

A close-up, profile view of a woman with dark hair and glasses, looking intently at a computer screen. The background is a server room with glowing blue lights and server racks. The overall mood is professional and focused.

# Does your cloud strategy stand up to scrutiny?

Regulators are asking hard questions.  
Here's how you can answer.

teradata.

# Cloud has become the newest systemic risk.

The public cloud market is concentrated on a small number of large, unregulated providers who are increasingly critical to the financial services sector.

**This risk has moved beyond any single enterprise.  
The risk is now systemic.**

Top 3 cloud providers by market share\*



\*Worldwide market share of leading cloud infrastructure providers in Q1 2021. Source: Synergy Research Group

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**As cloud service providers become more integral, obviously the risks to the system increase, systemic risks increase... we have to get more assurance that they are meeting the levels of resilience that we need.**

Andrew Bailey, Bank of England Governor

#### REGULATORS ARE TAKING NOTICE

Having largely solved the financial resilience of the global system, regulators are now firmly focused on Operational Resilience as the biggest near-term risk to be addressed.

Financial institutions must shift their thinking as this risk is real, and regulation will bite. By failing to take action proactively, on their own terms, financial services institutions will likely be forced by the regulator to make changes.

# Because the regulator can and will act.

As a direct result of the over-reliance the industry has on just a few cloud providers, regulators are asking firms to document and confirm how easy, difficult or impossible it is to move from one provider to another.

## SPECIFICALLY, THEY WANT TO AVOID:

A single institution becoming overly reliant on one or a very limited number of cloud service providers

Large numbers of financial institutions becoming reliant on the same limited number of service providers in a specific business area

# Risk functions must ask the difficult questions.

With the regulator focusing on Operational Resilience, the potential to impact business plans is clear. Especially when those plans rely heavily on just a few key technology partnerships. In turn, risk functions need to be prepared to ask some tough questions themselves.

THE KEY ONES INCLUDE:

- Q: How comfortable are you being locked into a commercial, technical and legal relationship with a single provider?
- Q: How technically equipped is your team to challenge the approach being adopted?
- Q: How prepared are you to disrupt cloud migration plans that are mainly focused on cost saving?
- Q: Are you providing your Board with all the insight and information they need to fulfill their Operational Resilience responsibilities?



# The future will be hybrid and multi-cloud.

Regulators will see your cloud strategy as best in class, meeting their expectations and setting the standard for others. A new hybrid and multi-cloud infrastructure will bring the ultimate flexibility. It will grant the ability to shift data and move workloads between multiple cloud providers, and even back on-premises if necessary.

**Now is the time to transform.**

# More choice. More agility. More freedom.

When you work with us, you can adapt as needed. Seamlessly switching between multiple cloud providers is essential, and moving back on-premises needs to be painless. Our multi-cloud and hybrid deployment options increase your flexibility and avoid you being locked into a single public cloud vendor.

**Become the financial services institution of the future.**



# Teradata can help.

We deliver a modern cloud platform for a hybrid and multi-cloud world. It brings you the power and flexibility you need, with more control, less risk, and no lock-ins.

[Learn more at teradata.com](https://www.teradata.com)

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