Realizing Privacy

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APEC Privacy Framework
Domestic Implementation Seminar
June 1-2, 2005, Hongkong

Trustworthy Computing

Security
- Resilient to attack
- Protects confidentiality, integrity, availability of data and systems

Privacy
- Individual control of personal data
- Products, online services adhere to fair information principles
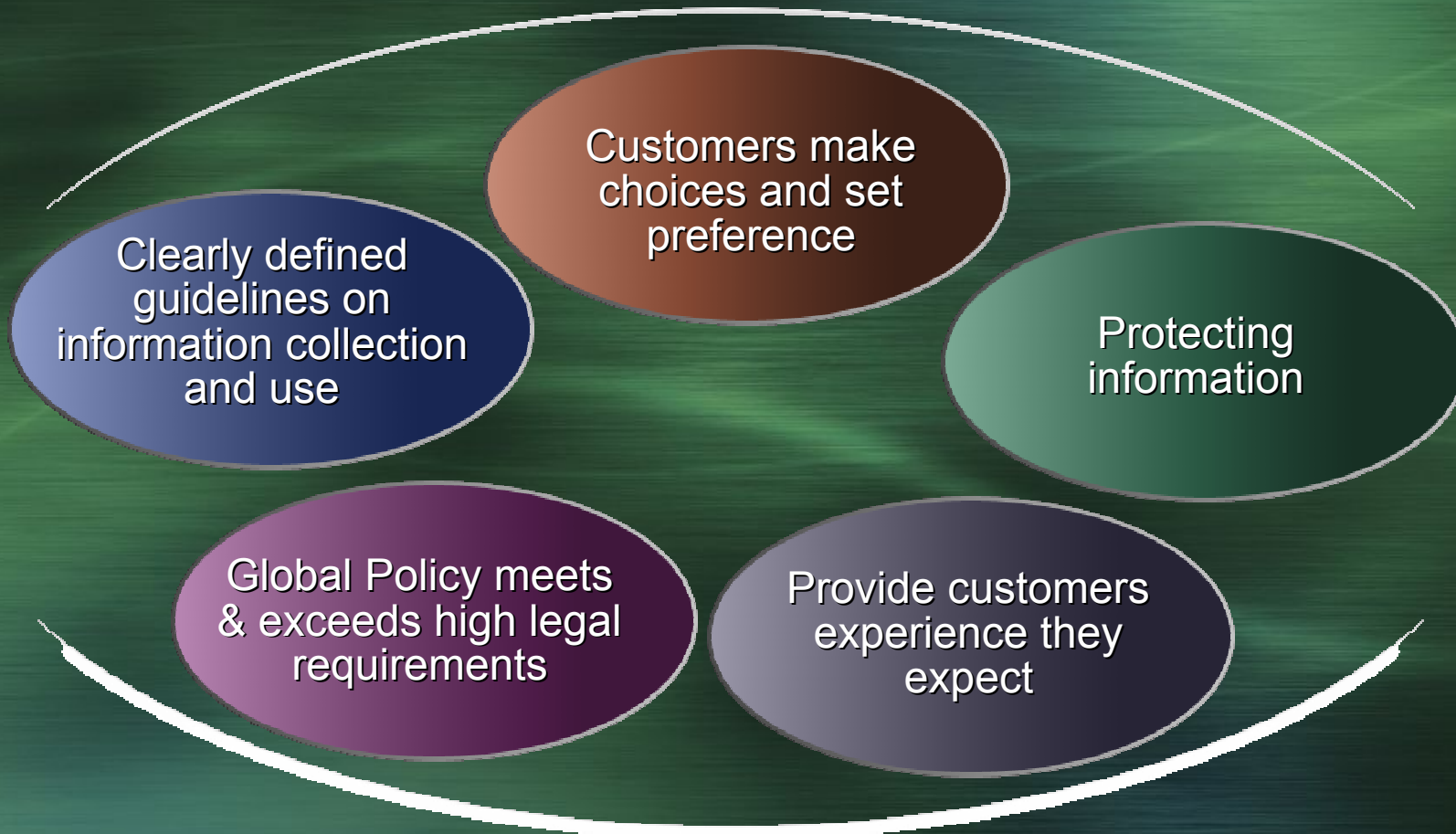- Protects right to be left alone

Reliability
- Engineering Excellence
- Dependable, performs at expected levels
- Available when needed

Business Integrity
- Open, transparent interaction with customers
- Address issues with products and services
- Help customers find appropriate solutions

Microsoft's Approach to Privacy

Customers make choices and set preference

Clearly defined guidelines on information collection and use

Protecting information

Global Policy meets & exceeds high legal requirements

Provide customers experience they expect

Putting Customers in Control of their Information

Customer Trust

Satisfaction

Loyalty

Leadership

IT
Network
Products

Products
Services
Brand

Privacy
"*Know me &
respect my choices*"

Security
"*Protect me from
intrusion and loss*"

Confidence
"*Give me products
that works*"

Help realize the potential of Technology

Privacy remains an important technology policy issue

International Government Elites Survey, November 2004

- Computer security is the most important public policy issue for elites, worldwide
- Consumer privacy and the promotion of open standards tie for the second most important issue, worldwide
- For elites in Japan and the US, consumer privacy is the second most important public policy issue

Worldwide (tracking)

Issue	Value
Computer security	43
Consumer privacy	27
Promoting the adoption of open standards	27
Developing the local IT industry	25
Unwanted email called SPAM	19
Children's on-line safety	17
Access to technology for the disabled	9

Ranked by WW -- % mentioning

APAC	EMEA	Taiwan	Japan	LATAM	US
33	38	38	64	48	51
32	24	35	38	26	25
23	27	22	26	19	18
50	28	41	33	45	12
11	17	19	6	15	19
16	20	23	10	17	11
6	9	3	11	12	2

■ Most important issue

■ Second most important issue

Q10b. Which one or two of the following technology-related public policy issues do you personally think is most important in <COUNTRY NAME>?

Base equals all of respondents in each country. WW=1802, APAC=675, EMEA=1908, Taiwan=125, Japan=125, LATAM=741, US=250.

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How we invest in Privacy

Three Categories of Investments

- Help Microsoft take control of privacy
- Help Consumers take control of privacy
- Help Businesses take control of privacy

Common Threads

- Drive awareness of issues and solutions
- Empower through technology

Taking controls within Microsoft

The Goal
- From regulatory compliance to competitive differentiation
- Drive customer satisfaction and improved brand value

The Keys
- Building privacy safeguards into the company's DNA
  - Integration into existing processes & practices
  - Accountability throughout the organization
- Aligning business, IT, and other enterprise stakeholders

Managing Privacy directly maps to corporate vision
- Helping customers realize the full potential of technology
- Putting more control of information in their hands
- Increasing their level of trust with the company

Corporate initiative with increasing visibility
- Privacy leads throughout each major business unit

Business Practices

- **Structure** – three levels of Privacy staff

- **Standards & reviews** – checks on products & processes

- **Training** – required and targeted sessions

- **Helping reduce risk** – fewer vendors touch customer data

- **Measurement** – testing applications and employees; customer studies

- **Reporting & tracking** – monitor customers' privacy concerns more efficiently and responsively

- **Compensation** – variable compensation of 600 top employees partially based on privacy

Helping Consumers Take Control

Spam

Virus
Worm
Spyware
Trojans
Scams
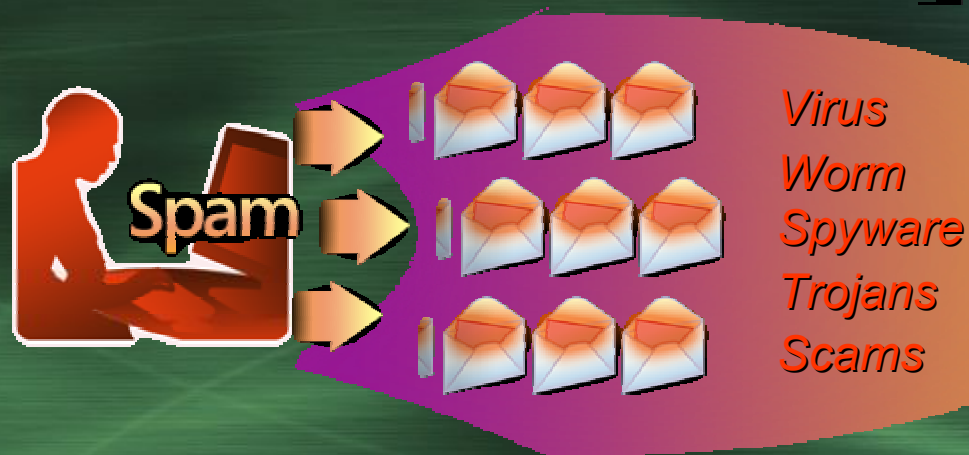
- Identity Theft
- Data Leakage/Theft
- DDoS Extortion
- Frauds
- Software Piracy
- Illegal Downloads
- Others

65% of all e-mails are Spam

June 2004
65% of e-mail
is spam

100%

50%

spam

legitimate e-mail

Dec.'03   March '04   June '04
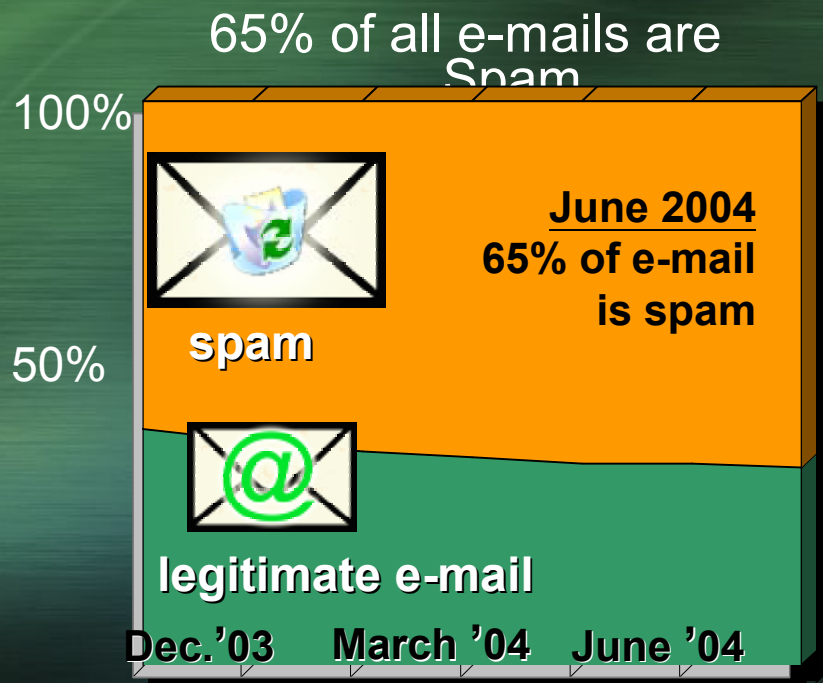
Spyware

67%-80% of home computers contain unwanted software

Phishing

Attempts to trick people into divulging private information via e-mail that appears to be from a trusted source

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Microsoft Anti-Spam Strategy

Industry Collaboration & Partnerships

Govt Partnerships
Strong Laws & Enforcement

Education & Enablement

Spam

eMail

e-mail user

1

Proof: Identity & Evidence
- **"Sender ID"**
- Computational Cycles
- Certificates
- Sender Safelists

2

Prevention Agents
- Attack detection
- Sender reputation
- Outbound filtering

3

Protection Filters
- SmartScreen
- At gateway, server & desktop
- Update Service

Combating Phishing

Vision

An integrated system that proactively **prevents** and **protects** against phishing attacks through **proof** of identity and evidence

E-mail Solutions

- Safe and block lists, URL heuristics
- Integrated into products and services

Browser Solutions

- URL heuristics
- Page heuristics

Education and Response

- Develop online resources
- Partner with consumer advocacy groups
- Support law enforcement efforts

Detect And Remove Spyware

Microsoft® Windows
AntiSpyware Beta

Helps protect Windows users from spyware and other potentially unwanted software

| Detect and remove spyware | Improve Internet browsing safety | Stop the latest threats |

Windows XP Service Pack 2

- Built-in pop-up ad blocker
  - Turned on by default in Internet Explorer
  - Blocks unwanted online ads
  - Trainable software
- Initial blocking of downloads
  - Alerts users before downloading files
  - Redesigned Authenticode dialog
  - "Never Install" option
- Information bar
  - Suppresses unsolicited downloads
  - Helps prevent "pop-under" screens
- Interface changes
  - Reduces entry points for spyware

Information Bar provides Notice and Choice

Right click to get more options

Unless download was user initiated, install prompt is suppressed until user expresses interest
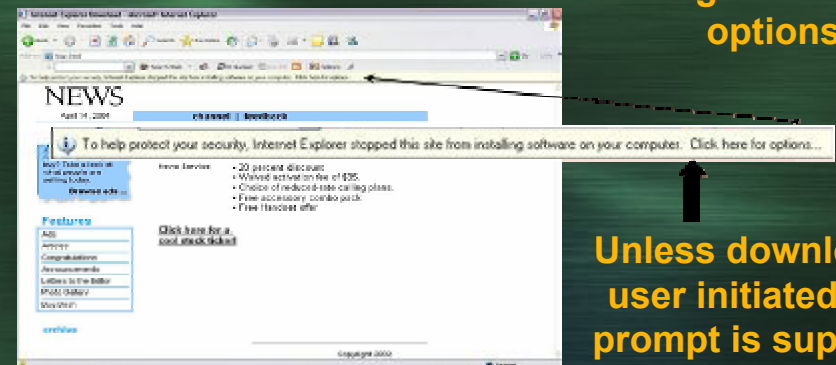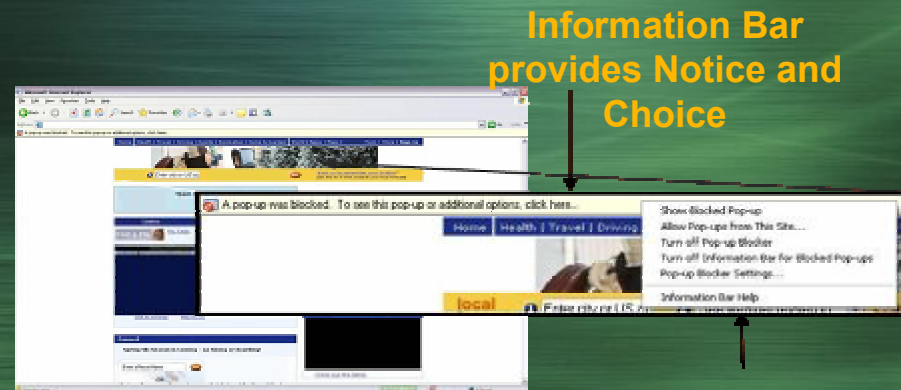
Engagement through friendlier notices

Simple, easy to understand Privacy Notice

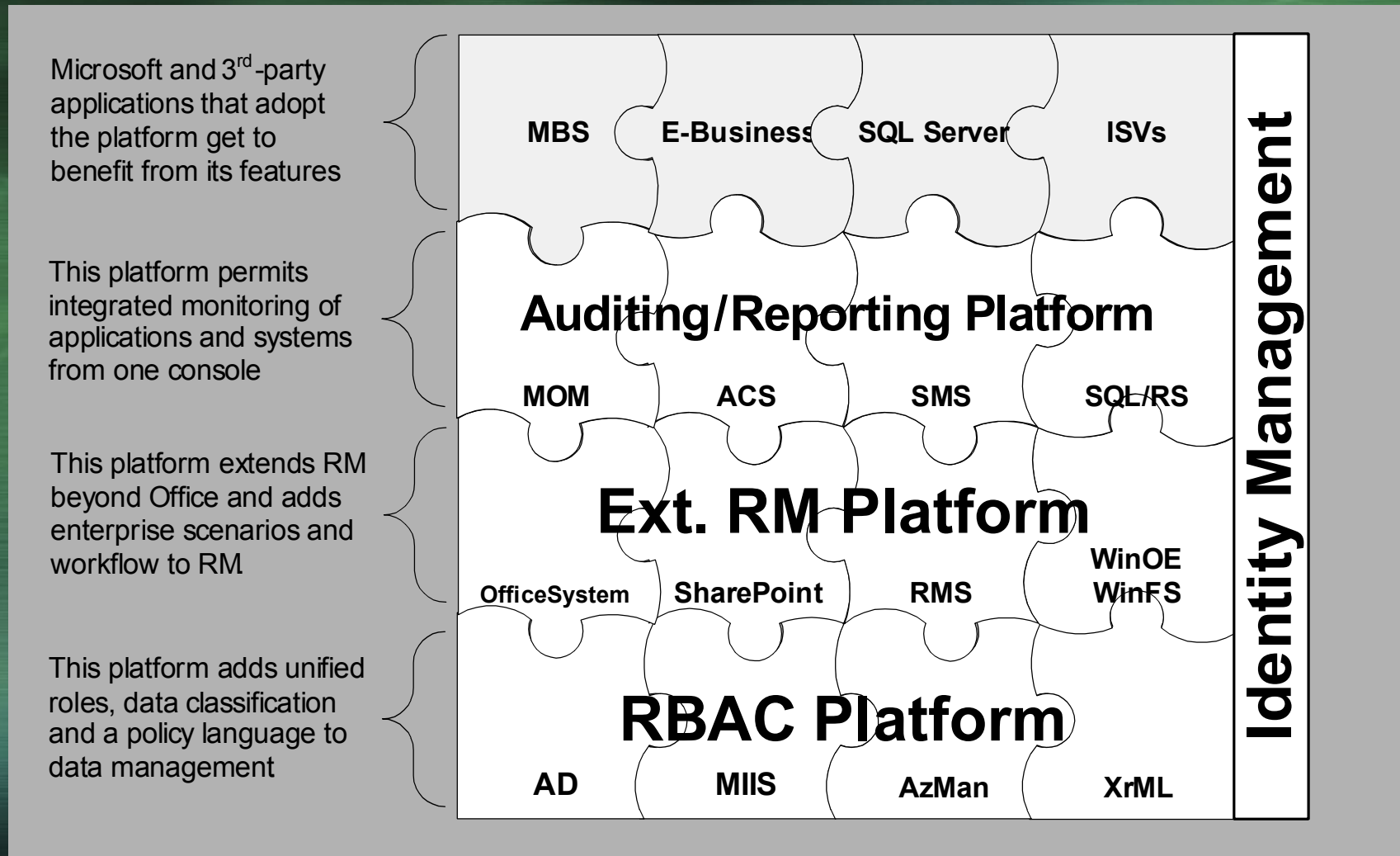# Education through online 'safety' destinations

Helping Businesses Take Control

- Provide Platforms for Data Governance
  - Windows XP, Windows Server 2003
    - Encrypted File System (EFS)
    - Crypto API Component (CAPICOM)
    - Authorization Manager (AzMAN)
    - Windows SharePoint Services
    - Windows Rights Management Services (RMS)
  - Office System 2003
    - Information Rights Management
  - BizTalk Server 2004
    - BizTalk Accelerator for HIPAA

Data Governance System
Based on Three Platforms

Microsoft and 3rd-party applications that adopt the platform get to benefit from its features

This platform permits integrated monitoring of applications and systems from one console

This platform extends RM beyond Office and adds enterprise scenarios and workflow to RM

This platform adds unified roles, data classification and a policy language to data management

MBS	E-Business	SQL Server	ISVs

Auditing/Reporting Platform

MOM	ACS	SMS	SQL/RS

Ext. RM Platform

WinOE
WinFS

OfficeSystem	SharePoint	RMS	

RBAC Platform

AD	MIIS	AzMan	XrML

Identity Management

Industry Collaboration

- Sponsoring independent privacy certification agencies: TRUSTe, BBBOnLine
- Early adoption of technology standards
- Partnering with other industry leaders
- GetNetWise (http://www.getnetwise.org/)
- Sponsoring law-enforcement training
- Over 120 legal actions worldwide, including 86 in United States
- Judgments handed down against spammers totaling US $100 million
- US $5 million dedicated to identify and prosecute launchers of malicious code.

Resources

- http://www.microsoft.com/mscorp/twc/privacy/privacy_source_guide.mspx
- www.microsoft.com/privacy
- www.microsoft.com/spam
- www.microsoft.com/spyware
- www.microsoft.com/protect

Microsoft ®

Your potential. Our passion.™