



Financial Supervisory Service
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Welcoming Remarks

2011 Annual General Meeting
Asia Forum for Investor Education
Seoul, Korea

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Governor
Financial Supervisory Service

Distinguished Members of Asia Forum for Investor Education,
Korea Council of Investor Education, and
Ladies and gentlemen,

It is my great pleasure to welcome you to today's Annual General Meeting and Workshop. On behalf of Financial Supervisory Service of Korea, I welcome you and thank you for joining us here in Seoul.

I know that many of you have traveled afar to take part in this year's meetings. We very much appreciate it. We are delighted to have you, and we look forward to having many constructive discussions with you.

I also extend my special thanks to Chairman Hwang Kun Ho and others who worked hard to prepare for this year's gathering.

Ladies and gentlemen,

As we all know, public awareness of the importance of investor education has improved drastically across countries following the 2008 financial crisis. The improved public awareness is certainly a welcome development. More importantly, it comes with the growing recognition that investors and consumers from time to time take on more risk than they can safely understand and manage.

This can have grave consequences for financial markets. And our belief is that we can join hands and act together to promote effective investor and consumer education.



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Just recently, we were reminded of the importance of strong financial education and public awareness after troubles at several local savings banks sparked widespread concerns.

So, investor education is increasingly seen as a major public policy issue. And there are now wide-ranging efforts under way across countries to raise investor financial literacy and protection.

Although the approaches we take may differ, our overall objective is the same—to help investors and consumers make sound, well-informed financial decisions. Regulators for their part must of course work to give investors and consumers information they need to make sound, well-informed decisions.

Given today's complex investment products and abundance of information, I don't think anyone can over-emphasize the importance of effective investor education and the benefits it brings.

One obvious, yet vital, benefit of financially literate, well-informed investors and consumers is the high degree of self-discipline they can pose on financial firms and the marketplace. But this requires years of focused effort and investment from all of us.

This is where the AFIE can play a major role by advocating broad-based, systematic approach to financial education throughout Asia.

Ladies and gentlemen,

At the Financial Supervisory Service, we have taken the initiative to improve investor and consumer finance education in four key areas.

One is to develop standardized educational textbooks and materials for our students and young adults. Since 2003, we have also been conducting an annual survey of the level of financial knowledge of high school and college students—what we call “Financial Quotient”—to continually improve the effectiveness of our investor and consumer education.

Another is a pilot program we started in 2005. Under the program, the FSS trains teachers and runs special classes in selected schools each year on financial literacy and education. The goal again is to start early and provide focused, systematic financial education to our students and young adults.



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The third initiative is widening our educational services to the diverse segments of our society. Here, I am referring to groups such as residents in the rural communities, families with foreign spouses, job seekers, and military personnel who can benefit more from specialized educational services. We recognize this and continually make an effort to provide educational services that are better tailored to individual needs and goals.

The fourth initiative I would note is making greater use of the advantage and versatility that the Internet offers in disseminating wide-ranging educational materials and information to the general public. We have in fact been doing this since 2003 for various age groups and other specific investor and consumer groups with a dedicated public educational website.

Ladies and gentlemen,

Investor and consumer awareness of risks embedded in financial products has been growing in recent years. This is understandable given the recent history of stress and crisis in the financial markets across countries.

But we also detect a greater sense of shared responsibility from the financial industry to advance investor and consumer interests. So we might say that the pieces are falling into place. And we have an opportunity to create more robust and more consistent investor and consumer protection regime going forward.

In this regard, the 2011 AFIE meeting is an especially important gathering for the future of Asia's financial literacy and education as it gives us a chance to reaffirm our commitment and set strong investor and consumer agenda.

We have with us today professionals from public and private sectors from across Asia who are deeply dedicated to advancing Asia's investor financial literacy and education. We very much share and support your goal and look forward to your continued leadership in promoting Asia's investing public.

So I once again thank you on behalf of Korean regulators for joining us here in Seoul. We are delighted to host such a special meeting for such a special group. And we very much look forward to what you have to say at today's forum.

Thank you.