

FINANCIAL GROUPS TO PROVIDE INTEGRATED DISCLOSURES

The FSC announced the availability of integrated disclosures by financial groups on September 16. Pursuant to the best practice guidelines on the supervision of financial conglomerates, financial groups¹ will begin to disclose information on 25 specific criteria including their management status, governance structure and capital adequacy requirements through a group-wide integrated disclosure format starting from the end of September this year.

KEY DETAILS

(DISCLOSURE INFORMATION) Financial groups are required to disclose information on 8 specific areas and 25 sub-categories as follows—(a) general management status, (b) corporate governance structure, (c) internal control, (d) risk management, (e) capital adequacy requirements, (f) internal transaction, (g) capital or credit extension to major shareholders and (h) other relevant information.

(PERIOD) Quarterly disclosures are due within three months prior to the end of every quarter and annual disclosures are due within five months and fifteen days from the end of every fourth quarter.

(HOW TO ACCESS) A major representative company of the financial conglomerate will put up group-wide integrated disclosure information on its website after gathering and confirming disclosure information from the group's subsidiaries.

EXPECTATION

With the availability of information on group-wide risk factors and risk management status in an easily understandable format, the newly introduced integrated disclosures by financial groups will provide useful information to consumers and investors while boosting risk management capabilities of financial companies through market-based approaches. Meanwhile, the government will continue to work for the enactment of the legislation on the supervision of financial conglomerates.

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For press inquiry, please contact Foreign Media Relations Team at fsc_media@korea.kr.

¹ Currently six financial conglomerates are subject to the integrated disclosure rule: Samsung (Samsung Life Insurance), Mirae Asset (Mirae Asset Daewoo), Hanwha (Hanwha Life Insurance), Hyundai Motor (Hyundai Capital), Kyobo (Kyobo Life Insurance) and DB (DB Insurance)