



# Azure Stack HCI

An adaptive cloud realization of distributed compute with low latency and central cloud management

Updated January 2024

---

# Agenda

- 
- Accelerating transformation
  - How to mitigate initiative proliferation
  - Microsoft adaptive cloud approach
  - What is Azure Stack HCI and what it's used for
  - Azure Kubernetes Service infrastructure overview
  - Microsoft sustainability for hybrid infrastructure
  - Security overview
  - What's new in the latest Azure Stack HCI release
  - General availability: Azure Virtual Desktop for Azure Stack HCI
  - Customer momentum
  - Hardware form factors
  - Licensing and how to buy Azure Stack HCI
  - ESU for Azure Stack HCI
  - Resources

# Accelerating transformation



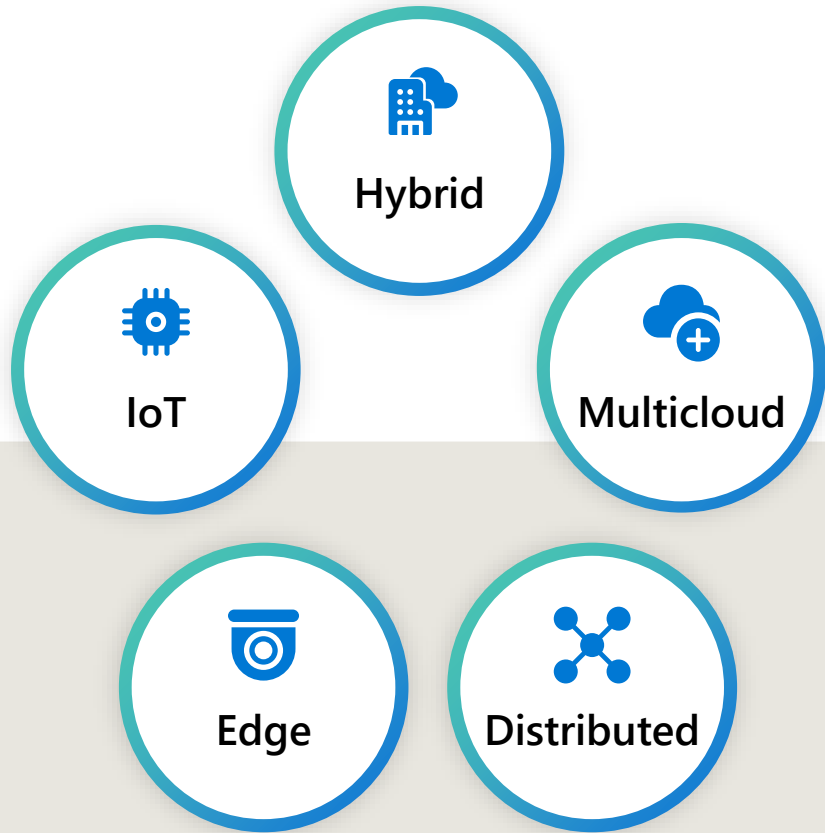
Get control of  
sprawling strategies



Foster IT, Dev, and OT  
collaboration



Maximize new and  
existing investments

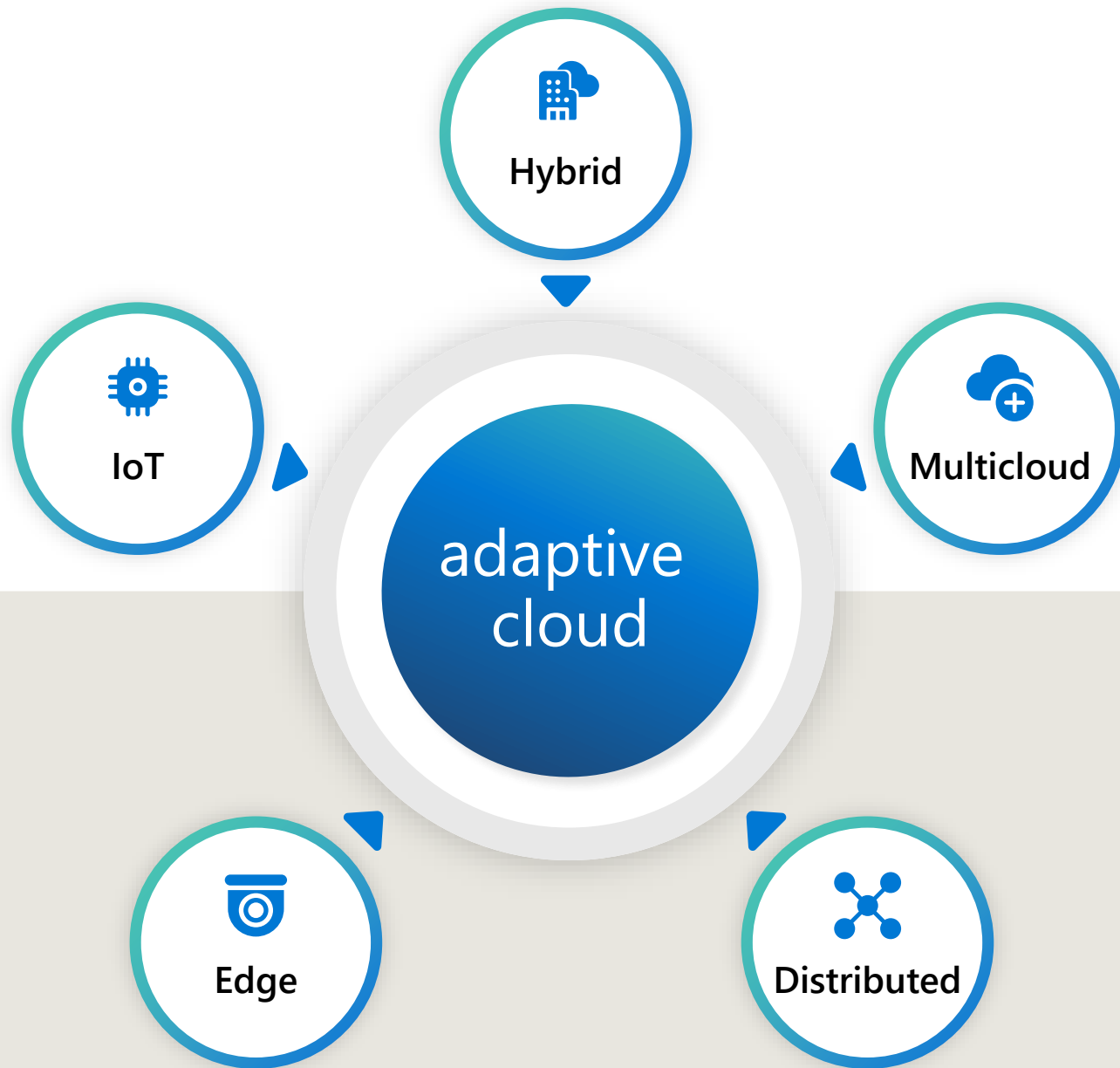


# Initiative proliferation

Sprawling systems

Information and process silos

Increased technical debt



## Advancing **hybrid** cloud to **adaptive** cloud

Thrive in dynamic environments by unifying teams, sites, and systems across hybrid, multicloud, edge, and IoT.



adaptive  
cloud



Operate with AI-enhanced  
central management & security

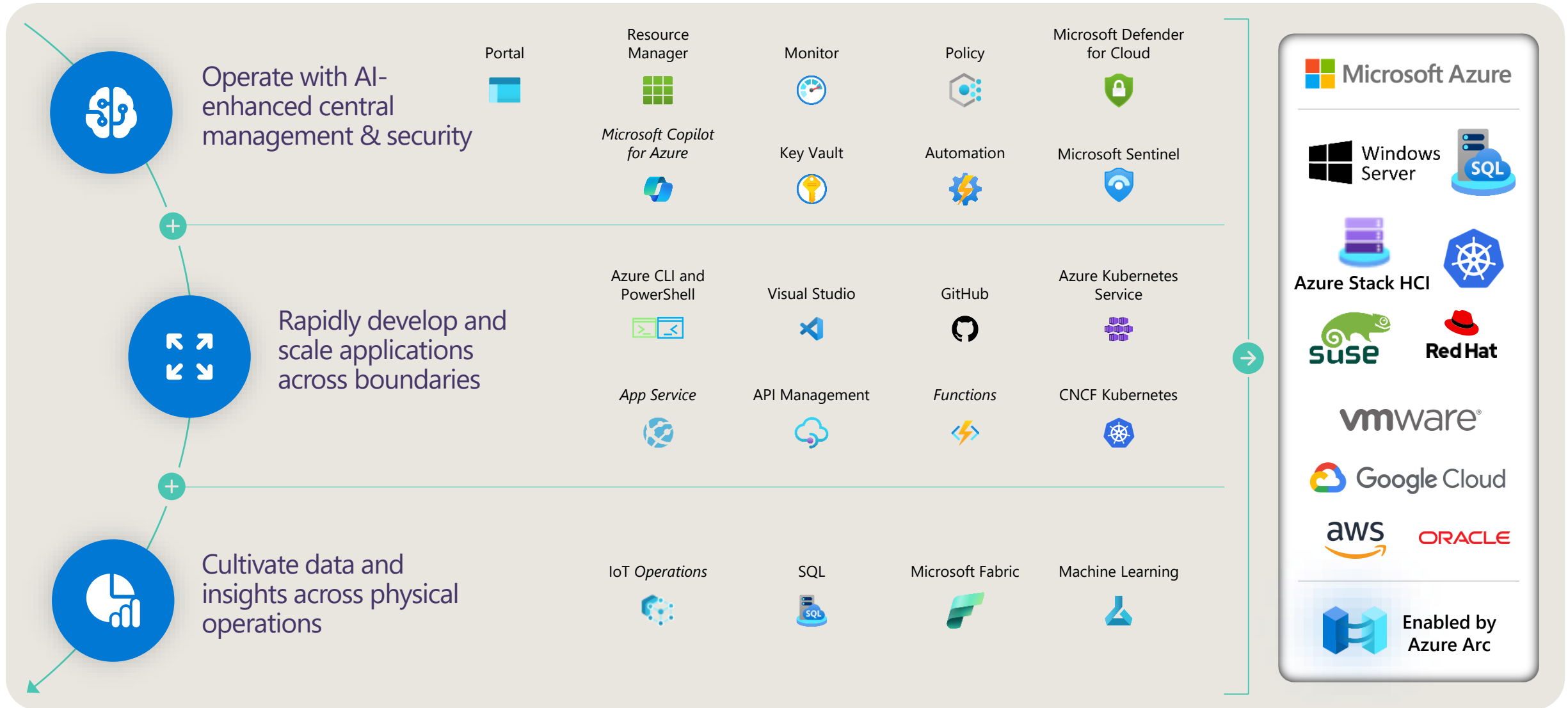


Rapidly develop and scale  
applications across boundaries



Cultivate data and insights  
across physical operations

# Enabling adaptive cloud with Azure Arc



\*Preview

# An adaptive cloud strategy with cloud native drives innovation and growth

Organizations that harness data, the cloud, and AI outperform their peers<sup>1</sup>

~**2x** operating margin

**\$100M** additional operating income



**50%**

Developer efficiency



**Speed**

Deploy in minutes



**Cost**

Infrastructure

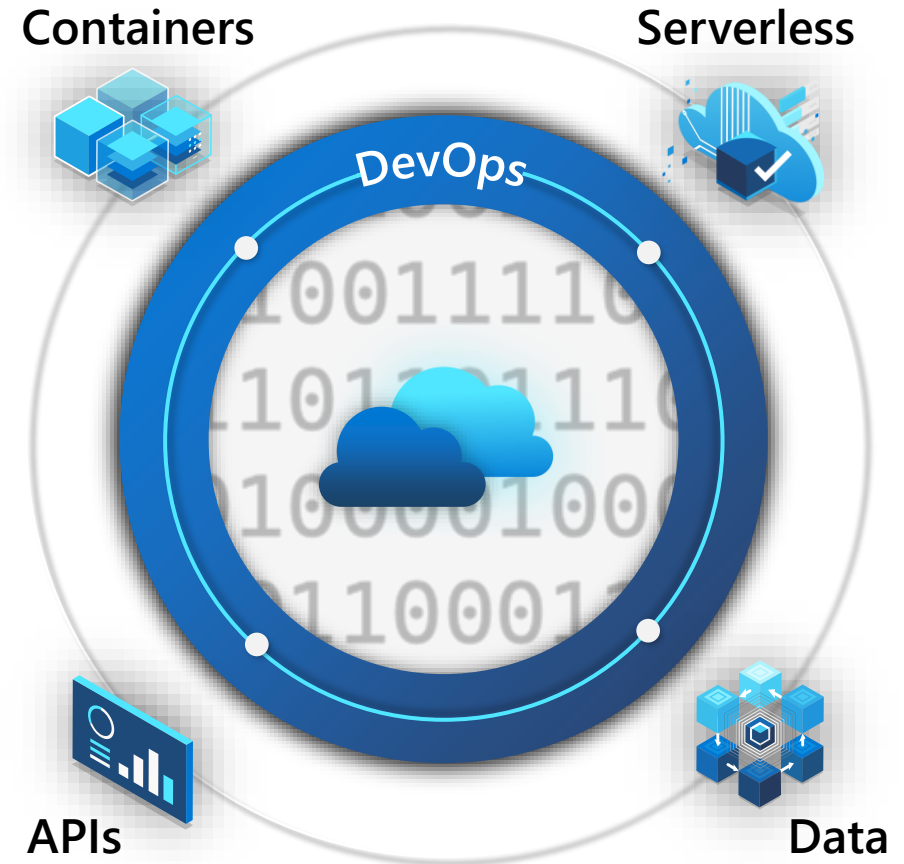


# What is cloud-native?

Scale to meet any demand

Achieve greater resiliency

Deliver better apps faster



# Azure cloud-to-edge infrastructure

Connect, manage and operate on any infrastructure with consistent and familiar tools



## Reach

Windows and Linux  
VM and bare metal  
At scale searchable  
inventory



## Configure

Consistent VM extensions  
Centralized agent  
management—  
monitoring, security,  
update management



## Govern

Built-in Azure policies  
Compliance across  
environments  
Audit and enforce  
OS settings



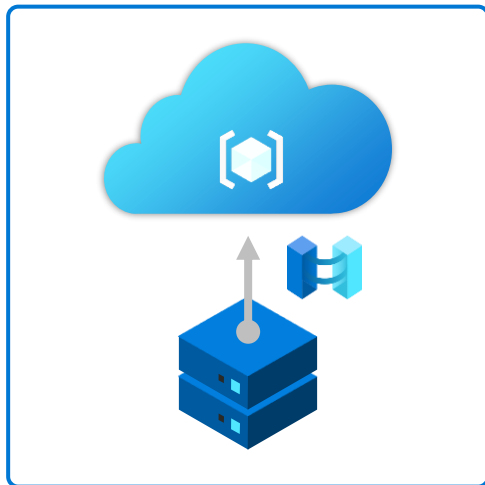
## Secure

Azure Active Directory  
Managed Identity  
Server security baselines  
Role-based access control

# Arc built into Azure Stack HCI: What does it mean?

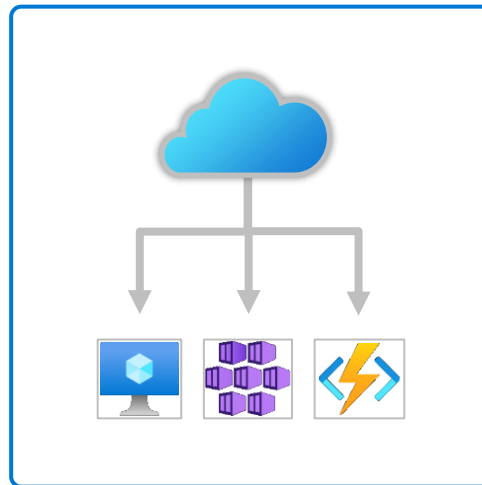
1

Deploy Azure Stack HCI and it appears immediately as Azure Arc enabled resource in the Azure portal



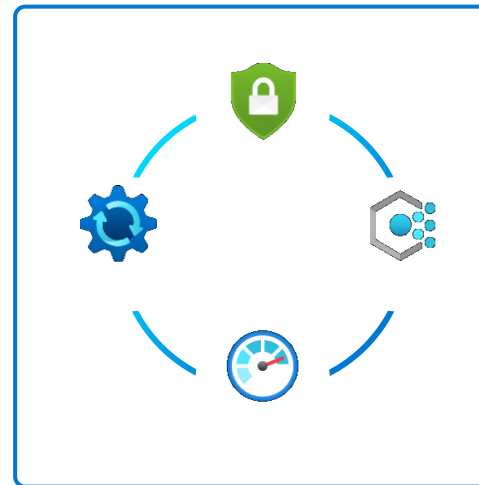
2

From Arc in the Portal, you can deploy containers, virtual machines, and services



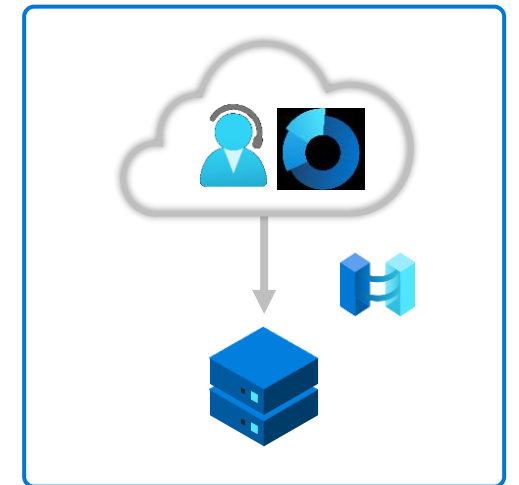
3

Deployed resources appear in the Portal via Arc too, so you can manage, secure, govern them



4

Support, observability, and updates for Azure Stack HCI provided through Arc



# Azure Stack HCI

What is it and what is it used for?

# Azure Stack HCI and Windows Server better together



Azure Stack HCI



Windows Server

✓ Exciting roadmap of new HCI focused releases

Innovation focused on being the **best virtualization host**

**Future of Hyper-V virtualization,**  
software-defined storage and networking

Run apps inside Windows or Linux virtual machines

Runs on **your hardware**

✓ Exciting roadmap of new releases

Innovation focused on being the **best guest and traditional server**

**All other Windows Server roles,**  
like IIS, File Services, DNS, DHCP, AD/DS

Runtime for Windows apps like SQL Server

Runs **anywhere**



# Azure Stack HCI

Modern infrastructure to deploy cloud native solutions anywhere



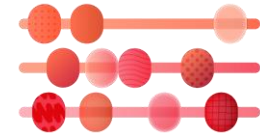
Cloud native  
anywhere



Secure and run all  
workloads from  
cloud to edge



Familiar  
management and  
operations



Deploy with flexible  
options at the right  
price/performance  
point

# When to use Azure Stack HCI

Distributed compute anywhere for low latency with central cloud management



Affordably run intelligent edge and remote branch office solutions



Industry-best performance for SQL Server databases



Deploy cloud native apps and Azure Arc enabled services through tight integration with AKS on-prem



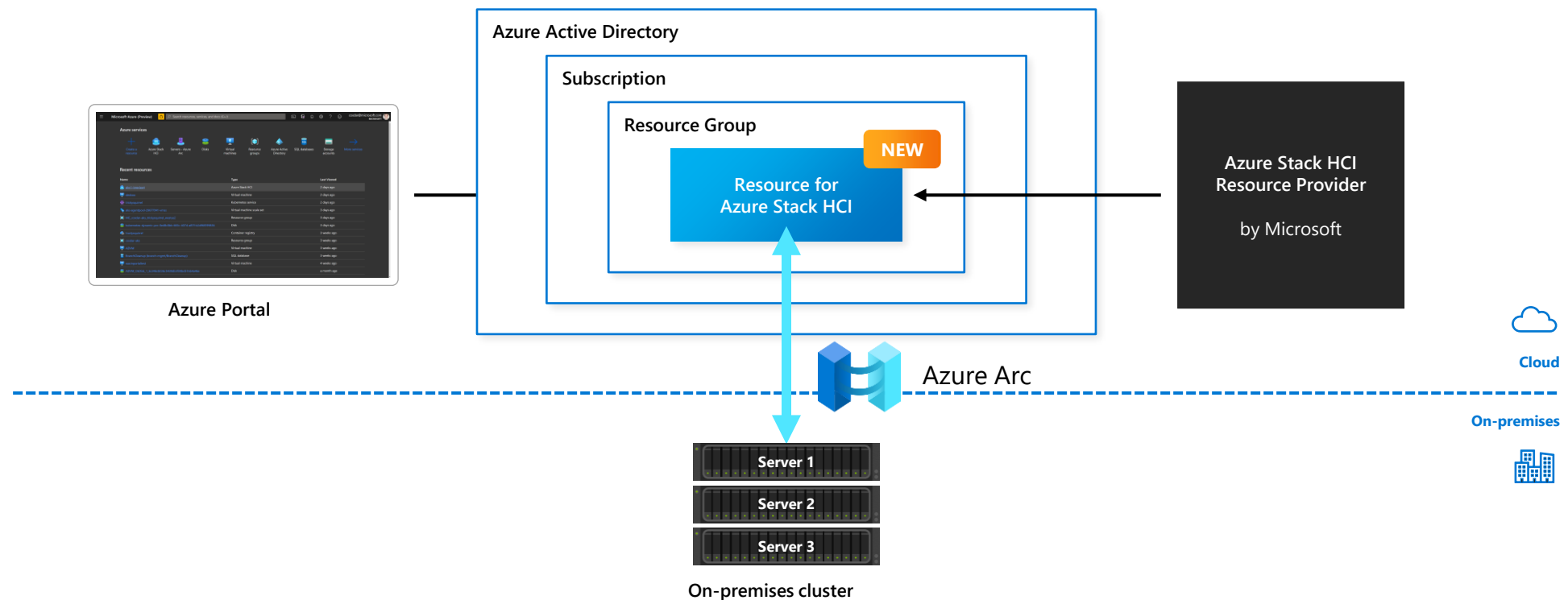
Best in class virtual desktop experience with Azure Virtual Desktop for Azure Stack HCI

# Simplify hybrid with native Azure integration

Azure Resource Manager (ARM) resource represents each on-premises Azure Stack HCI cluster

Visibility in the Azure portal and foundation for hybrid management

No fuss with agents or scripts – it's built-in!





# Azure Kubernetes Service

Infrastructure overview



# Azure Kubernetes Service (AKS)

## Fully managed Kubernetes



Fully managed Kubernetes clusters in 4 minutes



Seamless DevSecOps with CI/CD integration



Enterprise-grade security and policy controls



Standard Kubernetes at the operational edge



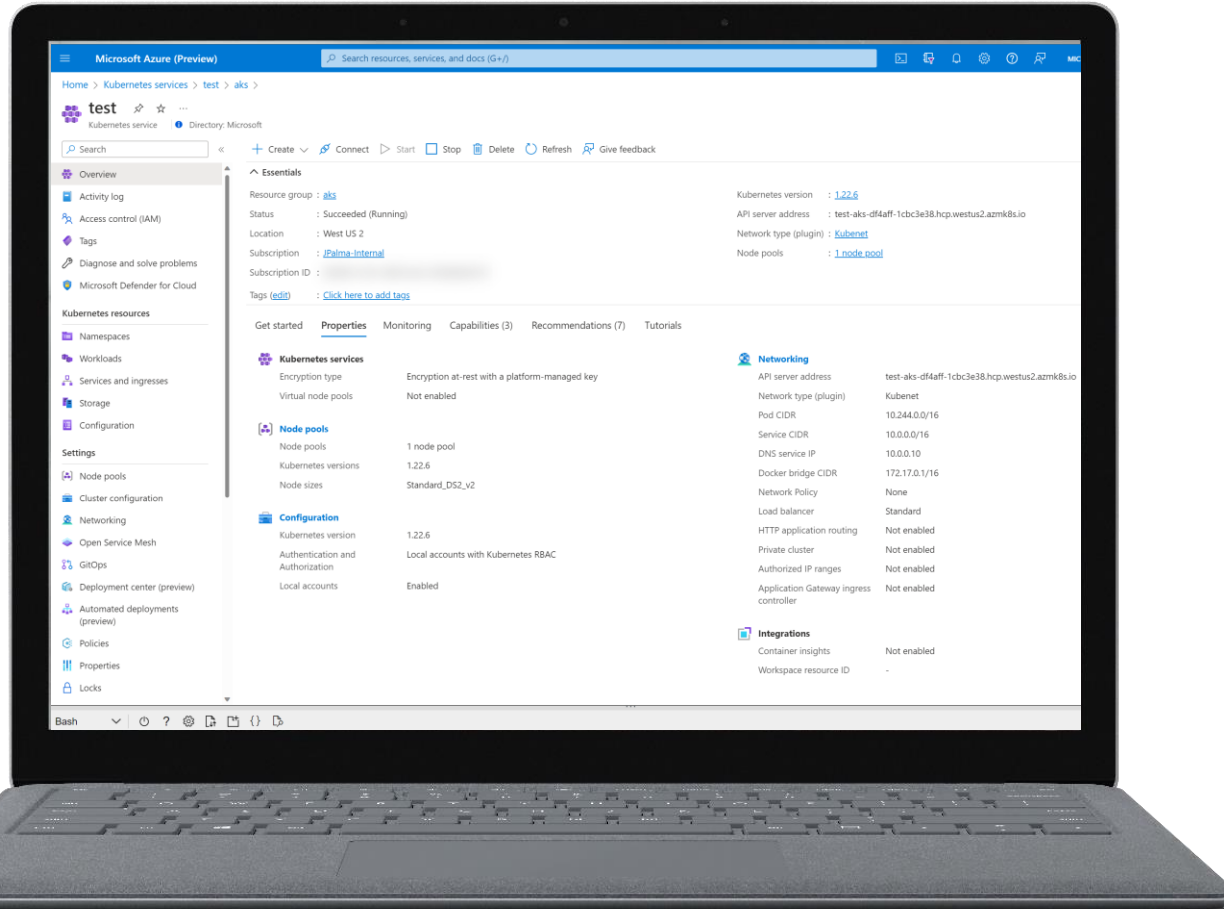
Cost efficient for your applications



Availability in more regions than any other cloud provider



Fully automated day 2 operations (scaling, upgrades, monitoring, healing)

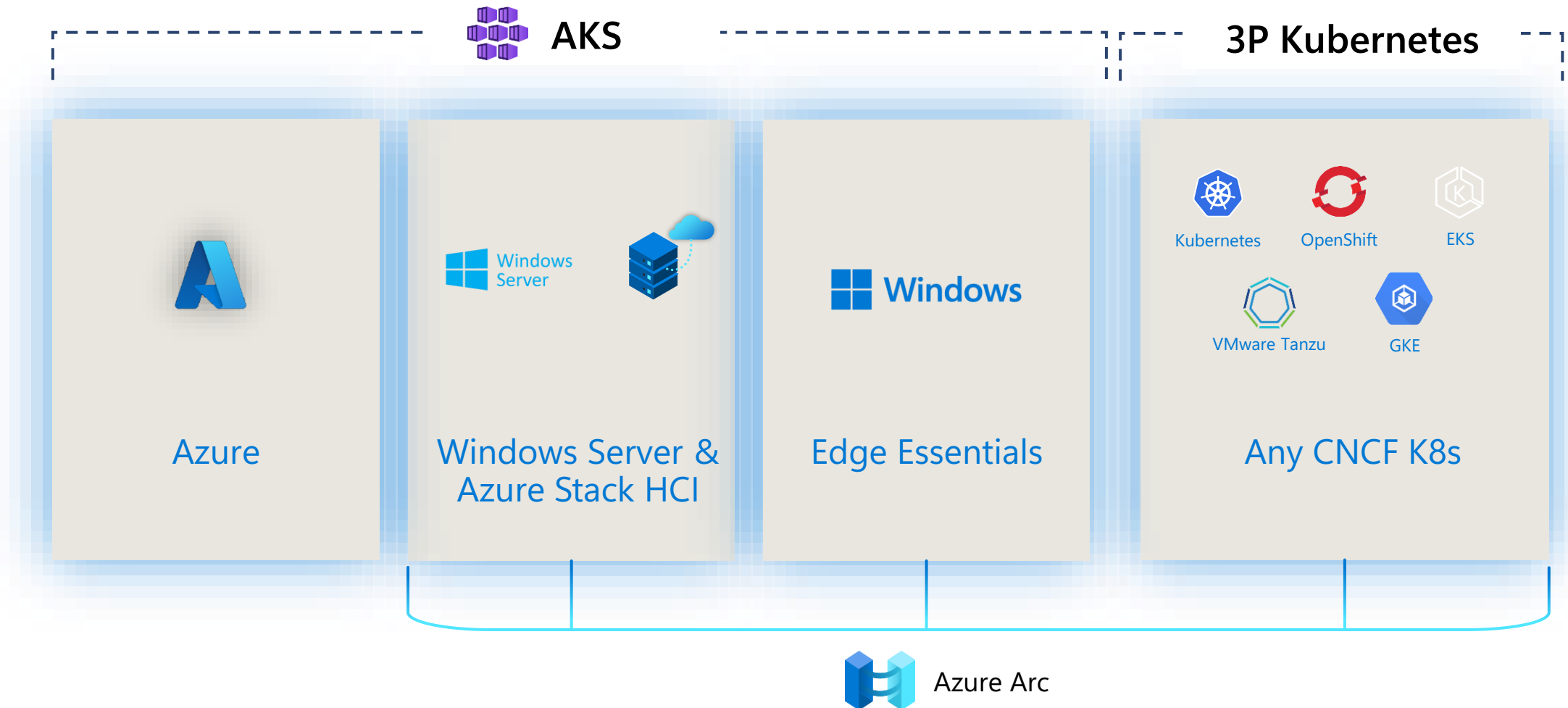


# Managed Kubernetes from cloud to edge

Flexible deployment options on the infrastructure of your choice

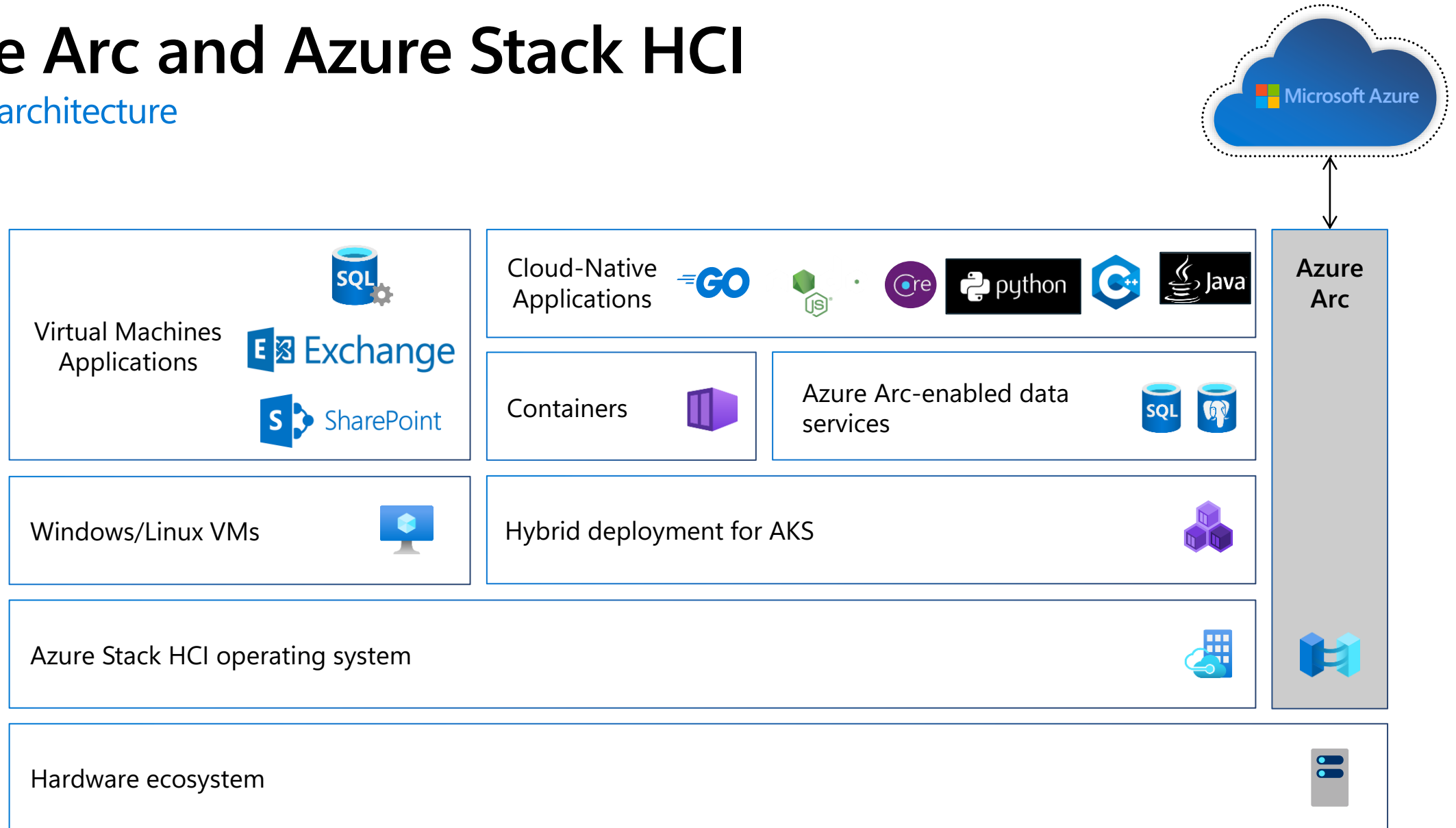


Consistent  
Developer  
tools



# Azure Arc and Azure Stack HCI

## Platform architecture



# Flexible deployment options for cloud-native apps

Configuration:	AKS	AKS on Azure Stack HCI & Windows Server	AKS Edge Essentials	Arc-enabled Kubernetes	AKS on VMware
Deployment Options	Azure Regions	Azure Stack HCI Windows Server 2019/2022	Windows IoT devices Windows Server 2019/2022 Windows 10/11 Pro Azure Stack HCI	Any CNCF Kubernetes	Public Preview Calendar Year 2024/Q1
Value	Fully managed Kubernetes in the cloud, elastic cloud compute that scales up/down and provides full HA	Elastic compute that scales up/down within limits of the edge HW, provides full HA	Small, easy to install, manage, and update, HA workloads & customer provided HA storage	Connect, manage, and operate your third-party Kubernetes clusters running anywhere with Azure Arc	
Functionality	Virtualized storage, networking & compute, clusters are dynamic with increasing, decreasing, and migrating nodes, fleet manager for multi-cluster at-scale management	Virtualized storage, networking & compute, clusters are dynamic with increasing, decreasing, and migrating nodes, full HA with workload, storage, and node/VM failover	Fixed memory, networking, & compute, nodes are static & stay on each machine, basic HA support via workload failover and BYO HA storage	Security with Microsoft Defender for Containers and Microsoft Sentinel, monitoring and observability, consistent policies, RBAC, and management	
Target Devices	Azure Regions and datacenters	Server class IT devices	OT or IoT devices costing e.g., NUC gateway w/ core i3	On-prem hardware and clusters, AWS clusters, GCP clusters	
Min HW Config	N/A	32GB free ECC RAM, 16 vCPUs	4GB free RAM (8GB recommended), Core i3, standard NIC, 2 vCPUs	N/A	
Supported OS	Windows & Linux (containers & VMs)	Windows Server, Azure Stack HCI	Windows IoT Enterprise, Pro, Windows 10, Windows 11, Windows workstations	OpenShift, EKS, GKE, Tanzu, Rancher, Nutanix, Canonical, WNDVR, kublr, Mirantis, + more	
Exists in Azure Resource Manager?	Yes	Yes, via Arc	Yes, via Arc	Yes, via Arc	

# Sustainability benefits of Microsoft hybrid solutions

The background is a solid blue color. On the right side, there is a large, rounded, blue shape that resembles a stylized arrow or a drop. A thick orange line starts from the bottom left and curves upwards and to the right, ending near the top of the blue shape. A thin purple line starts from the bottom right and curves upwards and to the left, also ending near the top of the blue shape. The text is positioned on the left side of the image, in a white, sans-serif font.

# Sustainability is a business imperative



- Sustainability has become a **top-10 business priority** for the first time ever, with more than triple the interest from last year.<sup>1</sup>
- **61%** of Fortune Global 200 companies created senior management and executive positions to lead sustainability programs.<sup>2</sup>

<sup>1</sup> Accenture and United Nations Global Compact. "Reimagining the Agenda: Unlocking the Global Pathways to Resilience, Growth, and Sustainability for 2030." [www.accenture.com/us-en/insights/sustainability/ungc](http://www.accenture.com/us-en/insights/sustainability/ungc).

<sup>2</sup> Forrester Consulting. "The State Of Environmental Sustainability In The Fortune Global 200, 2022." October 2022. [www.forrester.com/report/the-state-of-environmental-sustainability-in-the-fortune-global-200-2022/RES178120](http://www.forrester.com/report/the-state-of-environmental-sustainability-in-the-fortune-global-200-2022/RES178120).



# Microsoft's commitment to sustainability

- Carbon-negative
- Water-positive
- Zero-waste
- Healthy ecosystems

*"This is the decade for urgent action, for Microsoft and for all of us to take bold steps forward to address our most pressing challenges. We hope you will join us on this journey."<sup>1</sup>*

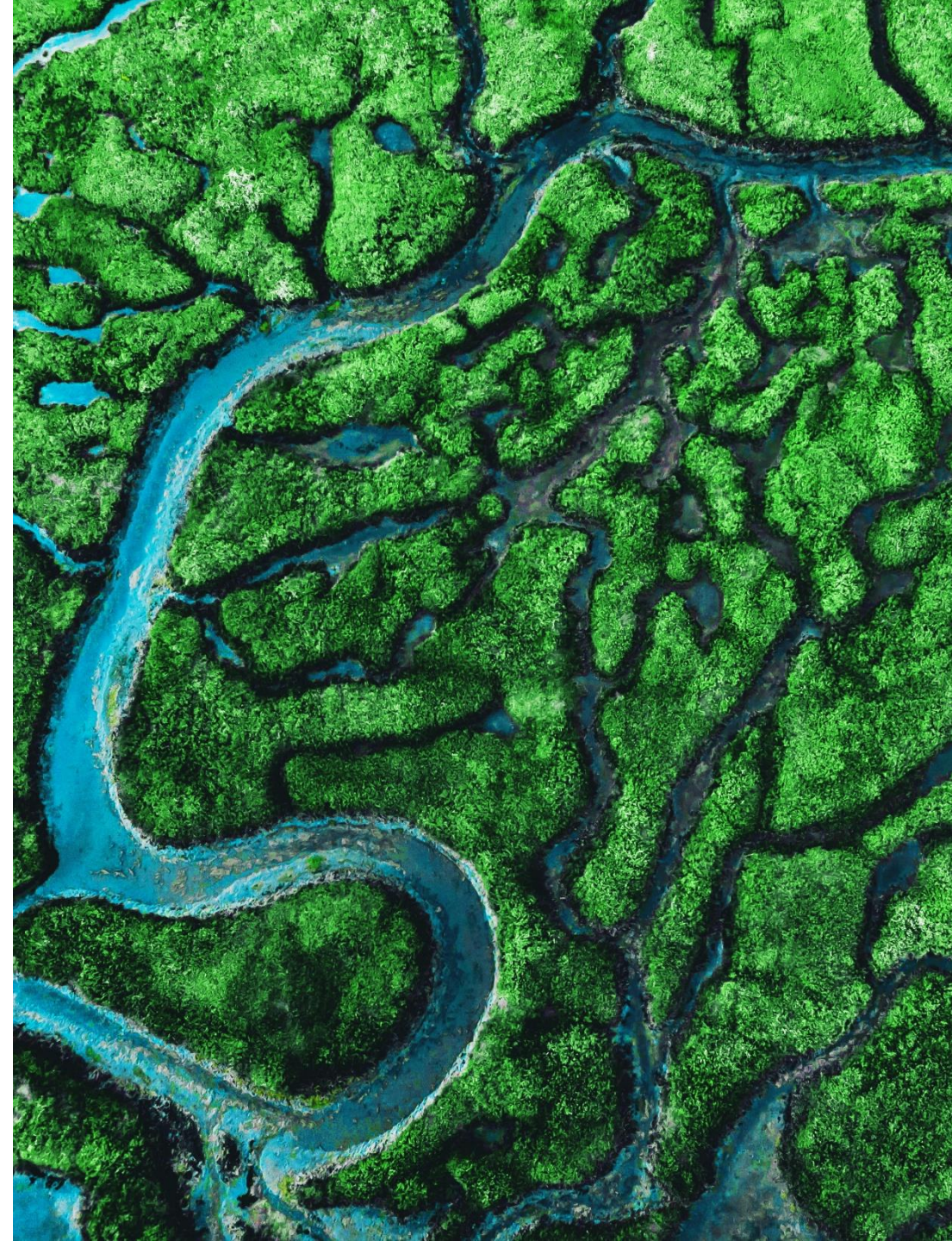
—Satya Nadella

<sup>1</sup> Microsoft. "Microsoft CEO Satya Nadella on Microsoft's Commitment to Become Carbon Negative by 2030." January 2020.  
[www.youtube.com/watch?v=LeQxTI-s48A](https://www.youtube.com/watch?v=LeQxTI-s48A)



# Hybrid solutions with Azure Arc accelerate sustainability progress

- **Modernize** infrastructure for business agility while reducing energy usage and IT costs.
- **Optimize** your workloads for security, reliability, cost efficiency, and sustainability.
- **Reinvest** savings to accelerate sustainability progress and repurpose resources to gain efficiency and minimize environmental impact.





# Hybrid solutions with Azure Arc bring efficiency benefits

## Azure Arc-enabled SQL Managed Instance

- Lift and shift apps to Azure Arc-enabled data services with minimal changes.
- Improve existing hardware utilization, which will result in less power usage and fewer resources needed.
- Increase performance to improve efficiency.

## Azure Stack HCI

- Optimize resource utilization on-premises.
- Benefit from more energy-efficient hardware than is found in most legacy hardware deployments.
- Drive better resource utilization and lower energy consumption with centralized Azure Arc management built in.





# Retail

United Kingdom–based retailer modernized on-premises servers to Azure Stack HCI

Reduced power consumption

by 100,000 kWh per year<sup>1</sup>

<sup>1</sup> Microsoft. "SSP unifies its hybrid infrastructure with Azure Stack HCI and saves more than 100,000 kilowatt hours." February 2023 <https://customers.microsoft.com/en-us/story/1605636596879000415-ssp-group-retailers-azure-stack-hci>.





# Manufacturing

## **Dutch tile manufacturer deployed Azure Stack HCI**

Consolidated two racks of servers per datacenter to half a rack, reducing the company's hardware and carbon footprints.<sup>1</sup>

## **Swedish industrial giant unveils factory of the future on Azure hybrid cloud**

Approximately 40% lower costs and a 30% reduction in machinery-related IT/OT downtime.<sup>2</sup>

## **South African resource company adopted a single monitoring solution**

Azure Arc-enabled servers provided centralized visibility into all deployments.<sup>3</sup>

<sup>1</sup> Microsoft. "Royal Mosa reduces carbon footprint and enhances performance with centralized, cloud-native management through Azure Arc-enabled Azure Stack HCI." December 2022. <https://customers.microsoft.com/en-us/story/1580186360678778121-royal-mosa-manufacturing-azure>.

<sup>2</sup> Microsoft. "Longtime innovator SKF unveils the factory of the future on Azure hybrid cloud." August 2021. <https://customers.microsoft.com/en-us/story/1340375893662173818-skf-azure-arc-manufacturing>

<sup>3</sup> Microsoft. "Exxaro unites on-premises and cloud infrastructure into a single monitoring solution with Azure Arc." December 2022. <https://customers.microsoft.com/en-us/story/1514037136829768161-exxaro-energy-azure-arc>.





## Public sector

### **“Smart city” in Taiwan managed with Microsoft hybrid solutions**

Built-in high-availability (HA) capabilities reduced deployment time and management overhead.<sup>1</sup>

### **Transport authority in the United Kingdom moved to hybrid infrastructure**

Reduced on-premises server footprint and reduced energy consumption 30–35%.<sup>2</sup>

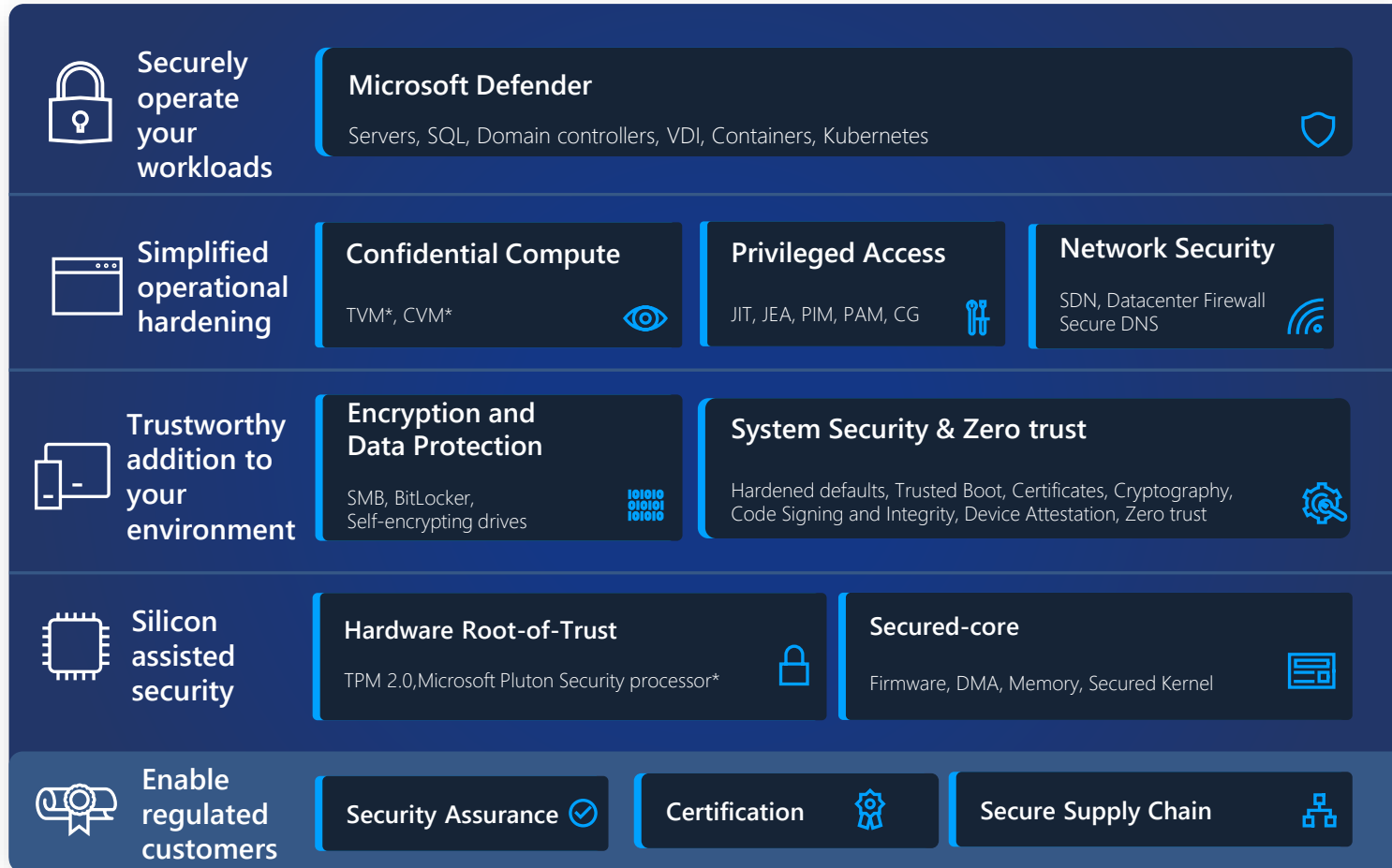
<sup>1</sup>Microsoft. “Taoyuan Builds Smart City with Microsoft Hybrid Cloud.” January 2023. <https://customers.microsoft.com/en-us/story/1597030753468723113-taoyuancitygovernment-azurearc>.

<sup>2</sup>Microsoft. “Transportation, driven by data: Transport for Greater Manchester keeps its millions of residents on the go.” June 2022. <https://customers.microsoft.com/en-us/story/1505711025888306180-transport-for-greater-manchester-government-azure-stack-hci>

# Azure Stack HCI

Security Overview

# Layered security built-in



## Industry leading built-in security

Microsoft's security products are industry leading in several Gartner magic quadrants.

## Security built for the Azure datacenter

Azure Stack HCI security derives learnings from our hyperscale cloud and brings it to your datacenter.

## Silicon assisted security

Unique differentiation delivered with our Silicon and OEM partners via Secured-core.

# Azure Stack HCI

New Feature Release Overview



**Now  
Available**

## What's new

1. Simpler, repeatable deployment
2. Update management
3. VM extensions including Microsoft Defender for Cloud
4. New Site manager construct in Azure Arc to help organize resources
5. Improvements to core stack and hypervisor
6. Stronger security posture
7. Support for Azure Virtual Desktop for Azure Stack HCI production workload

# What's new

## 1 of 7

Simplified cluster deployment, with new Lifecycle Manager feature

Azure Arc (Resource Bridge) set up automatically for provisioning VMs

Templatize clusters in ARM and deploy onto minimally-configured servers

Azure Arc (Resource Bridge) set up for provisioning Kubernetes clusters

Microsoft Azure

Home > Azure Arc | Servers > Create Azure Stack HCI >

### Deploy Azure Stack HCI

Cluster 2 Deployment type 3 Privacy 4 Security 5 Services 6 Network adapter 7 Networks 8 Tags 9 Review + create

#### Deployment type

Deploy and manage an Azure Stack HCI Cluster. You can chose to start with an existing configuration file or create a new configuration. If you have an integrated system, you can check with your hardware manufacturer for reference configuration file.

How do you want to deploy?  Create a new configuration file  
Gather settings into a file and apply them at the end of the wizard (or later).  
 Using a custom configuration file  
Configure your servers with settings loaded from an existing file.  
 Using a template configuration file  
Configure your servers with template file.

Template configuration file \*

#### Edit configuration

Edit your template configuration file default settings

```
1 {
2   "Version": "3.0.0.0",
3   "ScaleUnits": [
4     {
5       "DeploymentData": {
6         "SecuritySettings": {
7           "HVCIProtection": true,
8           "DRTPProtection": true,
9           "DriftControlEnforced": true,
10          "CredentialGuardEnforced": false,
11          "SMBSigningEnforced": true,
12          "SMBClusterEncryption": false,
13          "SideChannelMitigationEnforced": true,
14          "BitlockerBootVolume": true,
15          "BitlockerDataVolumes": true,
16          "WDACEnforced": true
17        },
18        "Observability": {
19          "StreamingDataClient": true,
20          "EULocation": false,
21          "EpisodicDataUpload": true
22        }
23      }
24    }
25  ]
26 }
```

Previous Next Review + create

# What's new

## 2 of 7

Manage updates for Azure Stack HCI clusters from the Azure portal, including at-scale (~100s)

Microsoft Azure

Home > Update Center > Azure Stack HCI >

### Update management center | Azure Stack HCI

Update Refresh Check for updates Edit columns

Only systems that have the Azure Stack HCI, version 22H2 Supplemental Package can be managed here. [Learn more](#)

Filter by name Status: All Update readiness: All Version: All Add filter

Updates are available 10 out of 80 systems

Up to date 12 out of 80 systems

Failed to update 0 out of 80 systems

Unhealthy 0 out of 80 systems

Select the systems to update

Showing 80 of 80 systems

Name	Status	Update readiness	OS Version
Updates are available			
<input checked="" type="checkbox"/> S1010CL	Updates are available	Unhealthy	10.0.25217.3010
<input checked="" type="checkbox"/> S1020CL	Updates are available	Healthy	10.0.25217.2840
<input checked="" type="checkbox"/> S1030CL	Updates are available	Healthy	10.0.25217.2840
<input checked="" type="checkbox"/> S1040CL	Updates are available	Healthy	10.0.25217.3010
<input checked="" type="checkbox"/> S1050CL	Updates are available	Unhealthy	10.0.25217.2840
<input checked="" type="checkbox"/> S1060CL	Updates are available	Healthy	10.0.25217.2840
<input checked="" type="checkbox"/> S1070CL	Updates are available	Healthy	10.0.25217.2840
<input checked="" type="checkbox"/> S2010CL	Updates are available	Healthy	10.0.25217.3010
<input checked="" type="checkbox"/> S2020CL	Updates are available	Healthy	10.0.25217.3010
<input checked="" type="checkbox"/> S2030CL	Updates are available	Healthy	10.0.25217.2840
Up to date			
<input type="checkbox"/> S2040CL	Up to date	Healthy	10.0.25217.3122
<input type="checkbox"/> S2050CL	Up to date	Healthy	10.0.25217.3122
<input type="checkbox"/> S2060CL	Up to date	Healthy	10.0.25217.3122
<input type="checkbox"/> S2070CL	Up to date	Healthy	10.0.25217.3122

# What's new

## 3 of 7

Expanded VM Extensions support including Microsoft Defender for Cloud, Azure Monitor, and Azure Update Management

The screenshot shows the Microsoft Azure portal interface for an Azure Arc machine. The top navigation bar includes the Microsoft Azure logo and a search bar. The breadcrumb trail indicates the path: Home > Azure Arc | Machines > contoso-arc (Machine - Azure Arc). A left-hand navigation pane lists various management categories: Search, Activity log, Access control (IAM), Tags, Diagnose and solve problems, Settings (Networking, Connect, Windows Admin Center, Security, Extensions, Properties, Locks), Operations (Policies, Machine configuration, Automanage, Updates, Inventory, Change tracking), Monitoring (Insights, Logs), and Automation (Tasks). The main content area is titled 'Essentials' and lists machine properties such as Resource group (Contoso-RG), Status (Connected), Location (WestUS), Subscription (Contoso), Agent version (1.0.20259.009), and Private link scope (Contoso-private-link). Below this, there are tags for Datacenter (DC-001), City (Redmond), StateOrDistrict (WA), and CountryOrRegion (USA). A section titled 'Management services' includes 'Get the most out of Azure Arc' with a list of recommended services: Automanage (Not configured, PREVIEW), Defender for Cloud (Not configured, highlighted with a blue arrow), and Monitoring Insights (Not configured). Other management services shown include Policies, Updates, and Windows Admin Center.

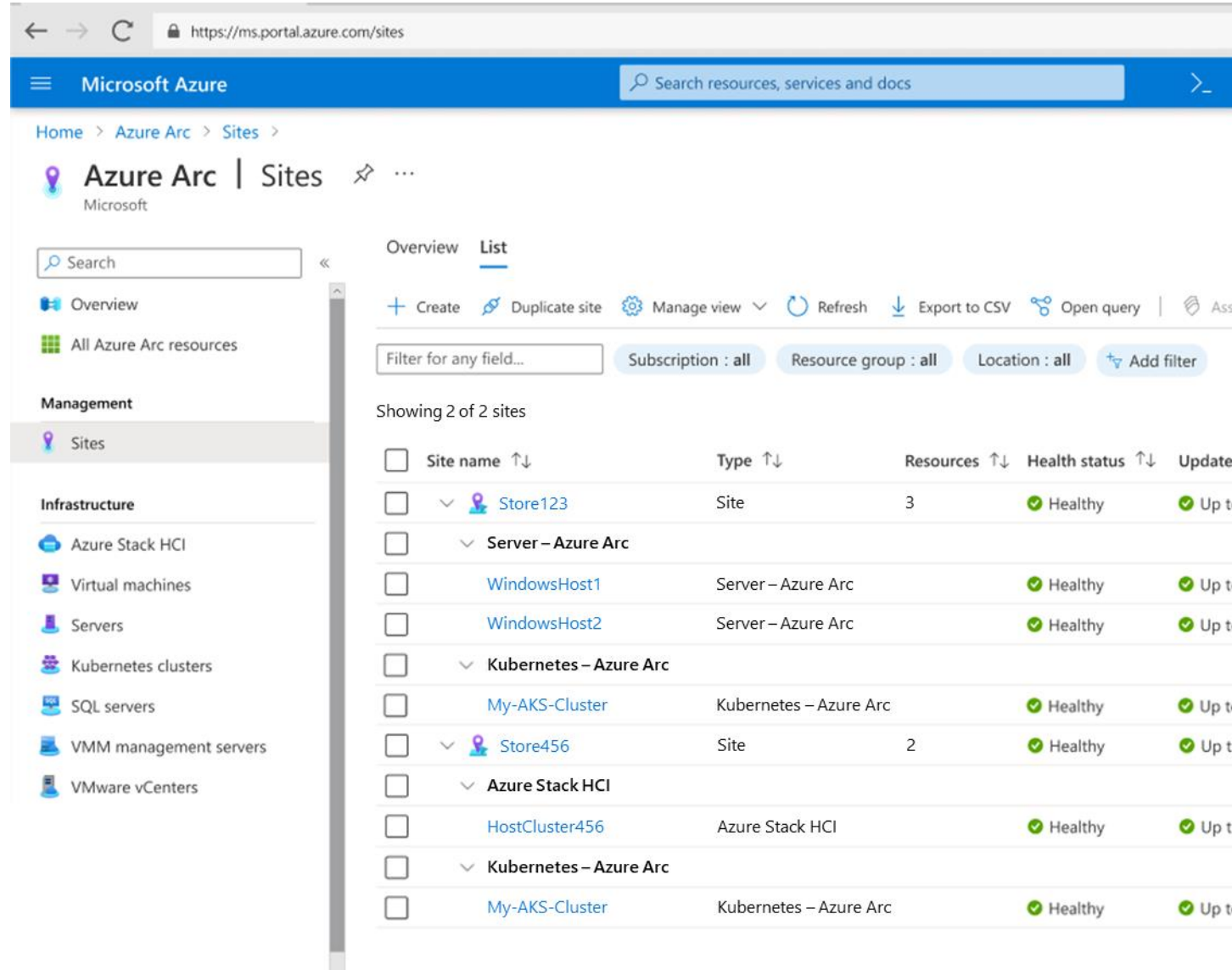
# What's new

## 4 of 7

New Site manager to help you organize resources in Azure Arc by location

Define your Sites and associate resources to them (hosts, AKS clusters, etc)

Supports new (Azure Stack HCI) and existing (Arc-enabled Windows Server) resources

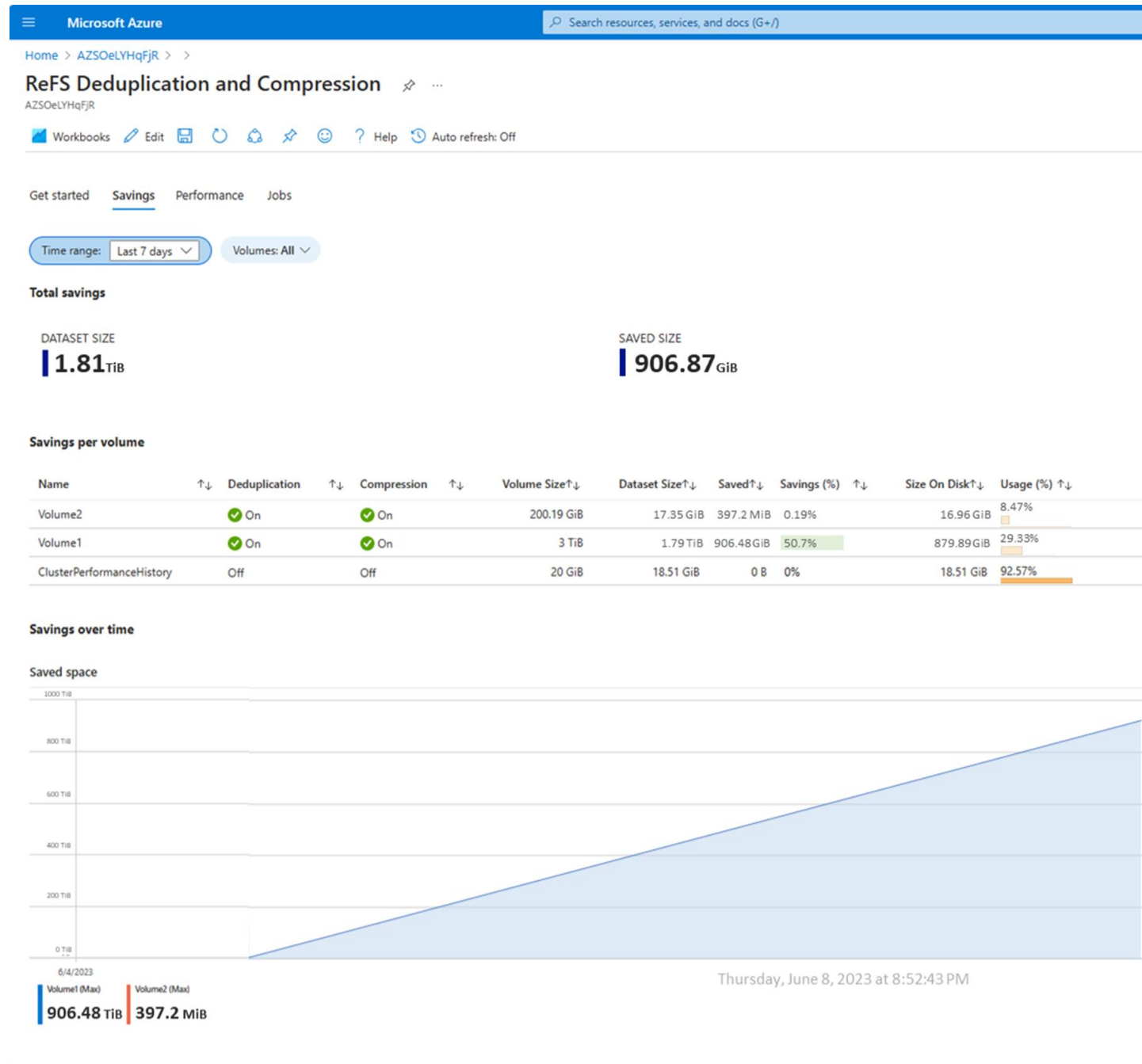


\* Conceptual rendering, subject to change

# What's new

## 5 of 7

Annual update for core stack (hypervisor, storage, etc.) with new deduplication and compression, Trusted Launch VMs, improved GPU support



# What's new

## 6 of 7

Stronger default security posture: new clusters score >90% on Azure security baseline

Microsoft Azure

Home > cluster-f0eed5e0d4624d36bf2b9c7f0207aa9c > ens-hci-0021 | Machine Configuration >

### AzureWindowsBaseline (ens-hci-0021/AzureWindowsBaseline)

Guest Assignment

Search Refresh Delete

Compliant 256  
Not compliant 29

VM name: ens-hci-0021  
Last updated: 5/23/2023, 6:04 PM  
Configuration version: 1.\*  
Report id: 78276fb0-2e00-4cb1-82d0-75fc6c4ce

Filter by name...

Name	Compliance state
Allow Diagnostic Data	Non-compliant
Disallow WinRM from storing RunAs credentials	Non-compliant
Microsoft network server: Digitally sign communications (if client agrees)	Non-compliant
Network Security: Allow PKU2U authentication requests to this computer to use online identities	Non-compliant
Deny log on as a service	Non-compliant
Enforce password history	Non-compliant
Increase scheduling priority	Non-compliant
Minimum password length	Non-compliant
Store passwords using reversible encryption	Non-compliant
Increase a process working set	Non-compliant
Caching of logon credentials must be limited	Non-compliant
Windows Server must be configured to use FIPS-compliant algorithms for encryption, hashing, a...	Non-compliant
Block all consumer Microsoft account user authentication	Non-compliant
Reset account lockout counter after	Non-compliant
Account lockout threshold	Non-compliant
Accounts: Block Microsoft accounts	Non-compliant
Accounts: Rename administrator account	Non-compliant
Limits print driver installation to Administrators	Non-compliant



**Generally Available Now**  
**Azure Virtual Desktop for Azure Stack HCI**



# Azure Virtual Desktop is a cloud Virtual Desktop Infrastructure (VDI) solution designed to meet the challenges of distributed workforces

Enable a secure,  
remote desktop  
experience from  
anywhere



Access Windows 11 and Windows 10 from anywhere



Maintain full control over configuration and management



Get the security and reliability of Azure



Optimize cost with multi-session and pay for only what you use

# Azure Virtual Desktop for Azure Stack HCI now generally available



- Designed for customers who need **secure on-premises virtualized apps and desktops**
- Combines the **benefits of Azure Virtual Desktop and Azure Stack HCI**
- Customers can **deploy in their datacenters to extend their on-premises infrastructure** to Azure
- All while enjoying many of the **key benefits of Azure Virtual Desktop on Azure**, such as **Azure portal, Windows 11 and Windows 10 multi-session**

# Azure Virtual Desktop for Azure Stack HCI extends the benefits of cloud VDI to on-premises



## Secure anywhere

- Run virtualized desktops and apps securely with Entra ID, conditional access, and MFA
- Simplify VDI deployment
- No need to manage brokers, gateways, or underlying servers and storage



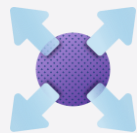
## Windows 11 and 10 multi-session

- Windows 11 and 10 multi-session or single-session support
- Achieve high utilization & lower operation costs



## Prime performance

- Enjoy optimized Microsoft 365/Teams/Windows App experiences
- Run graphic-intensive workloads with GPU support
- Built for sensitive low-latency workloads



## Full control

- Satisfy data locality requirements
- On-premises storage and data residency



## Scale cloud and on-premises

- Manage and scale deployments across both Azure and Azure Stack HCI through a single management experience
- Use the familiar Azure portal and admin experience



## Optimize for cost

- Use existing eligible Windows licenses
- No need to manage overhead licenses for Remote Desktop Services (RDS)
- Save with Windows 11 and 10 multi-session support

# Drivers of Azure Virtual Desktop for Azure Stack HCI deployments



## Security and compliance

Secure, high performance cloud platform for financial institutions that meets compliance requirements



## Data sovereignty

Cloud functionality that can meet the data sovereignty and data gravity requirements for public sector entities



## Low latency workloads

High performance and low latency cloud capabilities that can meet the compute requirements for the most demanding workloads



## Virtual Desktop Infrastructure (VDI) modernization

Migrate existing VDI workloads to Azure using Azure Stack HCI



Customer momentum

# Azure Stack HCI customer momentum



“Our Azure Stack HCI deployment has delivered a savings of roughly £400,000 a year on power and cooling alone compared with the C7000 blades we were running.”

**Scott Robertson,  
Principal Enterprise  
Architect for  
Foundation Technology  
Co-op Group**

[Read the story](#)



“Tapping into Azure, we now have a very Rolls Royce kind of system for a similar cost to what we were paying for the average family car.”

**Gavin Lacey, Group  
Chief Operating Officer  
CHPK Property and  
Construction  
Consultants**

[Read the story](#)



“We wanted to manage our whole environment with a single solution. That’s what we got with Azure Stack HCI—the flexibility to run workloads in the cloud or on-premises and decide at each moment where we want our resources.”

**Marc Colman, IT  
Infrastructure Manager  
Picanol Group**

[Read the story](#)



“By moving to Azure Stack HCI, we’ve gone from three full racks of hardware down to less than half a rack. We had a big, power-hungry infrastructure before, but now we can run more efficiently and cost-effectively.”

**Ewan Campbell,  
Technical and Delivery  
Lead Officer  
Fife Council**

[Read the story](#)



“We’ve verified energy savings and reduced our carbon footprint since deploying Azure Stack HCI, which is not only a cost saving for our company—it’s important sustainability legislation that we must follow.”

**Roland Reiter: Chief  
Information Officer  
Franz Morat Group**

[Read the story](#)





Ci  
Ci

**Industry:**  
Travel and Transportation

**Size:**  
10,000 +employees

**Country:**  
United States

**Products and services:**

Azure  
Azure Arc  
Azure DevOps  
Azure Digital Twins  
Azure IoT Edge  
Azure Key Vault  
Azure Kubernetes Service  
Azure Monitor  
Azure Pipelines  
Azure SQL Database  
Azure Stack  
Azure Stack HCI  
Windows Server

[Read full story here](#)



**“Azure Kubernetes Service and Azure Arc ... [have] the potential to provide a strong reduction in the time required to roll out new software to multiple ships.”**

—Stefano Zunino, IT Architectures and Solutions Director, Carnival Corporation

**Situation:**

Carnival Corporation has a fleet of 94 vessels across nine cruise line brands. Although it relies on satellite connectivity, it wanted to tap into a hybrid, multicloud environment for maritime and environmental compliance.

**Solution:**

Two Carnival ships, the Costa Toscana and Seabourn Venture, are using Microsoft Azure Stack HCI along with Azure Kubernetes Service (AKS) and Azure Arc to improve processes like fleet and crew management and support sustainability efforts.

**Impact:**

Carnival Corporation is positively affecting the operations and safety of its ships and crews. And its customers ultimately benefit from more efficient back-end operations, more ships getting to port on time, and fewer disrupted itineraries. It’s now exploring new ways to wow guests using Azure Digital Twins for its ships.

# Hardware form factors

The image features a solid blue background. A thick orange line curves from the bottom left towards the center. A thick pink line curves from the center towards the top right. At the bottom, there is a gradient of colors from purple to blue.



# Multiple form factors from various partners for any environment



## Remote Office Branch Office

Tower form factor-for no rack environments



## Edge computing scenarios

Super small footprint for edge scenarios-can be ruggedized



## Datacenter modernization

Industry rack mounted servers in various height-for datacenter modernization



## Workload flexibility

Composable architecture and blade server for ultimate in provisioning and workloads flexibility

# Azure Stack HCI Solution Categories



## Premier Solutions

Turnkey Azure Stack HCI solution

- Deepest integration and highest level of automation, built through deep engineering collaboration between Microsoft and solution partners
- Continuous testing by Microsoft and our partners, to ensure higher reliability and minimal downtime
- End-to-end deployment workflows that make it easy to deploy one cluster or a thousand clusters

## Integrated Systems

Single purpose system with pre-installed software

- Optimized hardware selection with regular testing for ongoing reliability
- Delivered with software pre-installed and security set by default
- Validated full-stack updates and native hardware management tools

## Validated Nodes

Broadest choice of hardware components

- Choose from a diverse selection of validated hardware from more than 30 partners, or re-use existing validated hardware
- Engage with preferred SI for deployment and integration, as needed
- On new hardware - OR - Check with your OEM or solution provider to ensure you are running a validated solution. In certain cases, you may be able to re-use existing hardware

Visit the [Azure Stack HCI Catalog](#) to discover the current hardware solutions available to fit your edge needs

# Hardware deployment comparison

Feature	Validated Nodes	Integrated Systems	Premier Solutions
Validated solution with certified hardware configuration	✓	✓	✓
Solution committed to 5 years of hardware support	✓	✓	✓
Solution testing requirement	Once	2-4 times/year	Continuously
Ease of deployment and updates	Manual	Double-click	Single-click, seamless
HCI software pre-installed or on-site deployment services		✓	✓
Solution available as multi-node		✓	✓
Support from Microsoft and hardware solution partner		✓	✓
Security settings and features enabled by default		✓	✓
Validated by Microsoft in our own labs			✓
One stop for Level 1 and Level 2 support for HCI software			✓
Call home support service option available			✓
Global availability (solution and services in 100+ countries)			✓
White glove deployment services available			✓
As-a-service purchasing option available			✓
Optimal customer use case	Customers who run multiple operating systems or want to manage their own firmware, driver, and OS updates	Customers seeking some level integration and validation from Azure Stack HCI for multi-node clusters	Customers requiring turnkey, enterprise-wide deployments across their global portfolio with simplified management

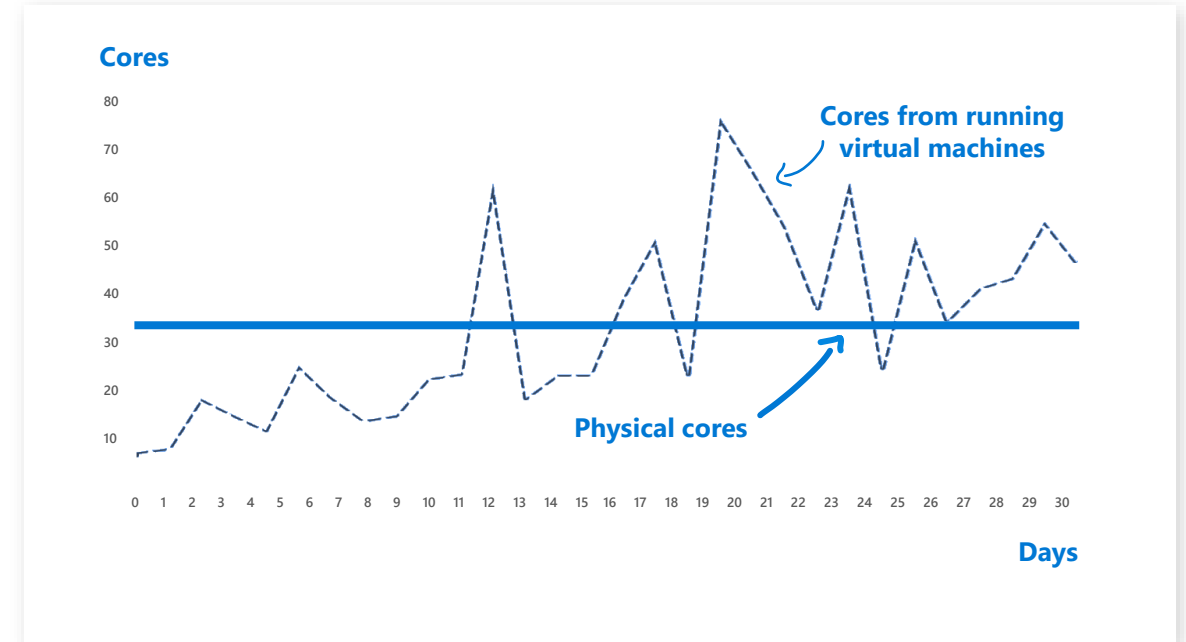
Licensing

The image features a solid blue background. A thick orange line starts from the bottom left and curves upwards and to the right. A thick pink line follows a similar path, starting from the bottom left and curving more sharply to the right. At the bottom of the image, there is a horizontal gradient bar transitioning from purple on the left to blue on the right.

# What does Azure Stack HCI charge for?

**USD \$10/month**  
per physical processor core\*

*\*Does not include Guest OS licensing*



## Predictable

Doesn't vary with consumption, more VMs doesn't cost more



## Simple

No math with memory, storage, or network ingress/egress



## Efficient

Virtualize efficiently, with higher v-to-p density



# Costs scale predictably from edge to datacenter

Example of scale based on actual offering – not reflective of all OEM solutions



**FUJITSU**

PRIMERGY TX1330 M4

**4 cores**

Cost per server

**\$40** /month



**Lenovo**

ThinkAgile MX1021

**8 cores**

Cost per server

**\$80** /month



**DELL**EMC

Integrated System AX-640

**16 cores**

Cost per server

**\$160** /month



**Hewlett Packard**  
Enterprise

ProLiant DL 380 Gen 10

**24 cores**

Cost per server

**\$240** /month



**No minimum or maximum**

(starts from 1 core for 1 day)



# Azure Stack HCI delivers simplicity and flexibility for licensing [aka.ms/azurestackhcupricing](https://aka.ms/azurestackhcupricing)



What you want to run:

**Linux applications  
Open-source software**

What you buy:

**OEM HW**

**+**

**Azure Stack HCI**

*Nothing else from Microsoft  
See provider if fees apply*



What you want to run:

**A few Windows Server  
roles or applications  
persistent licensing**

What you buy:

**Validated OEM HW**

**+**

**Azure Stack HCI**

**+**

**Windows Server 2022  
Standard(s)**



What you want to run:

**Unlimited Windows Server  
roles or applications  
persistent licensing**

What you buy:

**Validated OEM HW**

**+**

**Azure Stack HCI**

**+**

**Windows Server 2022  
Datacenter**



What you want to run:

**Unlimited Windows Server  
roles or applications  
guest subscription licensing**

What you buy:

**Validated OEM HW**

**+**

**Azure Stack HCI**

**+**

**Latest Windows Server  
subscription guest licensing**

**Host:**  
Subscription

**Guest:**  
Perpetual or  
subscription

# Expanding Azure Hybrid Benefits to the edge

Each 16-core license covers:



Windows Server 2016

+

**Software Assurance**

On-prem



Windows Server ++

OR

Latest




AHB for Azure Stack HCI

**Exchange for Azure Stack HCI cores**

+

Cloud




AHB for Azure

Reduced WS VM pricing (base compute only) for either:

- 2 instances of <8 cores
- 1 instance of <16 cores

+

Containers



AHB for AKS

**16 vCPU of AKS on either:**

- Azure Stack HCI
- Windows Server

Latest

## What are the benefits for Azure Stack HCI?

1 core license entitles you to use 1 physical core of HCI at no additional cost

## What licenses are eligible?

Windows Server Datacenter 2016 or later with active Software Assurance

(Note for AKS-HCI/WS: either Standard/DC)

## Are existing deployments eligible?

Yes!

# Keep workloads protected after support ends

Extended Security Updates free in Azure or Azure Stack HCI for Windows Server and SQL Server

**July 9, 2022**

SQL Server 2008, 2008 R2  
Extended Security Updates end

Get one more year of  
ESUs free in Azure or  
Azure Stack HCI

**July 12, 2022**

SQL Server 2012 End of Support

Buy Extended Security  
Updates to get 3 more  
years on-premises  
(free in Azure or Azure  
Stack HCI)

**January 10, 2023**

Windows Server 2008 and  
2008 R2 Extended Security  
Updates end

Get one more year of  
ESUs free in Azure or  
Azure Stack HCI

**October 10, 2023**

Windows Server 2012 and  
2012 R2 End of Support

Buy Extended Security  
Updates to get 3 more  
years on-premises  
(free in Azure or Azure  
Stack HCI)

# Assess your options for 2012 workloads

## Move to Azure

### Move apps and workloads to Windows Server and SQL Server on Azure Virtual Machines

- Run securely with free Extended Security Updates for three more years after the deadline for Windows Server 2012 and 2012 R2 and SQL Server 2012
- Save with Azure Hybrid Benefit

### Modernize when ready

- Modernize to PaaS with Azure services such as App Service, and Azure SQL Managed Instance. Never have to patch or upgrade again

OR

## Move to Azure Stack HCI

### Move apps and workloads to Windows Server and SQL Server on Hyper-V VMs on Azure Stack HCI

- Run securely with free Extended Security Updates for three more years after the deadline for Windows Server 2012 and 2012 R2 and SQL Server 2012

### Modernize when ready

- Modernize to PaaS with Azure services such as App Service, and Azure SQL Managed Instance. Never have to patch or upgrade again

OR

## Upgrade on-premises

### Upgrade to latest version

- Windows Server 2022
- SQL Server 2019

### Can't meet the deadline? Protect server workloads

- **Buy** Extended Security Updates to get 3 more years of security updates for Windows Server 2012 and 2012 R2 and SQL Server 2012



# Overview of Extended Security Updates (ESU) supported solutions

Windows Server 2012 and 2012 R2 and SQL Server 2012

	On premises	SPLA	Azure VMs and Azure Dedicated Host	Azure Stack HCI	Azure VMware Solution, Azure Nutanix Solution
<b>SQL Server</b>	Option to purchase ESU	Not available	Free ESUs	Free ESUs	Free ESUs
<b>Windows Server</b>	Option to purchase ESU	Not available	Free ESUs	Free ESUs	Free ESUs

Learn more about Extended Security Updates  
<https://aka.ms/esupage>

# Azure Stack HCI – In Summary

VM, Containers, & Azure Cloud Services On-Premises

- Native Azure Integration
- Solution scales down to 2 nodes and can be “switchless”
- Integrated Full Stack Updates
- Industry leading HCI performance\*
- Native DR with Stretch Clustering
- ESUs included at no cost

Maximize performance

**1M IOPS / SERVER**

Random 4k storage I/O per second from virtual machines



*“the fastest we’ve seen in a mid-market 4-node HCI cluster”*

- StorageReview.com

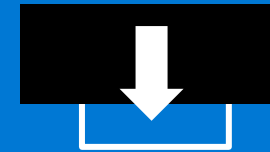
# How to try Azure Stack HCI



Buy a validated hardware solution from a trusted partner or check with your solution provider if existing hardware can be supported

[Browse solutions](#)

**AND**



Install Azure Stack HCI software with a free 60-day trial

[Download software](#)

Please note:

1. An Azure subscription is required to complete the full set-up on your server hardware
2. Integrated systems (and some validated nodes) come with Azure Stack HCI software pre-installed

# Microsoft Learning Paths

Learn new skills and discover the power of Azure Stack HCI with step-by-step guidance



## [Azure Stack HCI Foundations](#)

Modules:

- [Introduction to Azure Stack](#)
- [Introduction to Azure Stack HCI core technologies](#)
- [Plan and deploy Azure Stack HCI](#)
- [Integrate Azure Arc and Azure Stack HCI](#)



## [Operate and Maintain Azure Stack HCI](#)

Modules:

- [Manage Azure Stack HCI clusters](#)
- [Integrate Azure services with Azure Stack HCI](#)
- [Manage Azure Stack HCI virtual machine workloads](#)
- [Manage Azure Kubernetes Service on Azure Stack HCI](#)



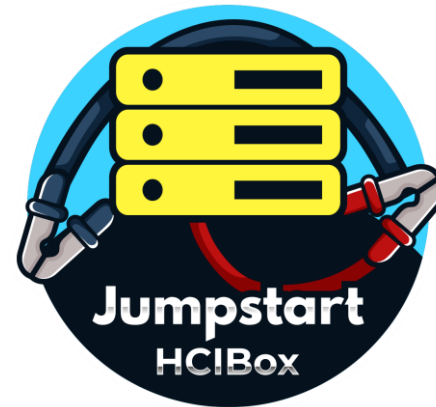
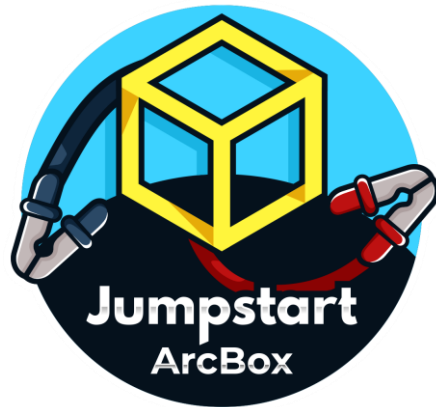
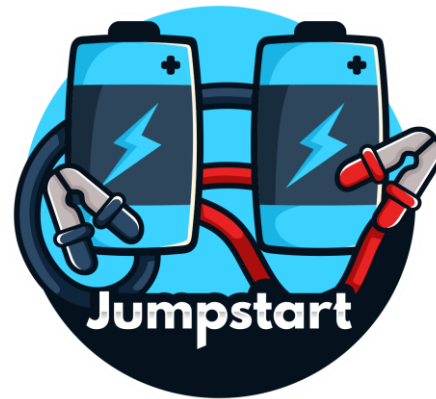
## [Advanced learn modules for administrators](#)

Modules:

- [Implement Datacenter Firewall and Software Load Balancer on Azure Stack HCI](#)
- [Plan for and deploy SDN infrastructure on Azure Stack HCI](#)

# Azure Arc Jumpstart

Rich, automated, open-sourced, community-driven

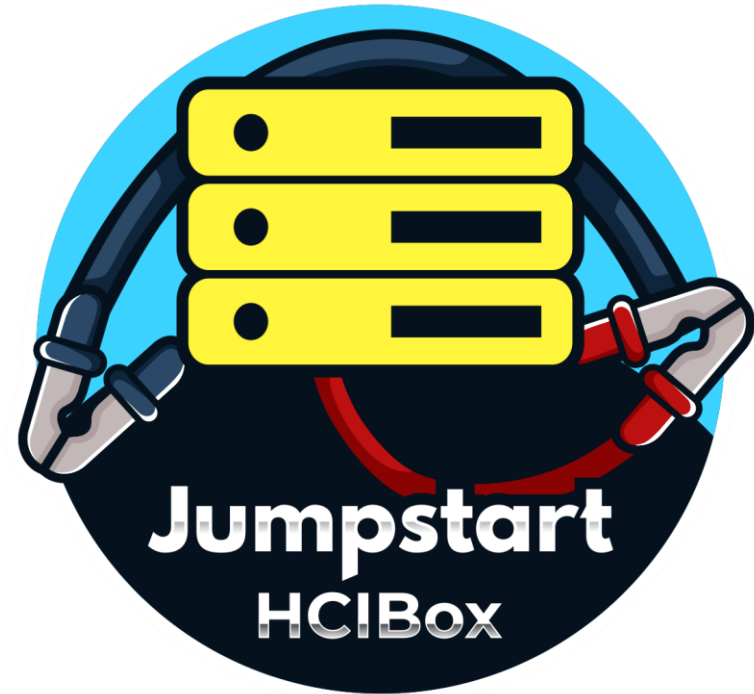


[aka.ms/AzureArcJumpstart](https://aka.ms/AzureArcJumpstart)



# Jumpstart HCIBox

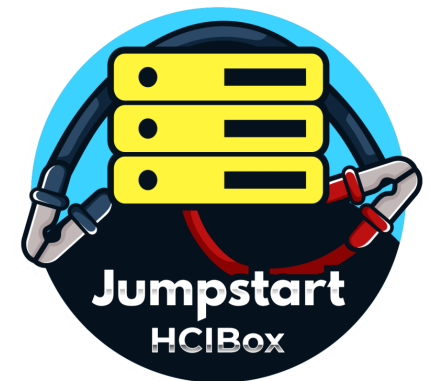
Fully automated Azure Stack  
HCI sandbox



# Jumpstart HCIBox

## Challenges and motivation

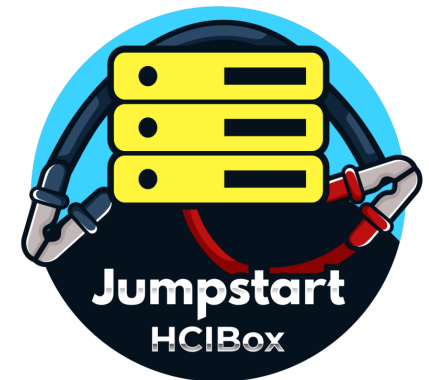
- Numerous HCI lab guides at varying levels of completeness or quality
- Lack of end-to-end automation to deploy HCI with integrated Azure Arc services
- Need to provide partners and customers with a complete sandbox for testing and training
- Need for faster times to test/POC without waiting for hardware procurement or other delays
- Laying the ground for future Azure Stack HCI Landing Zone Accelerator



# Jumpstart HCIBox

## Use Cases

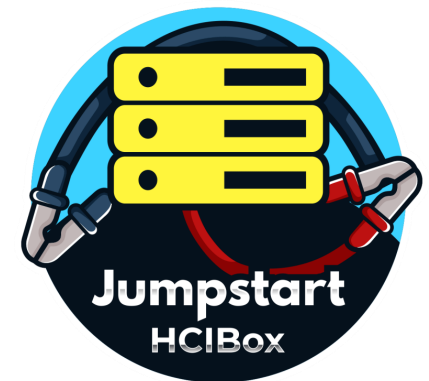
- Sandbox environment for getting hands-on with Azure Stack HCI without the need for physical hardware
- Accelerator for Proof-of-concepts or pilots
- Training tool for Azure Stack HCI and hybrid Arc skills development
- Demo environment for customer presentations or events
- Rapid integration testing platform

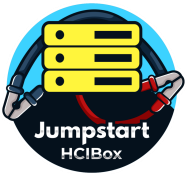


# Jumpstart HCIBox

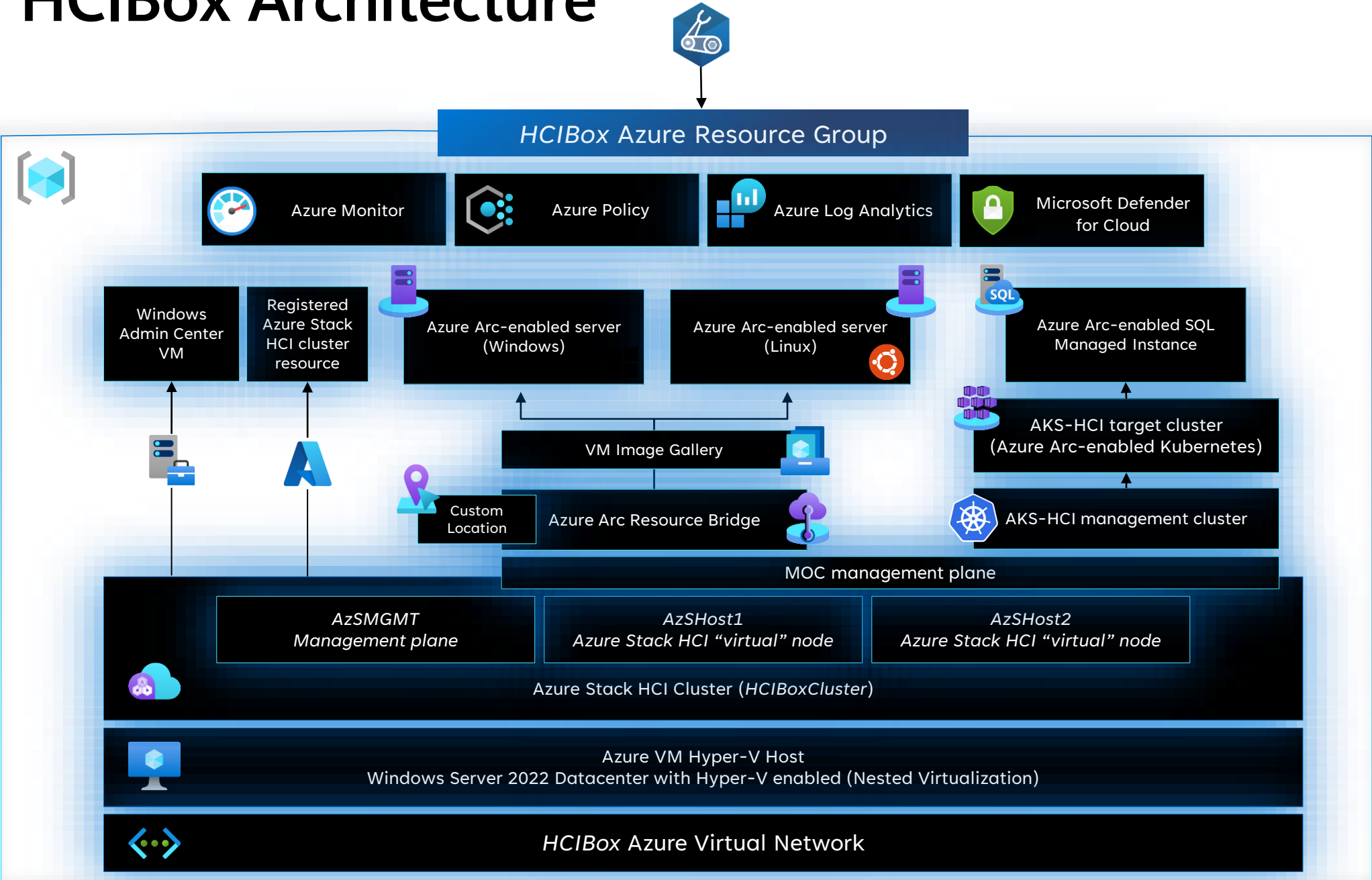
## Design Principles

- A dedicated sandbox environment for testing **GA or public preview** capabilities of Azure Arc. **No private preview** features are included
- Self-contained in Azure with no dependencies on having physical hardware
- Showcase HCI integration with hybrid services and tools (Azure Arc and Windows Admin Center)
- Comprehensive, Repeatable, Reliable
- Modular flexibility and configuration for the user





# HCIBox Architecture





# Resources

## Read

**Azure Stack HCI Product Page** [azure.com/hci](https://azure.com/hci)

**Azure Stack HCI Security Book** [aka.ms/ashcisecuritybook](https://aka.ms/ashcisecuritybook)

**Azure Arc-enabled Infrastructure on Intel Whitepaper** [aka.ms/arcinfraonintelwhitepaper](https://aka.ms/arcinfraonintelwhitepaper)

**Azure hybrid solutions sustainability Whitepaper** [aka.ms/hybridsustainabilitywp](https://aka.ms/hybridsustainabilitywp)

**Azure hybrid solutions sustainability infographic** [aka.ms/hybridsustainabilityinfographic](https://aka.ms/hybridsustainabilityinfographic)

**Secure your hybrid cloud with Intel Whitepaper** [aka.ms/securehybridcloudwhitepaper](https://aka.ms/securehybridcloudwhitepaper)

**Secure your hybrid cloud with Intel infographic** [aka.ms/securehybridcloudinfographic](https://aka.ms/securehybridcloudinfographic)

## Watch

**Extend your cloud with Azure Stack HCI** ([youtube.com](https://youtube.com))

**Azure hybrid solutions sustainability** [aka.ms/hybridsustainabilityvideo](https://aka.ms/hybridsustainabilityvideo)

**Security** [Securing Azure Stack HCI with Azure Defender & Secured-core](#)

**Demo:** [Retail Edge Transformation with Azure Hybrid](#)

**Azure Virtual Desktop for Azure Stack HCI** [Azure hybrid updates - YouTube](#)

**Product tour of Azure Stack HCI using WAC** [aka.ms/deployhciwithwac](https://aka.ms/deployhciwithwac)

**Disaster Recovery with Stretch Clustering** [aka.ms/stretchclustervideo](https://aka.ms/stretchclustervideo)

**Technical roadmap feature videos** [Kernel Soft Reboot](#) [Every Node Arc-Enabled](#) [Intent Driven Networking](#) [GPU Management](#) [Multi-cluster Monitoring](#) [Automatic Virtual Machine Activation](#)

## Do

**Download the free Azure Stack HCI 60-day trial** [aka.ms/hci-download-sw](https://aka.ms/hci-download-sw)

**Get started with the Azure Stack HCI Trial** [aka.ms/evaluate-hci](https://aka.ms/evaluate-hci)

**Visit Tech Docs to see how it all works** [aka.ms/hci-docs](https://aka.ms/hci-docs)

**Visit the Azure Stack HCI Catalog** [aka.ms/azurestackhccatalog](https://aka.ms/azurestackhccatalog)

**Visit the Azure Stack HCI SI partner catalog to find partners for deployment support** [aka.ms/arcsi](https://aka.ms/arcsi)

**Get training:**

[Azure Stack HCI foundations - Learn | Microsoft Docs](#)

[Operate and maintain Azure Stack HCI - Learn | Microsoft Docs](#)

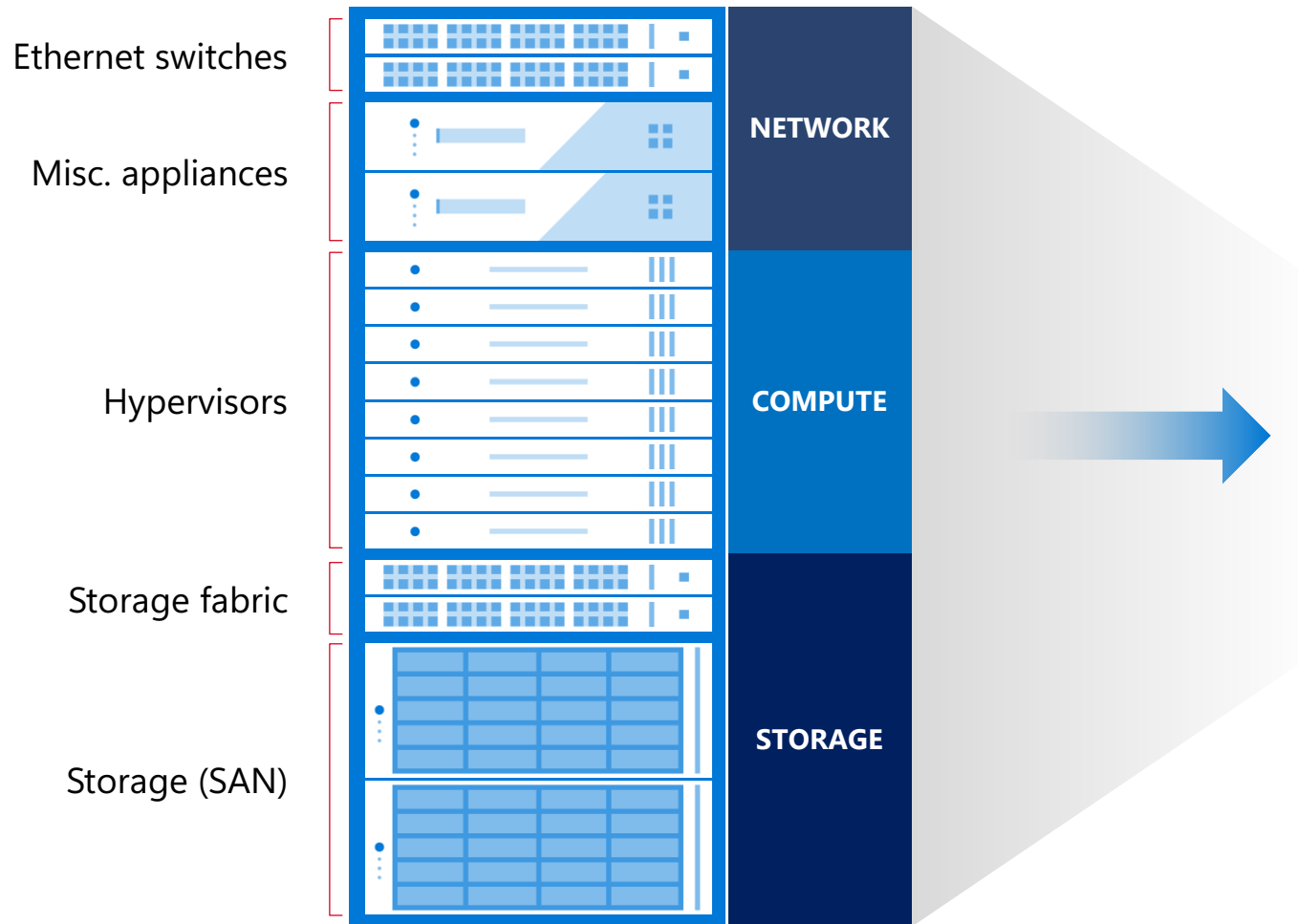
[Azure Arc-enabled Infrastructure Technical Event Series - Events | Microsoft Learn](#)



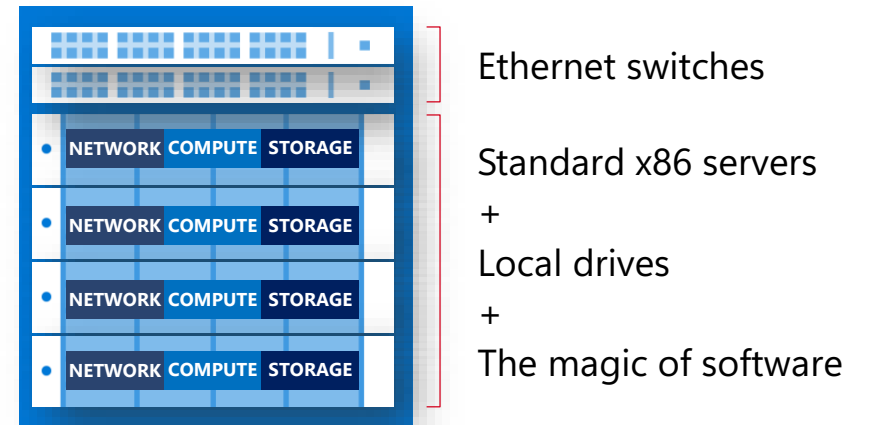
**Thank you**

# Azure Arc-enabled infrastructure leverages hyperconvergence

Legacy "three tier" infrastructure



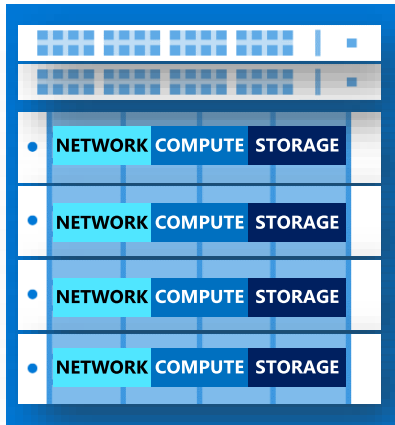
Hyperconverged infrastructure (HCI)



**HCI is a software-defined, unified system that combines all the disparate and siloed elements of a traditional datacenter**

# HCI: proven, popular way to enable hybrid cloud

## Hyperconverged infrastructure (HCI)



- Eases migration of data, VMs, and workloads
- Offers agility for digital transformation
- Software-defined HCI supports flexible deployment & unified management across on-premises & public cloud sites

# Have You Planned for Tomorrow's Infrastructure Needs?

Pressing demands on an organization's infrastructure

Application and data proliferation | Changing security requirements | OpEx and TCO constraints

Start with building the right infrastructure, customized to your business



## Agile

A **consistent** hardware and software infrastructure creates **agility** across clouds



## Scalable

An infrastructure must be **responsive** and **flexible** to prepare for changes



## Flexible

**Flexible** deployment options delivered by the broad ecosystem of Microsoft and Intel partners



## Secure

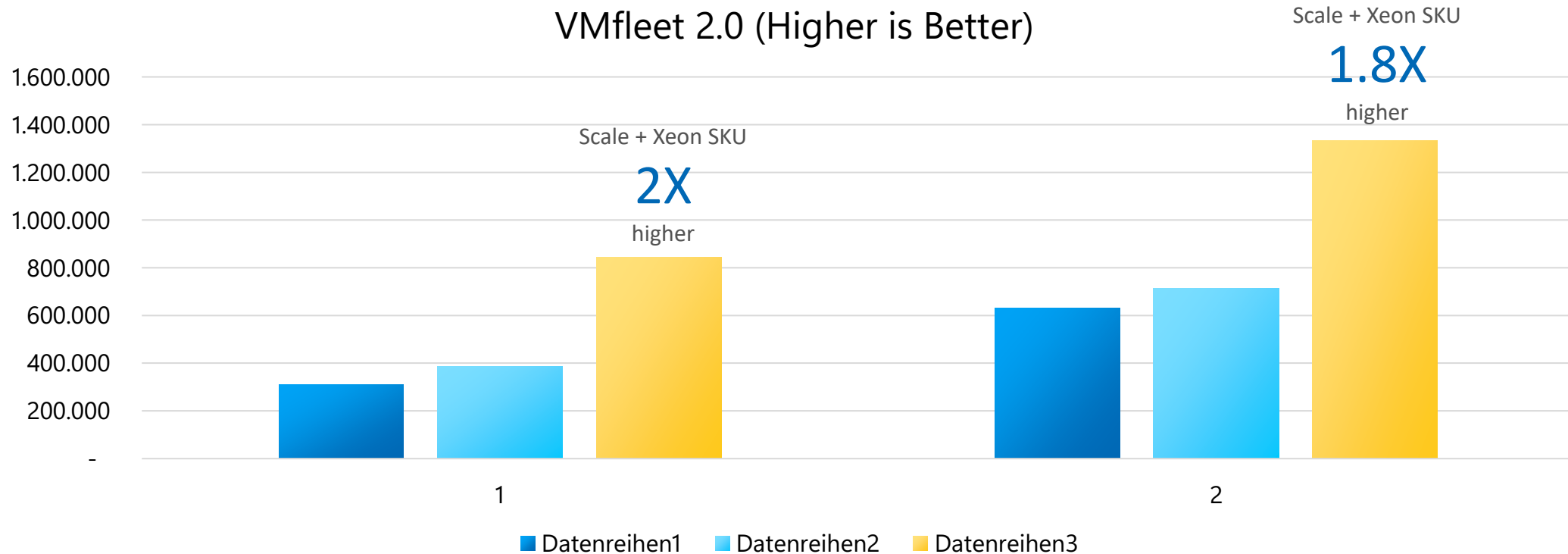
**Hardware-integrated security** helps secure the platform while maintaining workload integrity and performance

Hybrid cloud provides the foundation for a best-in-class infrastructure



# Microsoft Azure Stack HCI Using 4<sup>th</sup> Gen Intel® Xeon® Scalable Processors Delivers Performance for Demanding Workloads

IOPS Improvement on Azure Stack HCI  
VMfleet 2.0 (Higher is Better)



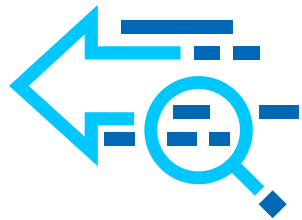
Performance increased gen-to-gen, scales with cluster size, and higher series of Xeon

Results using 4th Intel Xeon Processor - QS processors and silver systems. Performance varies by part, use, configuration and other factors. Learn more at [www.intel.com/performance/index](https://www.intel.com/performance/index). See backup for workloads and configurations. Results may vary.

# The AI/ML/DL Challenge

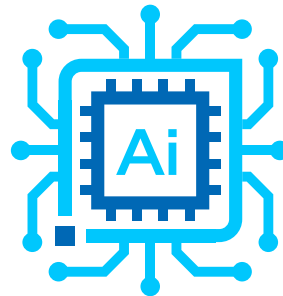
Increased Needs across the End-to-End Pipeline

Data Ingestion, Curation,  
Visualization



Traditional ML drives  
most AI cycles

High Barrier  
of Entry



Preparing for AI

Complexity  
of Scale



Edge to Cloud

# Common Training and Inference Workloads Accelerated by Intel® Advanced Matrix Extensions (Intel® AMX)

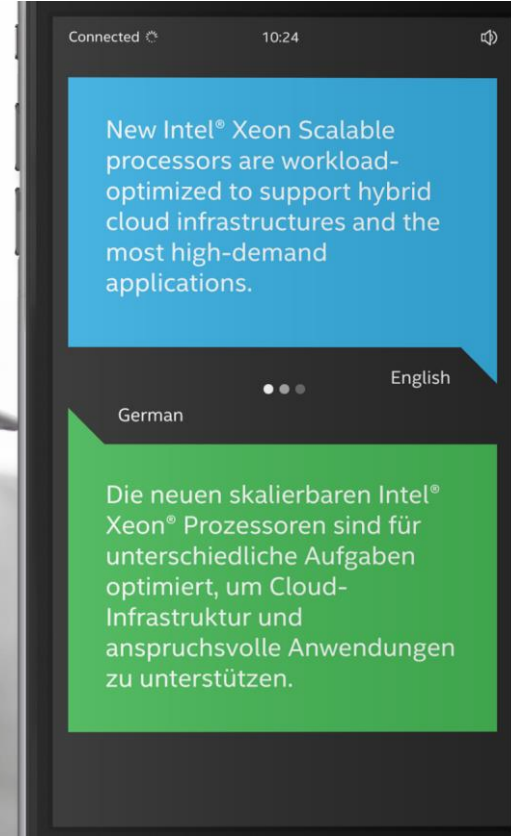
Image Classification



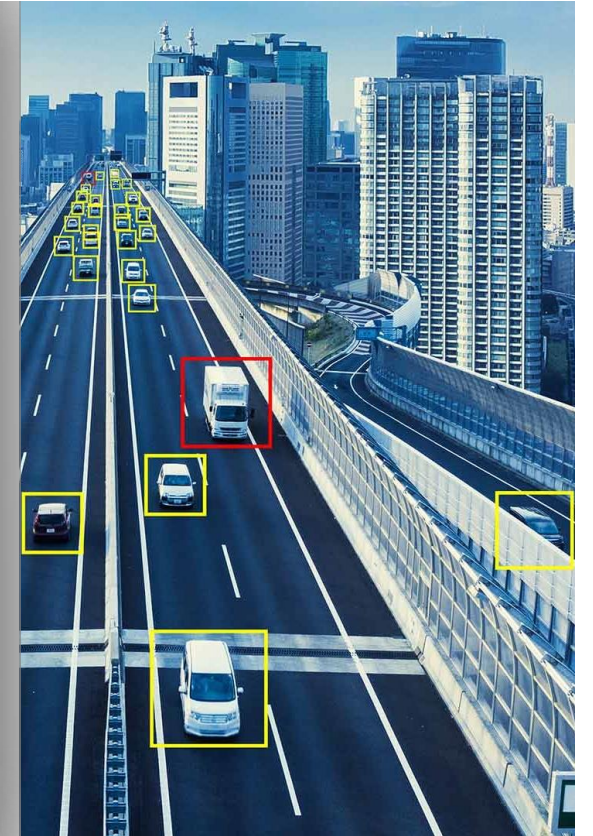
Speech Recognition



Language Translation

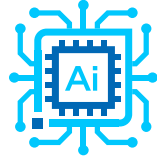


Object Detection



# Why Run AI Workloads on 4<sup>th</sup> Gen Intel® Xeon® Scalable Processors with Microsoft Azure Stack HCI?

## Any AI Code, Every Workload



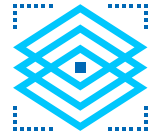
A broad array of modern business applications, from CRM and finance applications to security and infrastructure tools are now being augmented with AI. 4th Gen Intel® Xeon® processors feature Intel® Advanced Matrix Extensions (Intel® AMX), which gives your AI-enabled apps the ability to deliver flexible and efficient performance.

## Build & Deploy Everywhere



Design and deploy AI projects quickly and efficiently with optimized training and inferencing. Intel AMX brings extensive hardware and software optimizations to enable fast and efficient AI for a range of use cases, including video analytics, industrial machine vision, and natural language processing.

## Implement Pre-Built Solutions



With the built-in AI accelerator, the result is an optimized pipeline on a single hardware and software platform that scales from data center to cloud to edge. Customers can scale AI everywhere by leveraging the broad, open, optimized libraries, frameworks and pre-trained models available to speed deployment.

The flexibility of a standard Intel® Xeon® Scalable processor server, with the efficiency and performance of a built-in AI accelerator

# Accelerate AI - Image Classification on Microsoft Azure Stack HCI using 4<sup>th</sup> Gen Intel<sup>®</sup> Xeon<sup>®</sup> Scalable Processors with Intel<sup>®</sup> AMX


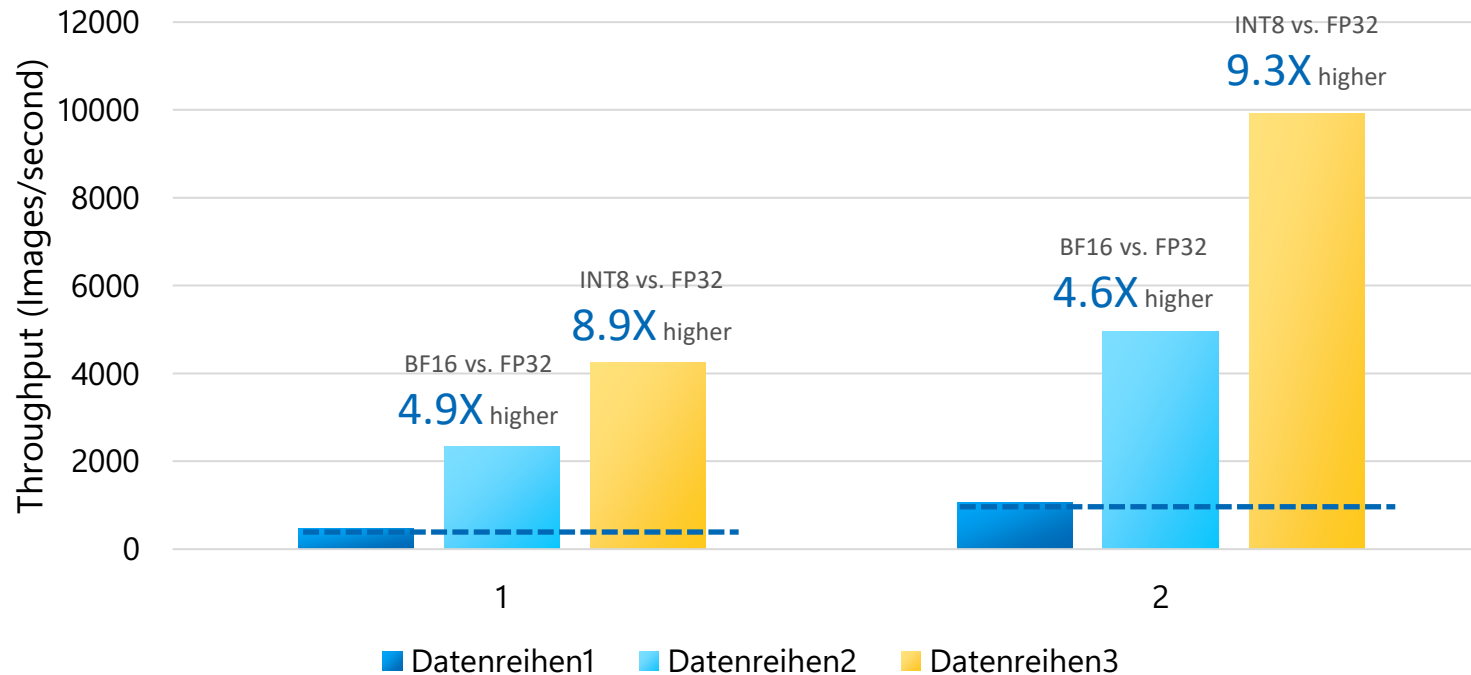
 TensorFlow  
Higher is better

Image Classification on Tensorflow 2.11 using ResNet50  
BS=128, Multi-instance (16x2 and 40x2 instances)




- The ResNet-50 benchmark measures image classification/vision workloads
- FP32 is a standard 32-bit floating point data type used to train deep learning models and for inferencing
- Bfloat16 is a truncated version of 32-bit floating point, used for both training and inference, offering similar accuracy but faster computation
- INT8 offers higher performance and is least computationally demanding for constrained environments, with minimal impact on accuracy
- Many DL workloads are mixed precision and 4<sup>th</sup> Gen Intel Xeon Scalable processors can seamlessly transition between Intel AMX and Intel AVX-512 to use the most efficient instruction set

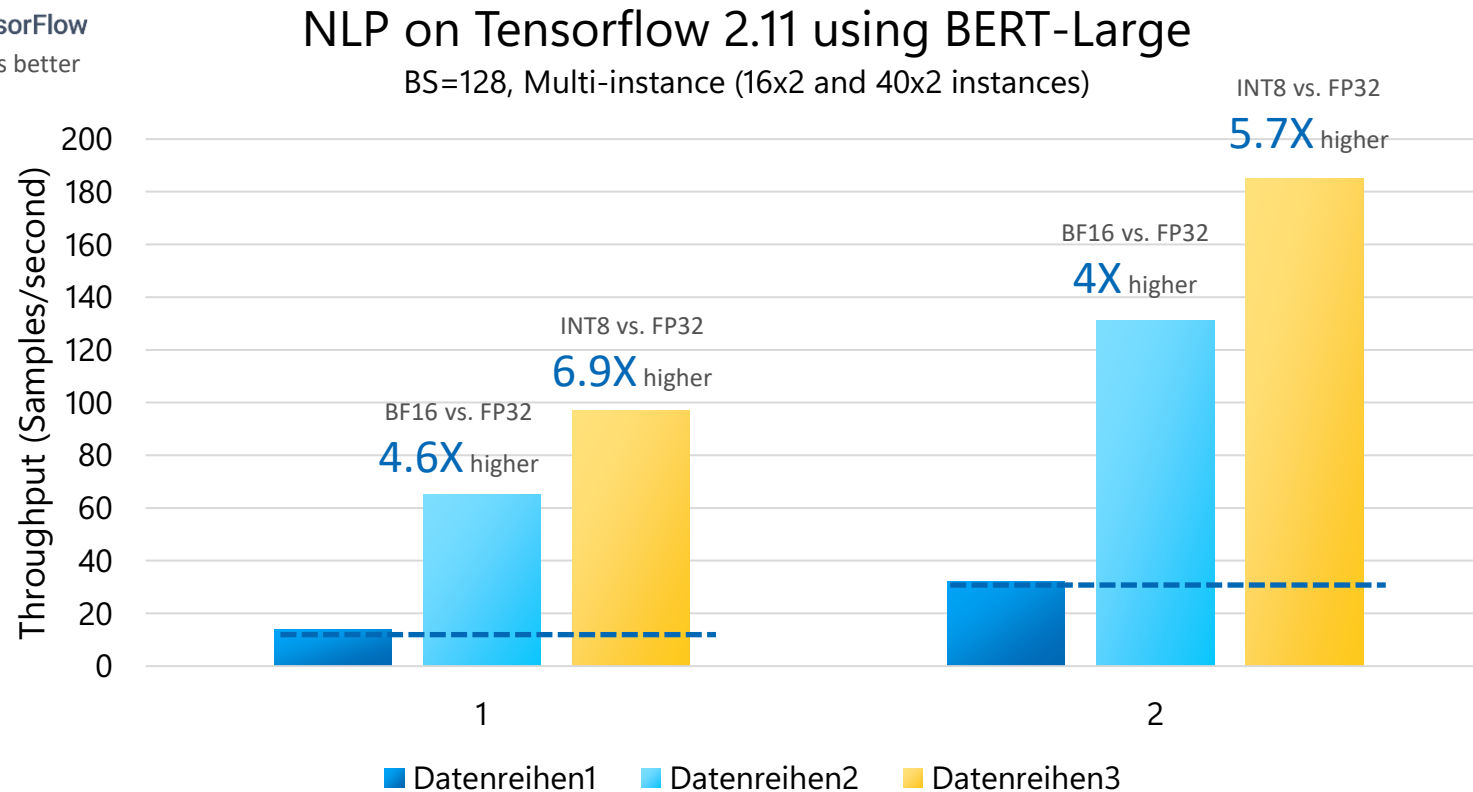
Increase performance with higher series of Intel Xeon processor or by changing precision

Results using 4<sup>th</sup> Gen Intel Xeon Processor - pre-production processors and systems. Performance varies by part, use, configuration and other factors. Learn more at [www.intel.com/performance/index](https://www.intel.com/performance/index). See backup for workloads and configurations. Results may vary. Intel AVX-512=Intel Advanced Vector Extensions 512, Intel AMX=Intel Advanced Matrix Extensions



# Accelerate Natural Language Processing (NLP) on Microsoft Azure Stack HCI using 4<sup>th</sup> Gen Intel® Xeon® Scalable Processors with Intel® AMX

 TensorFlow  
Higher is better

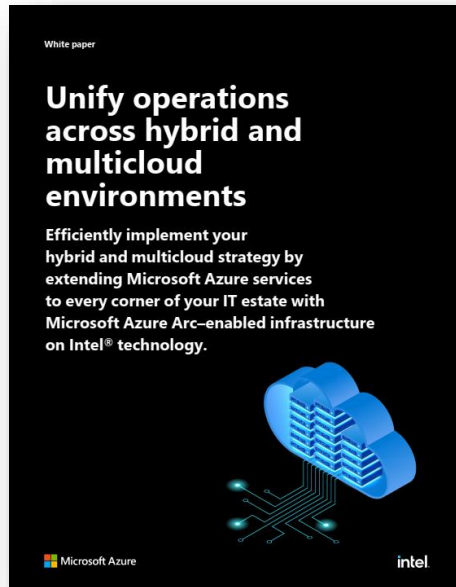


- BERT-Large is a pretrained model used for Natural Language Processing
- FP32 is a standard 32-bit floating point data type used to train deep learning models and for inferencing
- Bfloat16 is a truncated version of 32-bit floating point, used for both training and inference, offering similar accuracy but faster computation
- INT8 offers higher performance and is least computationally demanding for constrained environments, with minimal impact on accuracy
- Many DL workloads are mixed precision and 4th Gen Intel Xeon Scalable processors can seamlessly transition between Intel AMX and Intel AVX-512 to use the most efficient instruction set

Increase performance with higher series of Intel Xeon processor or by changing precision

Results using 4th Gen Intel Xeon Processor - pre-production processors and systems. Performance varies by part, use, configuration and other factors. Learn more at [www.intel.com/performance/index](https://www.intel.com/performance/index). See backup for workloads and configurations. Results may vary. Intel AVX-512=Intel Advanced Vector Extensions 512, Intel AMX=Intel Advanced Matrix Extensions

# Microsoft and Intel Resources



[Azure Arc-enabled Infrastructure on Intel Whitepaper](#)



[Case Study: written + video](#)



WSJ: [The Path to Greener IT in a Hybrid Cloud World](#)



WSJ: [Driving Sustainability for IT Infrastructure](#)



[Security Infographic](#)



[Security White paper](#)



[Security Video animation](#)

