Callaghan Innovation Te Pokapū Aūaha

capability. COLLECTIVE

3 ISO Fact Sheet

Managing AI risks

What are the risks?

AI systems can pose significant risks, particularly when they are used in critical sectors such as healthcare, finance, or infrastructure.

These risks include ethical concerns, safety hazards, and potential breaches of regulatory compliance. Understanding and managing these risks is essential for any organisation involved in the development or deployment of AI technologies.

Prohibited AI systems

Certain AI systems are prohibited under ISO/IEC 42001:2023 due to their inherently high-risk nature. These include systems that could cause significant harm or violate ethical standards, such as those used in critical decision-making processes without adequate safeguards.

Identifying high-risk AI systems

Organisations must identify and assess AI systems that are considered high risk. This involves evaluating the potential impact of these systems on individuals, society, and the environment.

Criteria for classification

- **Impact**
  Systems that can significantly affect human rights, safety, or well-being.
- **Complexity**
  Systems that are highly complex and difficult to control or predict.
- **Context**
  Systems used in sensitive areas such as law enforcement, healthcare, or critical infrastructure.

What do you need to do?

- **Risk assessment**
  Conduct a thorough risk assessment of your AI systems to identify those that are high risk.
- **Mitigation strategies**
  Develop and implement strategies to mitigate these risks, ensuring that your AI systems operate safely and ethically.
- **Compliance monitoring**
  Regularly monitor and review your AI systems to ensure ongoing compliance with ISO/IEC 42001:2023 and other relevant standards.

What's in it for you and your business?

Effectively managing AI risks is not just about avoiding potential problems.

It's about protecting your organisation's reputation, ensuring the safety of your stakeholders, and contributing to a responsible AI ecosystem in New Zealand. By adhering to ISO/IEC 42001:2023, you can confidently innovate while safeguarding against the unintended consequences of AI.