Q. (Reference NLH-NP-024)
a) Are cloud-based technologies more prone to cyber security risks?
b) Are cloud-based technologies more prone to weather-related risks?

A. a) Cloud-based technologies are not inherently more susceptible to cyber security risks than traditional on-premise technologies, however they do introduce distinct and evolving challenges. Effective cloud security requires robust controls, such as strong encryption, rigorous access controls, continuous monitoring and data protection. As with on-premise solutions, cloud deployments demand thoughtful architectural and ongoing risk assessments to remain resilient against evolving threats.

b) Cloud-based technologies are not inherently more prone to weather-related risks than traditional on-premise technologies. While physical infrastructure is directly exposed to weather hazards, cloud services are typically hosted in resilient, professionally managed data centers. The primary weather-related risk for cloud-based technologies is loss of local connectivity, not failure of the cloud infrastructure itself. The Company has implemented redundant internet providers, disaster recovery, and local contingency planning to mitigate these risks for its cloud-based technology solutions.