

ISO 31022:2020-05 (E)

Risk management - Guidelines for the management of legal risk

Contents	Page
Foreword.....	iv
Introduction.....	v
1 Scope	1
2 Normative references	1
3 Terms and definitions	1
4 Principles	2
5 Legal risk management process	4
5.1 General.....	4
5.2 Establishing the relevant context and criteria.....	5
5.2.1 General.....	5
5.2.2 External context of legal risk.....	5
5.2.3 Internal context of legal risk.....	5
5.2.4 Defining the legal risk criteria.....	6
5.3 Assessment of legal risk.....	7
5.3.1 General.....	7
5.3.2 Identification of legal risk.....	7
5.3.3 Analysis of legal risk.....	10
5.3.4 Evaluation of legal risk.....	11
5.4 Treatment of legal risk.....	11
5.4.1 General.....	11
5.4.2 Choosing options for the treatment of legal risk.....	11
5.4.3 Evaluation of the current practices for the treatment of legal risk.....	12
5.4.4 Development and implementation of the risk treatment plan.....	12
5.5 Communication (internal and external), consultation and reporting mechanisms for the management of legal risk.....	13
5.5.1 General.....	13
5.5.2 Communication, consultation and learning.....	13
5.5.3 Monitoring and review.....	14
5.5.4 Recording and reporting.....	14
6 Implementation of the management of legal risk	15
6.1 General.....	15
6.2 Policy for the management of legal risk.....	15
6.3 Roles and functions for the management of legal risk.....	15
6.4 Integrating the management of legal risk.....	16
6.5 Resource allocation for the management of legal risk.....	16
6.6 Awareness of legal risk.....	16
Annex A (informative) An example of a legal risk identification method — Legal risk identification matrix (LRIM)	17
Annex B (informative) An example of a legal risk register	19
Annex C (informative) An example for estimating the likelihood of events related to legal risk	21
Annex D (informative) An example for estimating the consequences of events related to legal risk	23
Annex E (informative) Key clauses to consider when reviewing contracts	25
Bibliography	31