

As AI-powered features become increasingly common in digital products, ensuring transparent and timely disclosure to users is more important than ever. For companies serving users in the European Union, the **EU AI Act**, particularly **Article 50**, sets clear expectations on how to fulfill *onboarding disclosure* responsibilities. Whether you're a SaaS provider like Coruzant Technologies or a multinational with global reach, understanding *first exposure* timing and *clear and distinguishable* [AI disclosure best wording](#) presentation in your onboarding flow is critical to compliance and user trust.



Why AI Disclosure Matters: The Regulatory Landscape

The European Commission and the European Data Protection Supervisor have both underscored the importance of transparency in AI use, especially when it directly affects end users. The EU AI Act introduces robust rules ensuring that users are made aware when they interact with AI systems.

Article 50 of the EU AI Act mandates that AI providers and deployers must disclose to users the involvement of AI “in a clear, transparent, and unambiguous manner.” This regulation is designed to empower users with the knowledge to make informed decisions during their first interaction and beyond.

The Dual Roles: Provider vs. Deployer Responsibilities

Before diving into onboarding flows, it's important to distinguish between two roles:

- **Provider:** The entity that develops or manufactures the AI system (e.g., Coruzant Technologies developing AI-powered customer support tools).
- **Deployer:** The entity that integrates and uses the AI system within their own products or services (e.g., a SaaS company embedding a Coruzant AI chatbot in their onboarding).

Both parties share responsibility for disclosure. The provider must ensure that the AI system is accompanied by transparent information. The deployer must integrate these disclosures efficiently into user-facing flows, including onboarding.

Extraterritorial Reach: What Non-EU Companies Need to Know

Even if your company is based outside the EU, these rules apply if your AI system interacts with users located in the EU. This extraterritorial reach means that US, UK, and other non-EU companies must design onboarding processes that meet EU standards to serve their EU customers legally.

Impact on Product Design and Content Strategy

For example, a US-based SaaS platform using AI-powered voice interfaces must integrate disclosures that are *clear and distinguishable*, correctly localized, and fully accessible to meet EU requirements. Ignoring these can lead to regulatory fines and eroded user trust.

First Interaction Disclosure: Timing is Everything

One recurring question product teams face is: *When exactly should AI disclosure occur within a multi-step onboarding flow?*

Transparency principles and Article 50 guidance emphasize that users must be informed at their **very first exposure** to AI's involvement. This means AI should not be "hidden" behind later steps or buried in lengthy terms and conditions.

Best Practices for Timing and Placement

1. **Initial Introduction:** At the start of onboarding, mention the presence and purpose of AI clearly, ideally with a brief and digestible statement.
2. **Feature-Specific Context:** When the user first interacts with an AI-enabled feature (e.g., an AI-powered digital assistant or voice interface), reinforce the disclosure with contextual cues.
3. **Accessible Details:** Provide links or expandable sections where users can learn more about how the AI works and their rights.

Designing AI Disclosure for Multi-Step Onboarding Flows

Multi-step flows present unique challenges for AI transparency, as the user might encounter AI features at different stages. Here's how to approach this effectively:

1. Make Disclosure Clear and Distinguishable

Disclosures must stand out visually and verbally. Avoid hiding AI mentions in generic "powered by AI" phrases, which are unclear. Instead, say, for example:

"You are now interacting with a virtual assistant that uses artificial intelligence to help you navigate this onboarding process."

Test this copy by reading it aloud—as if it were a voice product interface—to ensure it sounds natural and sufficiently informative.

2. Ensure Accessibility with Assistive Technologies

Accessibility should never be an afterthought. Because many EU users rely on **screen readers** and other assistive technologies, your AI disclosure must be compatible. This includes:

- Proper semantic markup (e.g., using aria-label for buttons).
- Logical tab order and focus states.

- Audible descriptions for voice interfaces, informing users when they interact with AI.

A good example is an onboarding step that narrates: "Hello! I'm your AI assistant helping you complete this setup."

3. Contextualize Disclosures According to User Journey

The first interaction disclosure sets expectations, but each later encounter with AI functionality should also remind users of AI involvement, especially if the user's trust could impact their willingness to proceed.



Collaboration Across Teams: Legal, UX, Accessibility, and Product

Shipping compliant AI disclosures requires cross-functional coordination:

Team Role Examples
Legal Provide interpretation of Article 50 and regulatory updates Review disclosure wording for compliance and risk
UX Writers/Designers Create clear, concise, and user-friendly disclosure copy Test language with real users and voice-read
Accessibility Experts Ensure disclosure is accessible to assistive technology users Run screen reader tests and audit flow
Product Managers Integrate disclosure requirements into product roadmap and launch criteria Coordinate releases with legal and compliance checkpoints

Common Pitfalls to Avoid in AI Onboarding Disclosure

- **Burying disclosures in lengthy terms of service:** Users rarely read TOS; disclosures must be upfront.
- **Using vague or technical jargon:** "AI-enabled system" is ambiguous; use plain language describing what AI does.
- **Inaccessible formats:** Failing to label or structure information for screen readers causes exclusion.
- **Delaying disclosure beyond first exposure:** Waiting until an advanced stage in onboarding violates transparency principles.
- **Ignoring voice interfaces:** Silence or generic robot alerts confuse users about AI involvement.

Summary: Key Takeaways for Effective EU AI Act Compliant Onboarding Disclosure

1. Disclose AI presence clearly and promptly at first user exposure within onboarding flows.
2. Use simple, conversational language that works well both visually and when read aloud.
3. Make disclosures visually prominent and accessible for all users, including those using assistive tech like screen readers.
4. Coordinate legal, design, accessibility, and product teams to ensure disclosures are accurate and user-centered.
5. Remember the extraterritorial requirements—your AI onboarding disclosures must align with EU standards if you serve EU users, no matter where you're located.

By embedding these principles, companies like Coruzant Technologies and others across the globe can build trust, improve user experience, and meet EU regulatory demands to disclose AI transparently during onboarding. This proactive transparency benefits users and providers alike, fostering responsible AI deployment in an increasingly connected world.