

Athens, 16 September 2024

### **Press Release**

The Hellenic Capital Market Commission (HCMC), as part of its responsibility to enhance investor protection, will participate in the IOSCO's World Investor Week 2024 campaign, which will take place from October 7-13, 2024, through a series of activities.

IOSCO's World Investor Week (WIW) is a week-long, global campaign held for the 8<sup>th</sup> consecutive year by IOSCO, to raise awareness of the importance of investor education and protection, and to highlight the various initiatives of securities regulators in these two critical areas. [See IOSCO's press release: <https://www.iosco.org/news/pdf/IOSCONEWS740.pdf> ].

With a focus on this year's key themes of Technology and Digital Finance, Crypto-Assets, and Sustainable Finance, the HCMC announces some activities that will allow investors in Greece to engage in these important conversations. More specifically, the HCMC will undertake the following actions:

- Organizing a number of conferences in Athens on capital market issues, like corporate governance issues, the new regulatory framework on operational resilience of its supervised entities, etc.
- Information regarding protection of investors' interests issues (for example publication of related articles in the daily press).
- Relevant posts and announcements on social media platforms (HCMC Website, LinkedIn, etc.)

- Publication of the translation into Greek of the [OECD High-Level Principles on Financial Consumer Protection](#) on the HCMC's website.
- Publication of the translation into Greek of the [IOSCO Statement on Online Harm](#) on the HCMC's website.
- In the ambit of a co-operation agreement between the HCMC and the National and Kapodistrian University of Athens, a series of actions, which will contribute to enhancing financial literacy, are under way through the HCMC's participation in the relevant educational process. More specifically, lectures by HCMC executives are planned for the undergraduate course "Operational Framework of Financial Institutions and Capital Markets" in the "Business Administration and Organizations" department of the University of Athens.

A "Ring the Bell" ceremony for financial literacy will take place at the Athens Stock Exchange on October 8, 2024, with the participation of the HCMC.

The HCMC's Chair, Ms. Vasiliki Lazarakou, stated:

*"Our participation at the IOSCO's World Investor Week 2024 campaign, an initiative we will be more actively involved this year, highlights our commitment to investor protection and to the promotion of financial literacy in Greece. It is extremely important to provide investors with the tools they need to safeguard their capital, especially in a time of increased challenges and opportunities in the capital markets."*

The HCMC invites all interested parties to actively participate at the campaign's activities and to make use of the information resources that will be available during its duration. More information regarding the events and activities will be available on the official website of the HCMC: <http://www.hcmc.gr/> as well as on the IOSCO's website specifically dedicated to activities related to the IOSCO World Investor Week campaign: <https://www.worldinvestorweek.org/>.



**Main themes of the WIW campaign (2024):**

- Technology and Digital Finance
- Crypto Assets
- Sustainable Finance

*Complemented with:*

- Fraud and Scam Prevention
- Investor Resilience
- Basics of Investing

**Technology and Digital Finance**

**IOSCO World Investor Week 2024**

**Key messages – Technology and Digital Finance**

**A smart investor:**

- Takes the time to be informed when making investment decisions, even in the context of today's fast-paced nature of investing.
- Understands how to use digital tools that can help with their finances and knows that those tools do not prevent loss or fraud and that they must continue to conduct independent, thorough research on every investment opportunity.
- Knows how to distinguish legitimate versus inaccurate sources of information online.
- Understands that influencers can have conflicts of interest and might receive payment for the investment opportunities they promote online.
- Understands that social media influencers cannot know the personal circumstances of their followers, so their recommendations could be unsuitable.
- Understands the new possibilities that arising technologies, such as artificial intelligence, and other digital features like gamification and metaverse offer for the way they invest but is aware of any potential negative influence on their actions due to behavioral biases.

- Recognizes the inherent risks associated with practices such as Digital Engagement Practices<sup>1</sup>, Copy Trading<sup>2</sup>, and Fractional Trading<sup>3</sup> and how they align with personal risk tolerance.

*In short:*

## Technology and Digital Finance

### A smart investor:

- Understands that digital tools can make investing quick and easy and, used appropriately, could help them make more informed investment decisions as they create a long-term, risk-appropriate investment plan.
- Researches and understands the investments and strategies embedded in Digital Engagement Practices, Copy Trading, and Fractional Trading practices before committing funds.
- Engages with reputable platforms that have transparent practices and licensing.
- Knows how to distinguish between influencers who create content for educational purposes and those who act only for commercial interest.
- Doesn't follow influencer's recommendations without question and checks the profile of any financial content creator, including their education, experience, and credentials.

## Crypto Assets

### IOSCO World Investor Week 2024

#### Key messages – Crypto Assets

### A smart investor:

- Understands the investment products and risks associated with crypto assets.
- Recognizes that fraudsters actively seek to take advantage of investor interest in crypto assets to encourage them to "invest" and steal their money. For instance, transnational criminal organizations are actively trying to lure unsuspecting investors to invest in crypto assets through a fraud that the operators refer to as "pig butchering."
- Realizes that crypto assets can be irrevocably transferred overseas in minutes.

<sup>1</sup> Digital Engagement Practices (DEPs) are tools including behavioural techniques, differential marketing, gamification, design elements, or design features that intentionally or unintentionally engage with retail investors on digital platforms, as well as the analytical and technological tools and methods (OSC definition).

<sup>2</sup> Copy trading allows a person (the copy trader) to copy trades executed by one or more other traders, who are usually characterized as "experienced" (the lead trader).

<sup>3</sup> "Fractional shares" allow investors to participate in the share performance of an issuer by way of an instrument that tracks the share price but is available at a smaller purchase price, namely the pro rata share price of the underlying share (ESMA definition).

- Knows that due diligence is even more important when involving crypto assets, given that many crypto asset participants are operating outside of, and/or in non-compliance with, applicable regulatory frameworks and given the propensity for misleading/celebrity endorsements.
- Verifies if the crypto asset transactional platform is registered, licensed, or otherwise authorized to operate within the jurisdiction in which it is offering products or services

*In short:*

## Crypto Assets

### A smart investor:

- Understands the risks associated with crypto assets, including non-compliance with applicable regulations, fraud, volatility, misleading endorsements, and potential bankruptcy or insolvency of the issuer or intermediary.

## Sustainable Finance

### IOSCO World Investor Week 2024 Key messages - Sustainable Finance

#### A smart investor:

- Recognizes that sustainable finance may be referred to in many different ways, such as environmental, social, and governance (ESG) investing, socially responsible investing, and impact investing.
- Reviews an investment's disclosure documents to see how relevant disclosures weigh various ESG or sustainable finance factors.
- Considers whether an investment's stated approach to sustainable finance matches the investor's investment goals, objectives, risk tolerance, and preferences.
- Evaluates each sustainable finance investment opportunity as unique and on its own terms.

*In short:*

## Sustainable Finance/Investing:

### A smart investor:

- Recognizes that while sustainable investing may be described in different ways (such as ESG investing, socially responsible investing, or impact investing), it is **important to consider whether an investment matches the investor's goals**, objectives, and risk tolerance.
- Reviews disclosure documents and recognizes that investments in sustainable finance may significantly differ and need to be evaluated on their terms.

## Fraud and Scam Prevention

### IOSCO World Investor Week 2024 Key messages - Frauds and Scams Prevention

#### A smart investor:

- Checks whether an investment professional is licensed.
- Researches investment opportunities independently before investing.
- Avoids "get rich quick" and "can't lose" schemes by slowing down their decision-making and asking many questions.
- Understands that expected returns can't be guaranteed. The promise of "guaranteed" (extremely) high returns with little or no risk is a common red flag and should raise concerns.
- Distrusts anyone who tries to pressure them into making hurried investment decisions.
- Never feels rushed and ignores over-the-top sales pitches and pressure to invest right on the spot.
- Gets suspicious of requests to wire money out of the country.
- Never discloses personal information on an unexpected call or other communication.
- Ensures the use of strong passwords and good data security practices such as two-factor authentication on accounts containing financial data.
- Is skeptical of unsolicited investment offers through social media.
- Verifies the source of any investment information found on the internet.

## Investor Resilience

### IOSCO World Investor Week 2024 Key messages – Investor Resilience

#### A smart investor:

- Focuses on the impact of inflation on purchasing power and uses real rates of return to assess investment performance.
- Understands the way asset classes may behave in a persistent inflation environment and the impact on their attractiveness.
- Recognizes the importance of diversification, especially with respect to protecting investments from losses from a single, unexpected event.
- Weathers negative financial shocks with an adequate emergency fund.
- Understands that risk exists in all investments.
- Plans for life's unexpected challenges with budgeting strategies to manage risk, reduce the impact of inflation, and avoid high-interest debt.

## Basics of Investing

### IOSCO World Investor Week 2024 Key messages – Basics of Investing

#### A smart investor:

- Recognizes the early warnings of investment fraud and understands what they are putting their money into ('Look before you leap').
- Recognizes the benefit of long-term, regular, and diversified investment.
- Plans for and invests according to their future needs and goals.
- Recognizes the power of compound interest.
- Assesses the impact of fees when choosing an investment.

