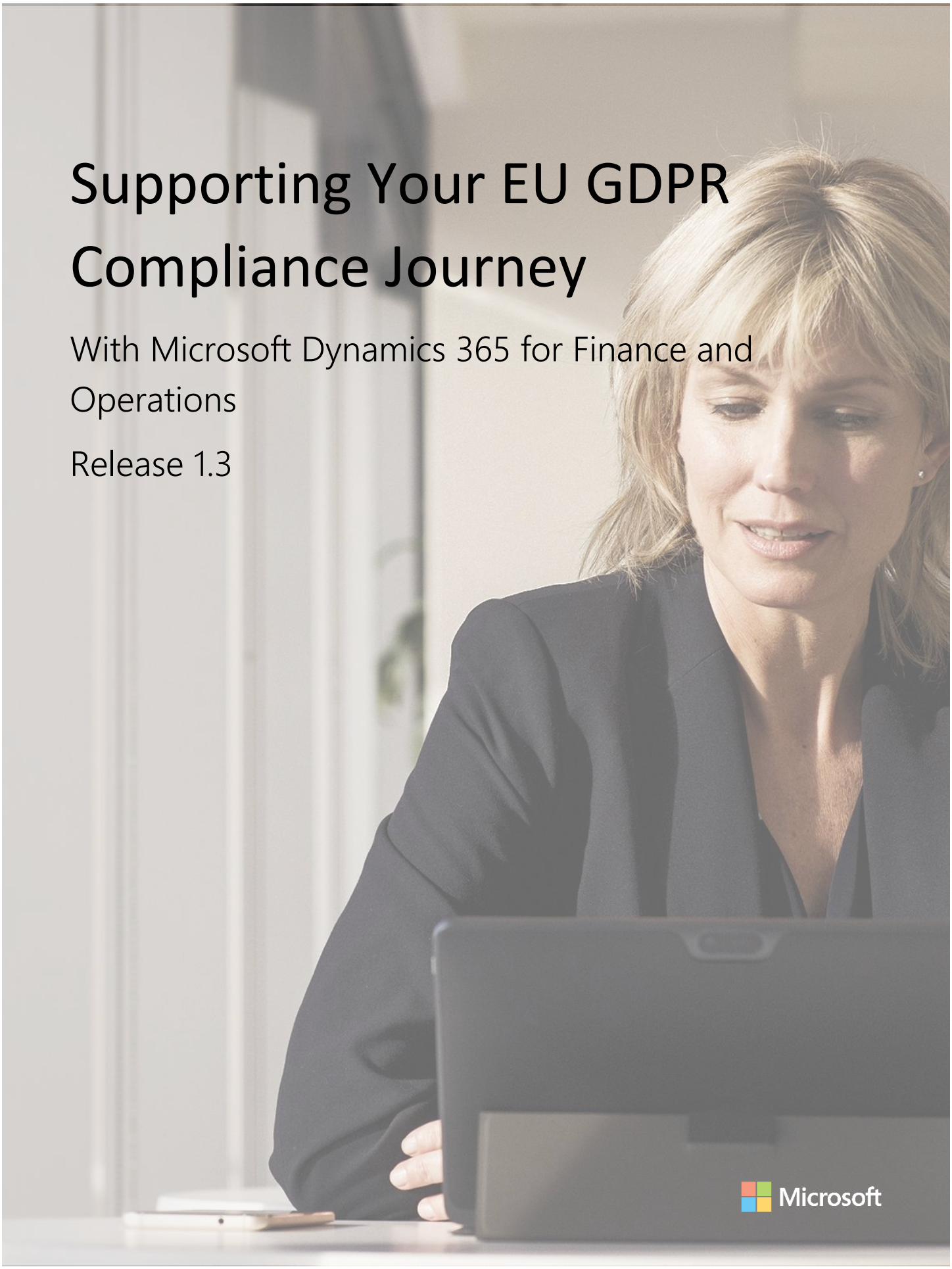
Supporting Your EU GDPR Compliance Journey

With Microsoft Dynamics 365 for Finance and Operations

Release 1.3



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Disclaimer

This white paper is a commentary on the GDPR, as Microsoft interprets it, as of the date of publication. We've spent a lot of time with GDPR and like to think we've been thoughtful about its intent and meaning. But the application of GDPR is highly fact-specific, and not all aspects and interpretations of GDPR are well-settled.

As a result, this white paper is provided for informational purposes only and should not be relied upon as legal advice or to determine how GDPR might apply to you and your organization. We encourage you to work with a legally qualified professional to discuss GDPR, how it applies specifically to your organization, and how best to ensure compliance.

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Published May 2018

Version 1.3

Introduction

On May 25, 2018, a European privacy law is due to take effect that sets a new global bar for privacy rights, security, and compliance. If your organization is a Microsoft Dynamics 365 for Finance and Operations, customer that finds itself considered a data controller (see Key GDPR Compliance Roles below) as defined by the General Data Protection Regulation, or GDPR, this white paper is addressed to you.

The GDPR is fundamentally about protecting and enabling the privacy rights of individuals. The GDPR establishes strict privacy requirements governing how you manage and protect personal data while respecting individual choice—no matter where data is sent, processed, or stored.

Microsoft and our customers are now on a journey to achieve the privacy goals and mandates of the GDPR. At Microsoft, we believe privacy is a fundamental right, and we believe that the GDPR is an important step forward for clarifying and enabling individual privacy rights. But we also recognize that the GDPR will require significant changes by organizations all over the world, including Microsoft.

We have outlined our commitment to the GDPR and how we are supporting our customers within the "Get GDPR compliant with the Microsoft Cloud" blog post by our Chief Privacy Officer Brendon Lynch and the "Earning your trust with contractual commitments to the General Data Protection Regulation" blog post by Rich Sauer - Microsoft Corporate Vice President & Deputy General Counsel.

Although your journey toward GDPR compliance may seem challenging, we are here to help you. For specific information about the GDPR, our commitments, and beginning your journey, please visit the GDPR section of the Microsoft Trust Center.

Using This Document

The GDPR is new and your organization will need to develop its own interpretation as to how it applies to your business. Dynamics 365 for Finance and Operations can be an important part of your journey toward GDPR compliance. The purpose of this document is to provide you with some basic understanding of the GDPR and relate that to Dynamics 365 for Finance and Operations. While compliance with the GDPR is mandatory in specific situations outlined below, it is not a "check box" exercise. It is also a way to enhance your overall data protection and privacy capabilities.

Throughout this document you will find references to specific GDPR sections (e.g., Article 7). These are provided as a reference to better connect your understanding of the GDPR with capabilities related to Dynamics 365 for Finance and Operations. It is **NOT** meant to imply that by using specific features or capabilities within Dynamics 365 for Finance and Operations your organization then complies with a specific requirement of the GDPR.

While this GDPR-related white paper is focused solely on Dynamics 365 for Finance and Operations, GDPR white papers have also been created for the Dynamics 365 Unified Operations Plan Business Applications that includes:

- Dynamics 365 for Finance and Operations
- Dynamics 365 for Retail

- Dynamics 365 for Talent

A similar set of GDPR-related white papers have been developed for the Dynamics 365 Customer Engagement Plan Business Applications that includes:

- Dynamics 365 for Sales
- Dynamics 365 for Customer Service
- Dynamics 365 for Project Service Automation
- Dynamics 365 for Field Service

In addition to the Dynamics 365 for Finance and Operations capabilities outlined in this white paper, Microsoft has announced the Compliance Manager, a cross–Microsoft Cloud Services solution designed to help organizations meet complex compliance obligations like the GDPR. It performs a real-time risk assessment that reflects your compliance posture against data protection regulations when using Microsoft Cloud Services, along with recommended actions and step-by-step guidance. Learn more about Compliance Manager and how to access the preview.

The first few sections of this document will provide an overview of the GDPR and suggest an approach for how you can think about both enhancing your data protection capabilities as well as how you may want to think about complying with the GDPR as expressed in four stages – Discover, Manage, Protect and Report.

The next sections go into specific detail for how Microsoft Dynamics 365 for Finance and Operations can help address your needs in each of the four stages.

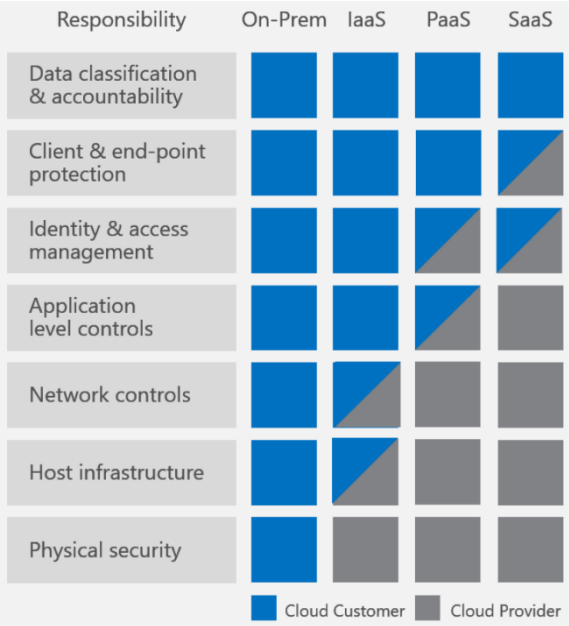
Shared Responsibility Model

As you read through this document, keep in mind that your compliance with the GDPR involves your role as a "controller" and, in some cases, Microsoft as a "processor." These roles are defined in the GDPR and summarized in the overview section below. Depending upon which of the Dynamics applications you have, you may find that you are both a controller and processor, or have a shared responsibility with Microsoft.

In a recent publication, *Shared Responsibilities for Cloud Computing*, Microsoft outlines the types of responsibilities it shares with its customers that can vary from the traditional on-premises IT environment to the Cloud environments that have come to be known as Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS). The shared responsibility model for these IT environments are summarized graphically below.

As this model relates to how you utilize Microsoft Dynamics, you will find that you have a version that:

- Runs on-premises where you are in both the controller and processor roles. Microsoft may provide important features but is not directly involved with your GDPR compliance.
- Is an on-premises version of Dynamics but you are using IaaS to host the solution. You remain the controller and processor, but Microsoft provides important controls for you.
- Is a SaaS version of Dynamics (e.g., Dynamics 365) where you are the controller and Microsoft is the processor and provides important controls.



Additional information about the responsibilities outlined in this model can be found in the Microsoft publication *Shared Responsibilities for Cloud Computing* referenced above.

The GDPR and Its Implications

The GDPR is a complex regulation that may require significant changes in how you gather, use, and manage data. Microsoft has a long history of helping our customers comply with complex regulations, and when it comes to preparing for the GDPR, we are your partner on this journey.

The GDPR imposes new rules on organizations established in the EU and on organizations – wherever they are located – that offer goods and services to people in the European Union (EU) or that monitor the behavior of people that takes place in the EU. Among the key elements of the GDPR are the following:

- **Enhanced personal privacy rights** - strengthened data protection for individuals within the EU by ensuring they have the right to: access their personal data, correct inaccuracies in that data, have their personal data erased upon request, object to the processing of their personal data, and move their personal data;
- **Increased duty for protecting personal data** - reinforced accountability of companies and public organizations that process personal data, providing increased clarity of responsibility in ensuring compliance;
- **Mandatory personal data breach reporting** - companies are required to report personal data breaches to their supervisory authorities without undue delay, and generally no later than 72 hours; and

- **Significant penalties for non-compliance** - steep sanctions, including substantial fines that are applicable whether an organization has intentionally or inadvertently failed to comply.

As you might anticipate, the GDPR can have a significant impact on your business potentially requiring you to update personal privacy policies, implement or strengthen data protection controls and breach notification procedures, deploy highly transparent policies, and further invest in IT and training.

Key GDPR Compliance Roles

As noted in the Shared Responsibility section above, there are specific roles defined within the GDPR that are important to keep in mind as you look at your compliance efforts and how your technology vendors, like Microsoft, impact those efforts. The GDPR defines the term "data subject" as well as two roles, controller and processor, which have specific obligations under the GDPR. These are called out in Article 4 of the GDPR:

- **Data Subject** – defined as, "an identified or identifiable natural person" and for the purposes of the scope of the GDPR that data subject is covered, regardless of their nationality or place of residence with the EU, in relation to the processing of their personal data.
- **Controller** – defined as, "the natural or legal person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the processing of personal data." Within the context of the GDPR, a controller does not have to be located within the EU for the GDPR to apply.
- **Processor** – defined as, "means a natural or legal person, public authority, agency or other body which processes personal data on behalf of the controller."

It should be noted that the applicability of certain GDPR requirements may change depending on different variables such as a controller's size (e.g., organizations defined as micro, small, and medium-sized enterprises employing fewer than 250 persons); or the nature of the processing (e.g., for the purposes of prosecuting criminal offences, by the data subject in the course of a purely personal or household activity). For this reason, it is recommended that you seek legal assistance to determine your organization's specific interpretation of the GDPR. Microsoft's role as a controller, processor, or both varies based on these definitions.

In some situations, such as holding its own employees' data or certain types of data that can be considered as personal data, Microsoft acts as a controller using its own technologies and Cloud Services or technologies and Cloud Services from others.

There are also situations, such as with a Cloud Service like Dynamics 365 for Finance and Operations, where Microsoft can act as a processor since a customer in the role of a controller is dependent upon Microsoft, as a processor, to provide capabilities upon which a controller will depend to meet its obligations such as in the area of notification of a personal data breach. For more information on how Microsoft addresses these obligations visit the Microsoft Dynamics Trust Center.

Personal Data

Data Definitions

As part of your effort to comply with the GDPR, you will need to understand both the definitions of personal and sensitive data and how they relate to the types of data held by your organization within Dynamics 365 for Finance and Operations. Based on that understanding you will be able to discover how that data is created, processed, managed, and stored.

The GDPR considers personal data to be any information related to an identified or identifiable natural person. That can include both direct identification (e.g., your legal name) and indirect identification (e.g., specific information that makes it clear it is you the data references).

The GDPR makes clear that the concept of personal data includes online identifiers (e.g., IP addresses, device IDs) and location data.

Sensitive data are special categories of personal data which are afforded enhanced protections and generally requires an individual's explicit consent where these data are to be processed.

Information relating to an identified or identifiable natural person (data subject) - examples

- Name
- Identification number (e.g., SSN)
- Location data (e.g., home address)
- Online identifier (e.g., e-mail address, screen names, IP address, device IDs)

Data Pseudonymization

The GDPR also addresses the concept of pseudonymous data, or personal data which has been separated from its direct identifiers so that linkage to an identity is no longer possible without additional information which is being stored separately. This is different from anonymized data, where the direct link to personal data is destroyed. With anonymized data, there is no way to re-identify the data subject and, therefore, it is outside the scope of the GDPR.

As noted in the GDPR (Recital 28), "The application of pseudonymization to personal data can reduce the risks to the data subjects concerned and help controllers and processors to meet their data-protection obligations. The explicit introduction of 'pseudonymization' in this Regulation is not intended to preclude any other measures of data protection."

If your organization pseudonymizes its data you may benefit from the relaxation of certain provisions of the GDPR, such as personal data breach notification requirements. The GDPR also encourages pseudonymizing in the interests of enhancing security and as a privacy by design measure.

You will have very strong incentives to employ data pseudonymizing technologies under the GDPR to manage your compliance obligations and mitigate your risks. But bear in mind, while the GDPR considers both encryption or pseudonymization as safeguards, under Article 34, breach notification may be avoided if "the controller has implemented appropriate technical and organizational protection measures…such as encryption."

Dynamics 365 for Finance and Operations Data

With the data definitions outlined in the GDPR in mind, let's look at data contained in Dynamics 365 for Finance and Operations and see how they relate. Microsoft defines specific data categories related to its Cloud Services, such as Dynamics 365 for Finance and Operations, in the Microsoft Privacy Statement. As noted below, some of this data will be your responsibility as the controller to manage in a way that is in line with the GDPR. This list will start you on your discovery step:

- **Customer data** is all data, including text, sound, video, or image files and software, that you provide to Microsoft or that is provided on your behalf through your use of Microsoft enterprise Cloud services. For example, it includes data that you upload for storage or processing, as well as applications that you upload for distribution through a Microsoft enterprise Cloud Service. Customer data does not include administrator or other contact data, payment data, or support data.
- **Content** is a subset of customer data and includes, for example, Exchange Online email and attachments, Power BI reports, SharePoint Online site content, IM conversations, or data about your interactions with customers.
- **Administrator data** is the information about administrators supplied during signup, purchase, or administration of Microsoft Cloud Services, such as names, phone numbers, and email addresses. It also includes aggregated usage information and data associated with your account, such as the controls you select. We use administrator data to provide services, complete transactions, service the account, and detect and prevent fraud.
- **Payment data** is the information you provide when making online purchases with Microsoft. It may include a credit card number and security code, name and billing address, and other financial data. We use payment data to complete transactions, as well as to detect and prevent fraud.
- **Support data** is the information we collect when you contact Microsoft for help, including what you supply in a support request, results from running an automated trouble shooter, or files that you send us. Support data does not include administrator or payment data.

All these data categories may contain personal data subject to the GDPR.

Journey Toward GDPR Compliance

Four Stages to Follow

Where do you begin? How do you start the journey toward GDPR compliance as you utilize the Dynamics 365 Cloud Services and applications?

In the general white paper "Beginning your General Data Protection Regulation (GDPR) Journey", we addressed topics such as an introduction to GDPR, how it impacts you and what you can do to begin your journey today. We also recommended that you begin your journey to GDPR compliance by focusing on four key steps:

Key GDPR Steps

- **Discover**—identify what personal data you have and where it resides.
- **Manage**—govern how personal data is used and accessed.
- **Protect**—establish security controls to prevent, detect, and respond to vulnerabilities and data breaches.
- **Report**—execute on data requests, report data breaches, and keep required documentation.

For each of the steps outlined in the general white paper referenced above, we outlined example tools, resources, and features in various Microsoft solutions that can be used to help you address the requirements of that step. While this white paper for Dynamics 365 for Finance and Operations is not a comprehensive "how to," we have included links for you to find out more details, and more information is available at Microsoft.com/GDPR.

Given how much is involved, you should not wait to prepare until GDPR enforcement begins. You should review your privacy and data management practices now. The balance of this white paper is focused on how Dynamics 365 for Finance and Operations can support your compliance with the GDPR following the four steps introduced above, as well as approaches, recommended practices, and techniques to support your ongoing GDPR compliance journey.

Microsoft Dynamics 365 for Finance and Operations and the GDPR

As described above, the scope of GDPR is intended to apply to the processing of personal data whatever technology is used. Because Microsoft Dynamics 365 for Finance and Operations may be used to process personal data there are certain requirements within the GDPR (as noted by the references to regulation Articles contained in the GDPR below) where Dynamics 365 for Finance and Operations users should pay close attention (but this is not to the exclusion of other Articles containing GDPR requirements with which you must comply):

- **Consent** (Article 7) - Under the new regulation, there must be a basis for any processing. If the basis is consent, that consent must be demonstrable and "freely given." Furthermore, the data subject must also have the right to withdraw consent at any time. This may change how marketing and sales activities are managed.
- **Rights to access** (Article 15), **rectification** (Article 16), and **erasure** (Article 17) - Under the GDPR, mechanisms need to be provided for data subjects to request access to their personal data and receive information on the processing of that data, to rectify personal data if incorrect, and to request the erasure of their personal data, sometimes known as the "right to be forgotten". You

should ensure any personal data that is requested to be erased does not conflict with other obligations you may have around data retention (e.g., proof of payment, proof of tax).

- **Documentation** (Articles 24 and 30) - An important aspect of the GDPR is to maintain audit trails and other evidence to demonstrate accountability and compliance with the GDPR requirements, and to maintain an inventory of your organization's personal data detailing categories of data subjects and the personal data held by the organization.
- **Privacy by design** (Article 25) - This is a key element of the GDPR. It requires controllers and processors to implement the necessary privacy controls, safeguards, and data protection principles, such as minimizing the data collected, not just at the time of processing but, in advance, when determining the means of processing.
- **Data security** (Articles 25, 29, and 32) – the GDPR requires controllers and processors to control access to personal data (e.g., role-based access, segregation of duties) and implement appropriate technical and organizational measures to protect the confidentiality, integrity, and availability of that data and processing systems.

The capabilities of Dynamics 365 for Finance and Operations described in this white paper are designed to help you get started on your journey to GDPR compliance. The Trust Center highlights our four trust pillars.

- **Security** – Dynamics 365 for Finance and Operations is built using the Security Development Lifecycle, a mandatory Microsoft process that embeds security requirements into every phase of the development process. Azure Active Directory helps protect Dynamics 365 for Finance and Operations from unauthorized access by simplifying the management of users and groups. In addition, Dynamics 365 for Finance and Operations enables you to assign and revoke privileges to these accounts easily.

  For example, Microsoft uses encryption technology to protect your data while at rest in a Microsoft database and when it travels between user devices and our Azure datacenters. Dynamics 365 for Finance and Operations production environments are monitored to help protect against online threats by using distributed denial-of-service (DDoS) attack prevention and regular penetration testing to help validate security controls.

- **Privacy** – You are the owner of your data. We do not mine your data for advertising. If you ever choose to terminate Dynamics 365 for Finance and Operations, you can take your data with you. Microsoft is the custodian or processor of your data. We use your data only for purposes that are consistent with providing the Cloud Services to which you subscribe. If a government approaches us for access to your data, we redirect the inquiry to you, the customer, whenever possible. We have challenged, and will challenge in court, any invalid legal demand that prohibits disclosure of a government request for customer data.
- **Compliance** – Microsoft complies with leading data protection and privacy laws applicable to Cloud Services, and our compliance with world-class industry standards is verified by third parties. As with all our Cloud Services products, Dynamics 365 for Finance and Operations is enabled to help customers comply with their national, regional, and industry-specific laws and regulations.

- **Transparency** – In line with the tenets of the GDPR, we provide you with clear explanations about where your data is stored and how we help secure it, as well as who can access it and under what circumstances. For more information, see Dynamics 365 Transparency.

If your organization collects, hosts, or analyzes personal data of EU residents, the GDPR requires you only use third-party processors, such as Microsoft, who provide the required guarantees of compliance set out in Article 28 of the GDPR.

Dynamics 365 for Finance and Operations and the GDPR Journey

In this section, you will see how the key features within Dynamics 365 for Finance and Operations can be brought to bear on the important steps of your journey toward GDPR compliance – Discover, Manage, Protect, and Report. It should be noted that there are many other ways of achieving GDPR compliance and you can adjust your Dynamics 365 for Finance and Operations solution design to meet your business and solution requirements.

Key Messaging

Dynamics 365 for Finance and Operations and its administrative system, Microsoft Dynamics Lifecycle Services, included in the Dynamics 365 Unified Operations Plan, helps you comply with GDPR regulations to:

- Obtain explicit consent from customers to process their data by providing tools to create notifications to inform customers about how their data will be used.
- Respect data subject rights by:
    - Supporting correction, erasure, or transfer of your customers' personal data.
    - Enabling portability of your customers' personal data in a commonly used and machine-readable format.
    - Incorporating privacy-by-design and privacy-by-default methodologies into the design of your systems.
    - Increasing data security by providing you with the ability to grant or restrict access to personal data at multiple levels and also encrypting personal data in transit and at rest in Microsoft datacenters.
    - Enabling audit trails to help document compliance with GDPR regulations.

Discover - Search for and identify personal data

Dynamics 365 for Finance and Operations provides multiple methods for you to search for personal data within records using standard filters and sorting on data lists which enable you to search through your data by simply typing all or part of the value you are looking for and then specifying the column to search. Additionally, Advanced Filtering using Advanced Query Syntax allows you to search through fields that aren't even shown on the form. These functions enable you to identify and find personal

data. You may also consider using the Person Search Report to find data that you've classified as personal data.

Discover - Facilitate data classification

Dynamics 365 for Finance and Operations offers flexibility to build out the application using customization. With Dynamics 365 for Finance and Operations, data classification may be implemented at the column level using solution customization, entities coupled with other entities that map classifications, or the use of extended data types to classify personal data. You may also consider creating a detailed inventory by classifying your data directly in the data model using the Asset Classification tag.

Discover - Key Takeaways

- There is potential for personal data to reside within Dynamics 365 for Finance and Operations.
- As the controller, you are responsible for identifying personal data that you have collected and responding to data subject requests. This may require you to utilize the customization capabilities of Dynamics 365 for Finance and Operations.
- Dynamic 365 for Finance and Operations provides customers with the ability to display customized privacy statements.
- Your organization may have other applications or services related to the Dynamics 365 for Finance and Operations application where personal data is stored. As a controller, you are responsible for managing the personal data that flows to or from those applications or services.

Manage - Enable data governance practices and processes

Dynamics 365 for Finance and Operations provides you with a set of features to manage access to personal data by users and groups. Using Dynamics 365 for Finance and Operations user setup you can define roles that limit the tasks a user can perform. Role-based security lets you restrict access to specific records. The Dynamics 365 for Finance and Operations security architecture enables an extensible data security framework for securing or filtering data based on permissions.

Manage - Correct inaccurate or incomplete personal data, or delete personal data, regarding data subjects

Dynamics 365 for Finance and Operations gives you several methods for correcting inaccurate or incomplete personal data, or erasing personal data regarding a data subject using its customization tools, but the decision and implementation is your responsibility. In some cases, you may choose to use the Dynamics 365 for Finance and Operations forms to directly edit your data. For bulk editing certain personal data, you can utilize the Microsoft Office add-in to export data to Microsoft Excel, make your changes, and then import that modified data from Excel into Dynamics 365 for Finance and Operations.

Manage - Provide data subject with their personal data in a common, structured format

Personal data in Dynamics 365 for Finance and Operations can be exported using the comprehensive entity export capabilities. Using Data management and integration entities, the controller may utilize provided entities, create new, or extend existing, entities for a repeatable personal data export to Excel or a number of other common formats using Data import and export jobs. Alternatively, many lists can be exported to a static Excel file to facilitate a data portability request. When personal data is exported to Excel, you can then edit the personal data to be included in the portability request and then save the file as a commonly used, machine-readable format such as .csv or .xml. You may also consider using the Person Search Report to provide the data subject with data that you've classified as personal data.

Manage - Restrict the processing of personal data

Dynamics 365 for Finance and Operations helps to protect personal data and service availability as required by the GDPR by incorporating security measures at the platform and service levels. With Dynamics 365 for Finance and Operations, administrative users grant and restrict user access to personal data through security roles, restricting access to individuals or groups of users.

Manage – Key Takeaways

- As the controller, you need to ensure any templates, entities or other controls around the exporting and importing functions that you author or which you build into Dynamics 365 for Finance and Operations are consistent with your interpretation of the GDPR requirements.

Protect - Data protection and privacy by design and default

Dynamics 365 for Finance and Operations services are developed using the Microsoft Security Development Lifecycle, which incorporates privacy-by-design and privacy-by-default methodologies, and in accordance with Microsoft privacy standards. To demonstrate Microsoft's commitment to the privacy and security of customer data, core Dynamics 365 for Finance and Operations services are audited at least annually against various compliance offerings, including ISO 27001, ISO 27017, ISO 27018, SOC 1 Type 2, and SOC 2 Type 2 audit reports.

Protect - Secure personal data through encryption

Dynamics 365 for Finance and Operations uses technology such as SQL Server with Transparent Data Encryption (TDE) to encrypt data at rest and Transport Layer Security (TLS) for all communications between browser client and server. Additionally, Microsoft's key platform, productivity, and communications services will encrypt customer content as it moves between our datacenters.

Protect - Secure personal data by leveraging security controls that ensure the confidentiality, integrity, and availability of personal data

Dynamics 365 for Finance and Operations offers multiple tools to help safeguard data according to an organization's specific security and compliance needs, including: role-based security, which allows you to group together a set of privileges that limit the tasks a user can perform; field-level security, which

allows you to restrict access to specific high-impact fields; and a security architecture which enables an extensible data security framework for securing or filtering data based on permissions to enforce record-based security.

Protect - Detect and respond to data breaches

Dynamics 365 for Finance and Operations deploys security measures intended to help prevent and detect data breaches, including software to provide intrusion detection and distributed denial-of-service (DDoS) attack prevention. Microsoft responds to incidents involving data stored in Microsoft datacenters by following a Security Incident Response Management process. Microsoft will also notify affected Microsoft customers with enough details to conduct their own investigations, and to meet any commitments they have made while not unduly delaying the notification process.

Protect - Facilitate regular testing of security measures

Dynamics 365 for Finance and Operations provides administrative users with audit functionality that can help identify opportunities and improve the security posture to protect personal data, in addition to detecting data breaches. Microsoft also conducts ongoing monitoring and testing of Dynamics 365 for Finance and Operations security measures. These include ongoing threat modeling, code review, security testing, live site penetration testing, and centralized security logging and monitoring.

Protect – Key Takeaways

- Dynamics 365 for Finance and Operations is enabled to help customers comply with their national, regional, and industry-specific laws and regulations.
- You can use the security architecture and role-based security to protect the data integrity and privacy in a Dynamics 365 for Finance and Operations organization.
- Microsoft Dynamics 365 for Finance and Operations supports an auditing capability where certain personal data changes within an organization can be recorded over time for use in analysis and reporting purposes.

Report - Maintain audit trails to show GDPR compliance

Dynamics 365 for Finance and Operations allows you to track and record certain personal data changes in a Dynamics 365 for Finance and Operations environment. The personal data and operations that can be audited in Dynamics 365 for Finance and Operations include: the creation, modification, and deletion of records; and Dynamics 365 for Finance and Operations provides reports detailing the users in each environment and the security roles currently assigned to them. You may also consider monitoring users with access to sensitive data.

Report - Track and record flows of personal data into and out of the EU

Dynamics 365 for Finance and Operations provides data flow documentation that helps you visualize your data movements. Dynamics 365 for Finance and Operations lets you reduce the need for transfer

of personal data outside of the EU by enabling you to select a region during the initial setup of services, and to store your data in any of our public Azure datacenters around the globe.

Additionally, Microsoft has made several contractual commitments related to Dynamics 365 for Finance and Operations that enable the appropriate flow of personal data within the Microsoft ecosystem.

Report - Track and record flows of personal data to third-party service providers

Dynamics 365 for Finance and Operations customers acting as controllers are responsible for tracking distribution of personal data to third party custom services and applications. Microsoft maintains an inventory of subcontractors who may have access to customer data and is expanding that process to additional products and scenarios to meet GDPR compliance needs.

Report - Facilitate Data Protection Impact assessments

Dynamics 365 for Finance and Operations offers audit capabilities to help inform your Data Protection Impact Assessment (DPIA).

In addition, Microsoft provides detailed information regarding its privacy standards, its collection and processing of customer data, and the security measures used to protect that data. This information, accessible via the Microsoft Trust Center, includes: what data Microsoft collects and processes; Microsoft privacy standards; access to data controlled by Microsoft; details on Dynamics 365 security measures; and details regarding the Microsoft privacy reviews process.

Report – Key Takeaways

- Dynamics 365 for Finance and Operations is enabled to help customers comply with their national, regional, and industry-specific laws and regulations.
- Dynamics 365 for Finance and Operations has implemented security and privacy controls. These reports include testing annually against various compliance offerings, including ISO 27001, ISO 27017, ISO 27018, SOC 1 Type 2 and SOC 2, Type 2 audit reports, and Security assessment reports.

How You Can Obtain Dynamics

Get started with Dynamics 365 today

- Options for one or many products
- Choices for any type of user
- Editions for businesses of any size

Learn more about security and compliance for Dynamics 365