

Microsoft Sovereign Cloud Frequently Asked Questions

What is Microsoft Sovereign Cloud? How is it connected to Microsoft's European digital commitments?

Microsoft Sovereign Cloud is the next step in strengthening our European digital commitments to empower our customers with greater choice, more control over their data privacy, and the most robust digital resilience we have ever offered. Microsoft Sovereign Cloud is an evolution and expansion of Microsoft Cloud for Sovereignty. With this expanded offering, we are bringing together comprehensive productivity, security and cloud solutions designed to enable European organizations to grow, compete, and lead on their own terms and with more control than ever before across Sovereign Public Cloud, Sovereign Private Cloud, and National Partner Clouds.

What is Microsoft's approach to digital and operational sovereignty in Europe?

Microsoft supports digital and operational sovereignty in Europe through its expansive network of European datacenters, sovereign solutions, and European digital commitments. Our Sovereign Public Cloud ensures customer data stays in Europe, under European Law with day-to-day operations and access controlled by European-resident personnel, encryption is under full control of customers and applies to existing customer workloads running in our European datacenter regions requiring no migration. Across our Sovereign Public Cloud, Sovereign Private Cloud and support for National Partner Clouds, Microsoft Sovereign Cloud is centered on enabling individuals and institutions to exercise their roles in the digital world independently, securely and with self-determined controls. This approach spans both cloud-native and private infrastructure, ensuring you can choose the right balance of control, compliance, and capability for your needs.

What new sovereign controls are being introduced?

Microsoft is announcing new sovereign controls including Data Guardian, External Key Management, and Regulated Environment Management. Data Guardian ensures that day-to-day operations of European Microsoft Cloud Services are controlled entirely by residents of Europe. External Key Management allows customers to leverage their own hardware security modules (HSMs) with Azure. Regulated Environment Management simplifies the configuration of cloud environments in a unified portal with necessary sovereignty and policy controls.

What is Data Guardian?

Microsoft's EU Data Boundary already provides an industry-leading commitment to store and process your data on infrastructure located in Europe (EU/EFTA). Data Guardian will add an additional level of assurance by ensuring that only Microsoft personnel residing in Europe control remote access to these systems – applied to Microsoft Azure, Microsoft 365 and all other commercial cloud services. Data Guardian adds additional human and technical oversight whenever engineers outside of Europe need such access. All remote access by Microsoft

engineers to the systems that store and process your data in Europe is approved and monitored by personnel in Europe in real-time and will be logged in a tamper-evident ledger.

What is External Key Management?

External Key Management extends Azure Managed Hardware Security Module (HSM) to allow customers to use keys stored on their own HSMs, either on-premises or hosted by a trusted third party, for encryption at rest scenarios. This provides an additional layer of data protection.

What is Regulated Environment Management?

Regulated Environment Management is a unified portal that allows customers to easily manage sovereign features in one place, such as configuring Data Guardian policies or reviewing access log entries. It is at the center of the customer experience for configuring, deploying, and monitoring workloads in support of sovereign operations.

How does Microsoft 365 Local benefit customers?

Microsoft 365 Local provides customers with additional choice by bringing together Microsoft's productivity server software into an Azure Local environment that can run entirely in a customer's own datacenter. This enables customers to deploy Microsoft productivity workloads like Exchange Server and SharePoint Server in their own datacenters or sovereign cloud environments, with full control on security, compliance, and governance.

What is Microsoft 365 Local? Who is it designed for?

Microsoft 365 Local is a simplified deployment and management framework for customers to run productivity workloads like Exchange and SharePoint on Azure Local. It supports on-premises or air-gapped environments, or hybrid configurations extending Microsoft 365 cloud services where appropriate. Customers looking to deploy M365 Local will benefit from the strength of Microsoft's partner ecosystem, including a new Sovereign Specialty in the Microsoft AI Cloud Partner Program. Microsoft 365 Local is designed for governments, critical industries, and regulated sectors that need to meet the highest standards of data residency, operational autonomy, and disconnected access.