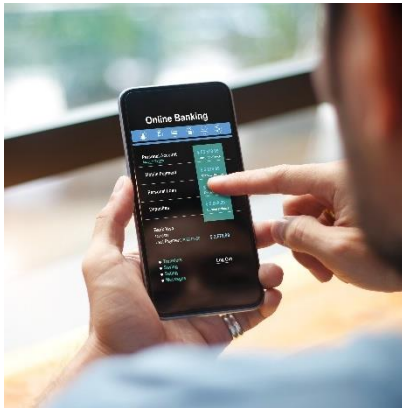
Customer ownership and control of data

Trusted, global security commitment

Industry customization

Robust partner ecosystem

Thank you

Microsoft Cloud for Financial Services