What is RISK RADAR?

Our RISK RADAR is a series of briefing sessions to alert data centre operators and cloud service providers to emerging business risks. Each session explores a particular area of risk identified by members, with the help of a subject-matter expert or experts. The objective is not to provide legal advice and detailed guidance but to identify things that operators should perhaps be thinking about and signpost them to sources of information. In some cases (for instance, specialist areas relevant only to a small cohort of member) we did not run a risk radar session but instead provided round table workshops or industry briefings. The map below sets out the way we have categorised risk and the sessions held. More detailed descriptions are given in the following pages. The risk radar series was kindly sponsored by Future-Tech.

Mapping our Risk Landscape

Key:
- Risk Radar held – follow link to information:
- No risk radar briefing but guidance available

- Data Related Risks
  Briefing 14/04/2015
  GDPR key issue is joint liability between data processor and data

- Cyber risks
  Briefing 16/06/2015

- Lack of technical Skills
  Briefing 2/12/2015

- BREXIT
  briefing 14/09/2016

- Energy Security of Supply
  briefing 20/04/2016

- Energy price volatility
  briefing 03/02/2015

- Physical Risks workshop: Coronal Mass Ejection 18/05/2015

- Severe Weather Risks workshop: Flooding 18/05/2015

- Changes to climate change policy and energy taxation
  Briefing 14/10/2015

- Generator emissions regulation: See Compliance Roadmap

- Lot 9: impacts on servers.

- Green KPIs likely to be poorly informed. See our Council Position on BEMP

- Data Protection
  - EPR, IED, MCPD
  - Green KPIs, BEMP
  - Lot 9

- Carbon/energy taxes
  - Energy security
  - Energy prices

- Market
  - Demographics
  - Competition
  - Business environment
  - Business ecosystem

- Skills

- Environment
  - CME
  - Severe weather risks

- Technology
  - Security
  - Threat Protection
How did we categorise the risk landscape?

Risks can be divided two ways:

1. Firstly by demand and supply side
   - **Supply side** issues are relatively consistent between operators and include energy costs, environment, regulation etc.
   - **Demand side** factors vary by business model (colocation, MSP, enterprise DC, etc) with less commonality of relevance. Demand side factors include things like demographic, fashion, technological development and disruptive factors.

2. Secondly by risk type, where we feel they fall into four main categories:
   - **Regulatory**: risks from burdensome, inappropriate or unilateral regulation (that for instance damage competitiveness)
   - **Technological**: developments in technology that change the way we do things and could render current approaches redundant
   - **Environmental**: external impacts from changes in flood risk or weather patterns or other Acts of God
   - **Market Forces**: changes in demand patterns due to changes in demographic, leisure patterns, fashion or customer business processes

We chose the second approach for our map (above). There is obviously a significant overlap between risk areas and this is reflected. The map is not intended to be comprehensive. It just indicates the issues that we have identified and addressed to date.

Risk Radar Briefings: Detailed overview

In total we have run nine Risk Radar Briefings: seven formal sessions and two sets of workshops. These cover the following areas and a summary of content is provided under each. Use the link to access relevant meeting papers and presentations. In addition we have produced guidance on the compliance landscape relating to generator emissions because this is an area where misunderstanding the complex and contradictory legislative requirements can result in reputational risk for businesses.

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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<tbody>
<tr>
<td>3rd February 2015</td>
<td>Energy price volatility</td>
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<tr>
<td>14th April 2015</td>
<td>Data related Risks</td>
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<tr>
<td>2nd June 2015</td>
<td>Physical Risks workshop: Flooding and Coronal Mass Ejection</td>
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<tr>
<td>16th June 2015</td>
<td>Cyber risks</td>
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<tr>
<td>14th October 2015</td>
<td>Changes to climate change policy and energy taxation</td>
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<tr>
<td>2nd December 2015</td>
<td>Lack of technical Skills</td>
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<tr>
<td>23rd February 2016</td>
<td>Data Related Risks</td>
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<tr>
<td>20th April 2016</td>
<td>Energy Security of Supply</td>
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<tr>
<td>14th September 2016</td>
<td>BREXIT SWOT for data centres and cloud</td>
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Compliance risks: 29th Jan, 7th April, 6th May

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