Consumer Protection Code 2025

Informing Effectively Webinar

Conduct Supervision & Consumer Policy
29 July 2026

Informing Effectively

Supporting better consumer outcomes / financial wellbeing

Informing Effectively is about **helping consumers to understand information being disclosed to them** to enable them to make informed financial decisions

Why it matters for consumers?

- Supports better consumer outcomes in terms of financial wellbeing
- Assists consumers in understanding key product features and risks.
- Throughout the customer journey ensures that consumers understand and can easily navigate information and make informed decisions

The Mindset Shift
Moving beyond asking

Have we disclosed the information?

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Does the information genuinely help consumers understand and make informed decisions?

Consumer Protection Code – Structure

Revised Code reflected in new Central Bank Regulations supported by Guidance

Standards for Business Regulations

- Governance, resources and risk management standards
- Conduct standards updating existing General Principles

Consumer Protection Regulations

- Cross-sectoral requirements - existing and new
- Sector-specific requirements - existing and new

Guidance

- Securing Customers' Interests
- Protecting Consumers in Vulnerable Circumstances
- General Code Guidance

Securing Customers' Interests

- Firms must effectively **incorporate customers' interests** into their strategy, business model and decision-making.
- Consideration of how obligation to act in best interests of consumers must be a key factor in commercial decision- making.
- Experience has shown how failing to do this can lead to poor outcomes both for consumers and firms.
- **Securing Customers' Interests -** enhances clarity for firms on how to meet their customer best interests obligation.
- **Guidance** will support firms in meeting all their consumer protection obligations, key to **positive consumer outcomes.**

Consumers' interests are best served through effectively functioning financial services markets providing appropriate levels of availability and choice from sustainable, resilient, well-run, consumer-focused firms.

Informing Effectively

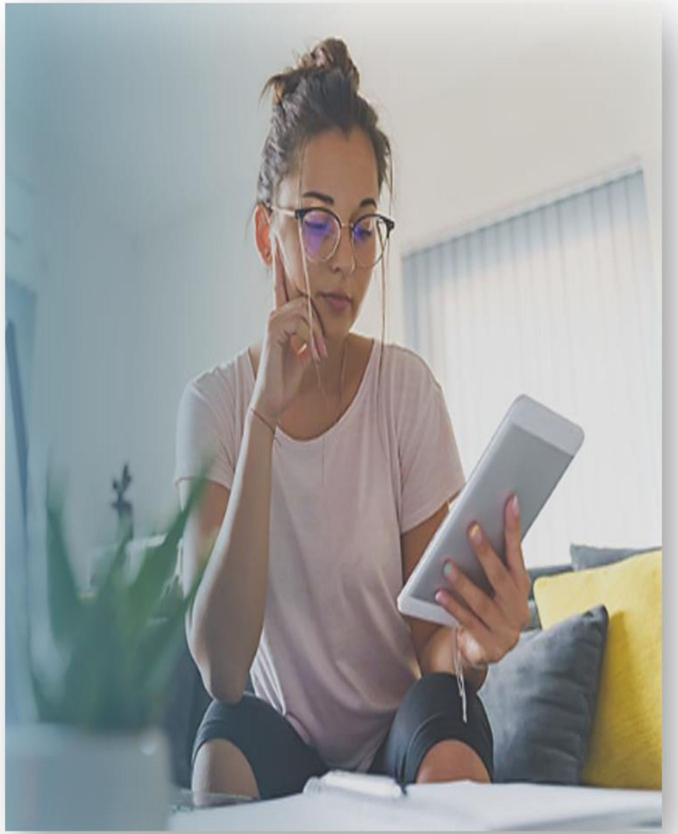
Informing consumers effectively enables them to make informed decisions to meet their financial needs

- The enhanced **Standard for Business** requires firms to provide information to customers in a way that effectively informs them - reflecting a shift from requiring firms to simply disclose information to customers, to requiring them to meet disclosure requirements in a way that **effectively informs** their customers – an important move away from tick-box compliance.

- Clear disclosure of product features, risk and price allows consumers to select the provider and product that best serves their needs.

- Firms must provide information to customers, including consumers in vulnerable circumstances:
  - so that they can reasonably understand the material features of the product or service;
  - so that it is clear, accurate, up to date, and written in plain and accessible language, avoiding the unnecessary use of technical terms; and
  - on a timely basis, and bring key information to the consumer’s attention.

- Product producers must monitor and review the effectiveness of customer communications.



Informing Effectively – *Seven Core Considerations*

In seeking to ensure they inform their customers effectively, firms should take seven core considerations into account when drafting and delivering information to customers

Consideration 1 – Customer Profile

- What's the target audience for the information?
- Consideration of customers' needs, levels of financial literacy, knowledge and experience.
- Are there cohorts of customers in vulnerable circumstances?

Consideration 2 – Content

- Focus on the on the information a customer needs to make an informed decision.
- Use of scenarios and illustrative examples can assist customers in understanding.

Consideration 3 – Language

- Firms must use plain language in their communications.
- Avoid using unnecessary technical terms or jargon. Explain the meaning of technical terms - in a glossary or through other means.

Informing Effectively – *Seven Core Considerations*

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Consideration 4 - Display

- How firms display information to customers can significantly influence how customers will interact with it and whether they are effectively informed.
- Poor presentation of information can distort customers' ability to assess the benefits and risks.

Consideration 5 – Delivery Channel

- Firms should consider and determine the most appropriate channel to communicate and deliver information to their customers.
- Firms should select the delivery channel most appropriate for the profile of their customers – consider videos and other delivery method.

Consideration 6 - Timing

- Provision of information at various points over a product or service lifecycle.
- There can be changes to a product or service over time. Features of a product may change in particular for longer-term contracts.

Consideration 7 – Testing and Review

- The level of testing and review should be informed by the nature and complexity of the communication which is issuing to customers.

Informing Effectively

Supervisory Observations from H1 2026 Inspections

Key Observations

Frameworks established to deliver on the obligation

Most firms undertook significant implementation programmes. Programmes typically extended beyond the review of individual communications. Governance, customer communication frameworks and review/testing approaches were enhanced. Frameworks put in place to lay foundations for delivery of the obligation.

Mindset shift versus compliance exercise

Some firms adopted a narrower interpretation of the obligation. Implementation focused more on legal compliance. More limited consideration given to the broader consumer-focused mindset intended by obligation. To fully implement the Informing Effectively obligation, firms need to demonstrate a consumer-centric mindset in all communications with their customers, including digital engagement channels such as websites and apps.

Measuring Effectiveness

An area that was generally less well developed across firms is measuring whether consumers are being informed effectively. Approaches to assessing whether information is genuinely supporting consumer understanding are still evolving.

Effective implementation places consumer understanding at the centre of how information is designed, reviewed and delivered

Positive Practices Observed

Some common themes emerged which may be helpful for firms to consider as they continue to embed the informing effectively obligation.

Clear principles and expectations	✓Developing principles, guidance and training to support a consistent understanding of the obligation across the firm.
Ownership and accountability	✓ Clear governance arrangements and consumer-focused roles and responsibilities for delivering the obligation.
Consumer focused review and testing	✓ Embedding the core considerations from the guidance into communication reviews, including consumer testing where appropriate, to support consumer understanding.
Monitoring and continuous improvement	✓ Frameworks to monitor outcomes, gather consumer insights and identify opportunities for continuous improvement.
Assurance	✓ Assurance reviews to assess whether informing effectively frameworks are operating as intended and becoming embedded in practice.

These practices supported firms in embedding consumer understanding into ongoing decision-making

Key Takeaways

- Use the ‘Informing Effectively’ obligation as an opportunity to consider how your firm provides information to and communicates with its customers.
- Consumer understanding and financial wellbeing should be at the centre of all customer communications.
- Consumer-focused culture is key. A mindset shift may be required to ensure meeting the obligation is not a ‘tick box’ compliance exercise.
- Firms need to focus on measuring effectiveness.
- This should not be a one-off exercise – need to continue to embed and improve communications.
  - Consider positive practices in further embedding the obligation.
- There will be further Central Bank inspections and reviews of this topic into 2027 and beyond.