

Preparing for broader non-financial misconduct rules

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Today's session

1. Setting the scene
2. Rules recap
3. FCA expectations
4. Problematic areas:
 - COCON: relationship with private life
 - FIT: Assessments and Investigations
5. Dealing with NFM:
 - Notifications
 - Regulatory References
 - Implications for Senior Managers
6. Q&A

Our speakers



Adam Epstein
Consultant,
Mishcon de Reya

Adam is a leading regulatory defence specialist with 30 years' experience in major enforcement cases. He advises at every stage, from early risk mitigation to contested actions. His expertise spans financial and non-financial misconduct, with deep insight into sensitive regulatory decision-making. His pre-eminent expertise is widely recognised by the legal directories.



Elizabeth Hope
Managing Associate,
Mishcon de Reya

Elizabeth has significant experience advising financial services firms and senior individuals at risk of, or under, regulatory investigation by the FCA and PRA for alleged serious misconduct or rule breaches. Elizabeth frequently advises clients on a range of matters at the intersection of regulatory and employment law, including fitness and propriety assessments, reporting obligations and regulatory references, often following allegations of serious non-financial and other misconduct.



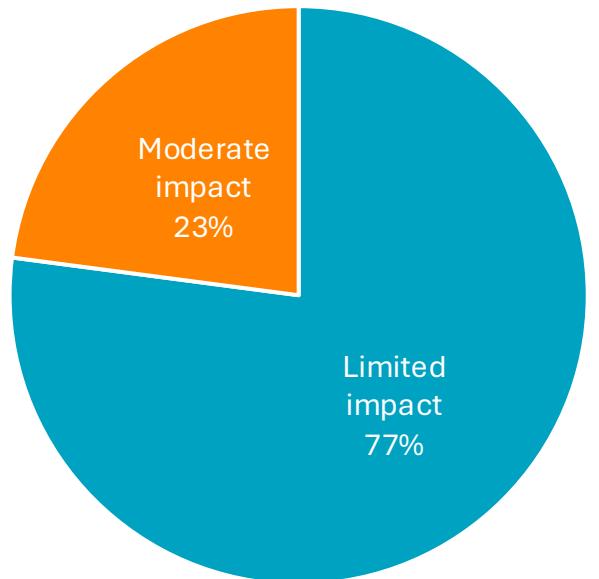
Matt Browne
Partner,
Ocorian

Matt leads our Wealth practice, covering discretionary management, financial planning, regulatory compliance and prudential obligations. Having worked at the FCA, he offers a deep understanding of the regulator's strategy and approach.

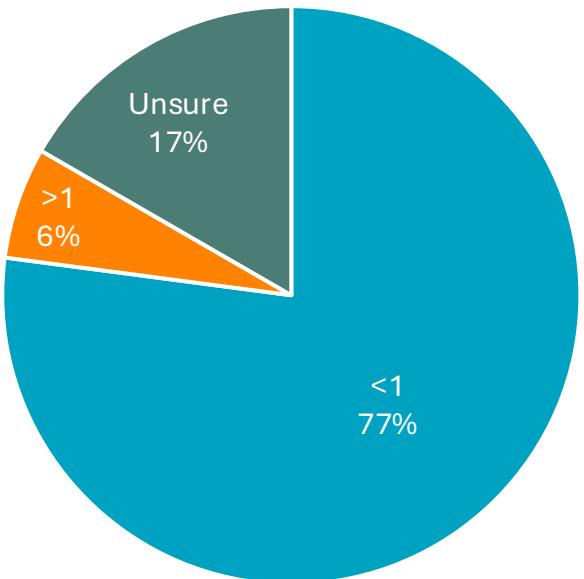
Insights from our survey

We conducted a survey to see how firms were getting ready for the new rules. We had respondents across financial services, from small consumer credit firms to large asset managers and banks. Our results show a mixed picture.

How significant do you expect the implementation effort to be?



Incidences of NFM



Proposed rule changes and timeline

WHAT IS CP25/18?

- FCA Consultation Paper, '*Tackling non-financial misconduct in financial services*', covers expectations around conduct in and outside of the workplace. The CP is in 2 parts:
- **Policy Statement** setting out the changes to rules and guidance in the Code of Conduct (COCON)
- **Consultation Paper** on the FCA's proposed amendments to guidance in COCON and the Fit and Proper Test for Employees and Senior Personnel (FIT) in respect of what constitutes NFM

KEY TIMELINE

- Consultation closed: 10 September 2025.
- New COCON rules as set out in Policy Statement come into force: 1 September 2026
- The FCA aims to publish a Policy Statement in respect of its consultation on the COCON and FIT guidance by the end of 2025 to give firms time to update processes, with a view to that guidance coming into force on 1 September 2026

Who do the rules apply to?

Senior Managers:

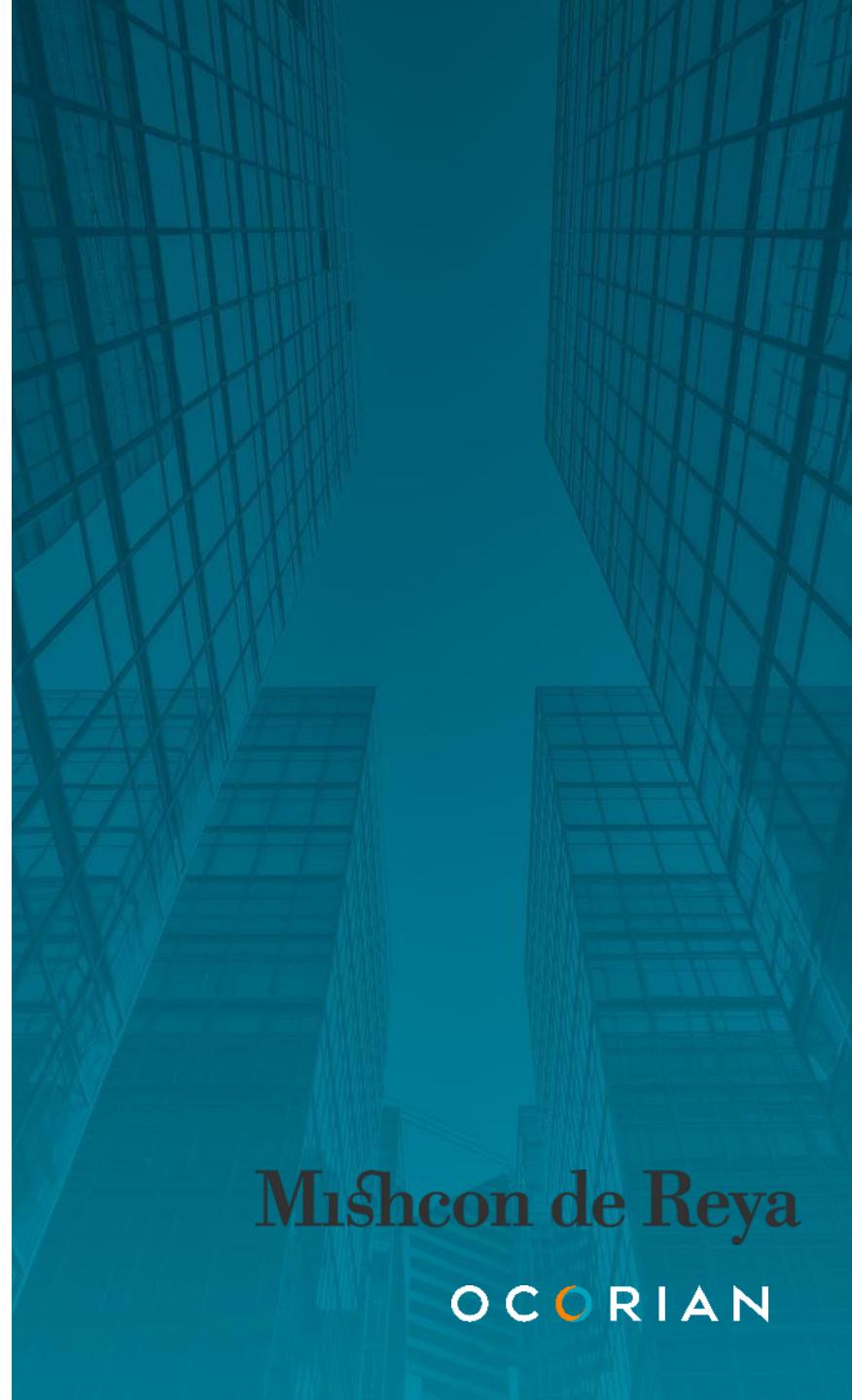
- Individual COCON rules
- Senior Manager COCON rules
- F&P applies (approved by the FCA)

Certification Employees:

- Individual COCON rules
- F&P applies (certified by the firm)

Conduct Rules Staff: (anyone who is not a senior manager or a certified function holder and who does not fall under the FCA's list of Ancillary Staff (e.g. receptionist, post room staff, events management, print room staff etc.))

- Individual COCON rules



Q&A

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