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- FSC issues order concerning Paragraph 1 of Article 10 and Paragraph 9 of Article 23 of the "Regulations Governing the Management of Securities Investment Trust Funds"
- FSC issues order concerning "Incentive Measures for Securities Investment Trust Enterprises"
- FSC revises and promulgates regulations governing information to be published in annual reports of financial institutions and issues an interpretation on the applicable scope and timeline
- FSC announces 2027 assessment mechanism for Treating Customers Fairly (TCF) Principles

Policy and Regulations

FSC issues order concerning Paragraph 1 of Article 10 and Paragraph 9 of Article 23 of the "Regulations Governing the Management of Securities Investment Trust Funds"

The Financial Supervisory Commission (FSC) has permitted securities investment trust companies to issue "ETF-linked funds" since 2018. This has enabled investors to place their funds in ETFs through fund sales channels in a lump sum or via regular fixed-amount investments. As the system has matured, to provide investors with more diverse ETF product choices, the FSC issued an order on November 26, 2025, that relaxed restrictions on the issuance of ETF-linked funds under Paragraph 1 of Article 10 and Paragraph 9 of Article 23 of the "Regulations Governing the Management of Securities Investment Trust Funds."

In the future, securities investment trust companies can issue linked funds with passively managed ETFs as their underlying ETF as well as products linked to actively managed ETFs. Furthermore, regardless of whether it is an actively or passively managed ETF-linked fund, the underlying ETF is no longer limited to domestic constituent securities ETFs. This relaxation of restrictions on "ETF-linked funds" aims to expand investor participation in the ETF and securities markets and indirectly increase trading volume and liquidity in centralized trading markets.

FSC issues order concerning "Incentive Measures for Securities Investment Trust Enterprises (SITEs)"

To support Taiwan's development into an Asian asset management center, improve investment research capabilities, expand Taiwan's international deployment, enhance talent development, and foster greater industrial competitiveness, the FSC considered the opinions of the Securities Investment Trust and Consulting Association as well as securities investment trust companies and issued an amendment to the SITEs Incentive Plan on December 12, 2025. The amendments include relaxing specific indicators to broaden the participation base, encouraging securities investment trust companies to sell funds to OBU and OSU, increasing incentives for groups to fund talent training, and guiding securities investment trust companies to cooperate with the Asian asset management center policy and promote Taiwan Individual Savings Accounts as well as businesses located in local asset management zones.

FSC revises and promulgates regulations governing information to be published in annual reports of financial institutions and issues an interpretation on the applicable scope and timeline

To increase the comparability of sustainability-related financial information in the financial industry, enhance investor trust, guide sustainable capital investment, and accelerate the sustainable transformation and net-zero commitments of Taiwan's enterprises, the FSC, referred to the "Roadmap for Taiwan listed companies to align with IFRS Sustainability Disclosure Standards" released on August 17, 2023, has aligned the regulatory approach for financial institutions with that adopted for listed companies. Accordingly, financial holding companies, banks, and bills finance companies that meet certain criteria will be brought into the scope of having to apply the IFRS Sustainability Disclosure Standards. To this end, the FSC amended certain provisions of the "Regulations Governing Information to be Published in Annual Reports of Financial Holding Companies," the "Regulations Governing Information to be Published in Annual Reports of Banks," and the "Regulations Governing Information to be Published in Annual Reports of Bills Finance Companies" (hereinafter referred to as "the Regulations"), which were promulgated on December 16, 2025. In line with the amendments

to the Regulations, an interpretative order on the scope of application and the schedule was also issued.

FSC announces 2027 assessment mechanism for Treating Customers Fairly (TCF) Principles

The FSC commissioned the Securities and Futures Institute (SFI) to develop an assessment mechanism for 2027 to continually promote the implementation of TCF Principles in the financial services industry. Following discussions with experts and scholars, the FSC decided to continue using the assessment mechanism employed in 2026, including the indicators, key areas, methods for announcing results, and awards.

The 2027 assessment will cover 104 financial services companies, including banks, securities and futures companies, and insurance companies. The assessment period is from January 1 to December 31, 2026. Assessment indicators are divided into two categories, with a total score of 130 points. The first category covers the “Ten TCF Principles” (100 points) while the other evaluates “the importance and concrete actions taken by the board of directors.” Key areas include measures to prevent fraud and their effectiveness, the soundness of complaint-handling mechanisms, and measures and effectiveness in addressing the digital gap for elderly and disabled customers. The top 50% of performers in the assessment results will be published for each industry, with awards for excellence and best improvement awards.

FSC amends “Regulations Governing the Issuance of Call (Put) Warrants by Issuers”

To further the development of Taiwan’s asset management market and increase diversity among warrant-type products, the FSC amended Article 8 of the “Regulations Governing the Issuance of Call (Put) Warrants by Issuers” on December 9, 2025, to add active ETFs as eligible underlying assets for warrants.

FSC revises and promulgates Article 6 of the “Regulations Governing Cross-selling Among Subsidiaries of a Financial Holding Company” and the “Regulations for Financial Institutions Collaborating Across Industries to Promote Products and Provide Related Services”

To permit the expansion of customer service by subsidiaries of financial holding companies and enhance the synergy of cross-industry operations, the FSC promulgated an amendment to Article 6 of the “Regulations Governing Cross-selling Among Subsidiaries of a Financial Holding Company” on December 17, 2025. This broadens the scope for the joint marketing of securities business within business premises to now include securities introducing broker business. Furthermore, considering the cross-industry marketing needs of financial institutions that are not part of financial holding company groups as well as the regulatory balance between the two regimes, the “Regulations for Financial Institutions Collaborating Across Industries to Promote Products and Provide Related Services” were also amended. This expands the scope of securities brokers to include securities introducing brokers, adds qualification requirements for securities introducing brokers, and broadens the scope of securities products and services. Hence, joint promotions may be held for account opening for securities brokerage or securities introducing broker business, and banks, futures brokers, and insurance companies are also permitted to collect securities brokerage-related documents. The aim is to enable financial institutions to improve their operational efficiency and competitiveness while complying with laws and regulations and ensuring consumer rights.

FSC amends the “Regulations Governing Real Estate Investment by Insurance Enterprises”

To enhance flexibility among insurers in managing their investment properties, the FSC amended Article 5 of the “Regulations Governing Real Estate Investment by Insurance Enterprises.” The change permits the use of the date of property acquisition as the standard for calculating the statutory return on real estate investment by differentiating groups, allowing the insurance industry to retain greater managerial flexibility over investment properties.

FSC amends the “Regulations for Establishment, Transfer, or Withdraw Branch Units by Insurance Enterprises,” “Regulations Governing the Operation by Insurance Enterprises of Compulsory Automobile Liability Insurance,” and “Regulations Governing Non-Life Insurance Enterprises Engaging in Injury Insurance and Health Insurance”

To adapt to the new solvency regime to be adopted by the insurance industry starting in 2026 and to align with adjustments to statutory

standards concerning the calculation of the ratio of equity capital to risk capital, relevant regulations concerning equity and risk capital have been revised.

FSC sets “Regulation concerning types of business in which relevant documents that demonstrate proposer’s intention of purchasing obtained by non-life insurers can be used to replace the signature on a proposal by both the proposer and the insured”

The FSC has decided to permit the use of alternative evidence that substantiates the proposer’s intent to insure as a substitute for the signatures of both the proposer and the insured on the application for non-life insurance policies issued to multinational foreign enterprises in Taiwan under fronting arrangements—where global insurance terms are structured by the foreign parent company and issued by a local insurer following notification by foreign reinsurers—as well as co-insurance businesses where the proposer’s signature on the lead insurer’s application form indicates the intent to insure.

FSC designates Electronic Payment Association of the R.O.C. as the trade association referred to in Paragraph 1 of Article 44 of the “Act Governing Electronic Payment Institutions” and Article 21 of the “Regulations Governing Small Amount Remittance Services for Foreign Migrant Workers”

The Electronic Payment Association of the R.O.C. (EPA) was founded on October 1, 2025. On that same date, the Electronic Payment Committee of the Banker’s Association of the R.O.C. ceased operations and disbanded. On November 12, the FSC issued orders designating the EPA as being the “trade association” referred to in Paragraph 1 of Article 44 of “The Act Governing Electronic Payment Institutions” and as the “trade association” referred to in Article 21 of the “Regulations Governing Small Amount Remittance Services for Foreign Migrant Workers.”

FSC issues order concerning provisions of Item 7 of Paragraph 1 and Paragraph 2 of Article 8 as well as Item 1 of Article 10 of the “Regulations Governing Securities Investment Trust Funds”

Since 2011, the FSC has permitted public investment trust funds to invest in bonds compliant with US Rule 144A (hereinafter referred to as Rule 144A bonds), and has set separate weight limits for different types of funds investing in such bonds. Given the increasing importance and representativeness of Rule 144A bonds in the US bond market, and referring to the recommendations of the Securities Investment Trust and Consulting Association, the FSC issued an order on December 16, 2025, relaxing the weight limits for fund investments in Rule 144A bonds. In principle, no separate weight limit was set for Rule 144A bonds; instead, the weight limit is calculated together with that for non-investment grade bonds. Furthermore, the weight limit on non-investment grade bond funds investing in Rule 144A bonds was relaxed from 30% to 40%.

Corporate governance assessments to include ESG starting from 2026

The FSC continues to monitor the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEX) in considering domestic and international policy developments and sustainability trends as it gradually expanding the environmental and social aspects of the Corporate Governance Evaluation and refine currently used indicators. The original four dimensions were adjusted to three: Environmental (E), Social (S), and Governance (G). Meanwhile, starting from 2026, the evaluation will be called the “ESG Evaluation.” The first ESG Evaluation indicators were released on October 31, 2025; related information can be found on the TWSE Corporate Governance Center website.

International Exchanges

AmCham delegation visits FSC

A delegation from the American Chamber of Commerce in Taiwan, led by President Carl Wegner, paid a visit to the FSC on December 9, 2025. They were warmly received by FSC Chairperson Dr. Peng Jin-lung as the two sides engaged in a broad exchange of views on issues of mutual interest.

FSC and Toronto Centre co-host 2025 regional financial supervision exchange activity

The FSC collaborated once again with the Toronto Centre, a Canadian financial training institution, to co-host a professional regional program on “Conglomerate Supervision and SupTech Support” from December

1 to 5, 2025. This program aimed at furthering the friendly cooperative relationship between the FSC and international regulatory and training institutions and to demonstrate the importance on the supervision of conglomerates. This was the second time the FSC and the Toronto Centre co-host this program. This year, 32 financial participants came from 17 financial regulatory agencies in 13 Indo-Pacific countries including the Philippines, Malaysia, Thailand, India, Indonesia, Cambodia, Nepal, Kazakhstan, Sri Lanka, Brunei, Vanuatu, Papua New Guinea, and Taiwan, representing central banks, securities and banking supervisory agencies.

FSC, IFSCA sign MOU on cooperation

Chen Yen-liang, Vice Chairperson of the FSC, and Shri K. Rajaraman, Chairperson of India's IFSCA, signed a Memorandum of Understanding (MOU) in Relation to Mutual Cooperation virtually on December 3, 2025. The signing took place during the 18th meeting of the India Taiwan Economic Consultations then being held in Taipei. The MOU is expected to enhance bilateral cooperation and exchanges on financial supervision.

Chairman of the Italian Chamber of Commerce in Taipei Sing Ying Lee leads a delegation to call on the FSC

Vice Chairperson Chen Yen-liang (fifth from right), accompanied by colleagues from various FSC departments and bureaus, received Chairperson of the Italian Chamber of Commerce in Taipei Sing Ying Lee on December 11, 2025. The two sides then engaged in discussions regarding the future of financial and economic activities between Taiwan and Italy amid a cordial atmosphere.

Industry Updates

Final showcase event of the 2025 fintech-based thematic promotion initiative highlights fintech innovations that advance financial inclusion and address pain points of three key groups

On December 11, 2025, the FSC, together with the Taiwan Financial Services Roundtable, the Taiwan Academy of Banking and Finance, the Taiwan Depository & Clearing Corporation, and the FinTechSpace, hosted a final showcase event of the fintech-based thematic promotion initiative centered around financial inclusion. The outcomes of the initiative were presented, including focus-group discussions, an "online wishing well" initiative and a proposal competition. Representatives of three focus groups—youth, senior citizens, and SMEs—along with nine winning teams from financial institutions and fintech companies, shared their views and experiences. Looking ahead, the FSC will continue to refine the regulatory framework and encourage industry participants to develop human-centric financial services that are both safe and convenient, thereby furthering the development of financial inclusion.

FSC hosts symposium and award ceremony for the leading property insurers of 2025

The FSC held the 2025 Symposium and Award Ceremony for Leading Property Insurers on November 28, 2025. Led by FSC Chairman Peng Jin-lung, the ceremony recognized property insurance companies that had won awards for micro-insurance, investment in the Six Core Strategic Industries and public construction, excellence in residential earthquake insurance, differentiated management in compulsory automobile insurance, and board diversity. The FSC facilitated discussions with industry leaders on important policies and issues of concern. So as to further peer learning, improve operational performance, and enhance service quality, the FSC featured property insurance companies that had conducted pilot programs, achieved a digital transformation, or had won the 2025 Best Progress Award to share their experiences on treating customers fairly. The aim was to promote continuous improvement and innovative development within the property insurance industry through exchanges.

FSC approves merger and name change of Taishin Life Insurance Co., Ltd. and Shin Kong Life Insurance Co., Ltd.

The FSC has approved the merger and name change application by Taishin Life Insurance Co., Ltd. (hereinafter, "Taishin Life") and Shin Kong Life Insurance Co., Ltd. (hereinafter, "Shin Kong Life"). The application was submitted in accordance with the relevant provisions of the Financial Institutions Merger Act, with Taishin Life as the surviving company and Shin Kong Life as the dissolved company. The surviving company, Taishin Life, will be renamed "Shin Kong Life Insurance Co., Ltd." from the merger date. The application has been reviewed and found to comply with relevant regulations. The FSC has

required Taishin Life to guarantee that policyholders' rights will not be affected by the change.

FSC, Ministry of Economic Affairs jointly host summit to mark 20th anniversary of the Program to Encourage Lending by Domestic Banks to Small and Medium Enterprises

On November 25, 2025, the FSC and the Ministry of Economic Affairs jointly held a summit to commemorate the 20th anniversary of the Program to Encourage Lending by Domestic Banks to SMEs. Premier Cho Jung-tai spoke at the event and presented awards. Attendees included representatives of central government agencies, financial institutions, and SMEs. Since July 2005, the FSC has been carrying out this program, with credit guarantees provided by the SME Credit Guarantee Fund as well as comprehensive guidance through the SME Counseling Foundation, to improve the business structure of SMEs and create a more favorable financing environment. At the summit, 10 banks were recognized as having had outstanding performance in implementing this program over the past 20 years. They were Mega International Commercial Bank, First Commercial Bank, Taiwan Cooperative Bank, Hua Nan Commercial Bank, E.SUN Bank, Taiwan Business Bank, Chang Hwa Commercial Bank, Land Bank of Taiwan, Bank SinoPac, and CTBC Bank. The FSC will continue to review this program annually and encourage domestic banks to promote SME loans while also paying due attention to risk control and management.

FSC approves Union Bank of Taiwan to launch pilot program in the Kaohsiung Asset Management Zone

The FSC issued its approval for Union Bank of Taiwan to launch a pilot program in the Kaohsiung Asset Management Zone on November 11, 2025. The trial period will commence upon the start of operations and run through June 30, 2026. The FSC has previously approved 17 banks to conduct pilot programs in the zone. With the addition of Union Bank of Taiwan, the total number of participating banks has reached 18.

FSC reminds motorcycle owners to apply for compulsory insurance

As of September 2025, the number of registered motorcycles was 14.67 million. However, the motorcycle insurance rate during the same period was only 90.83 percent, meaning that over 1.34 million motorcycles were still uninsured as required under the Compulsory Motor Vehicle Liability Insurance Act. This negatively affects the rights and interests of road users. To ensure that victims can receive basic protection, the FSC reminds motorcycle owners to purchase and maintain the validity of a compulsory insurance contract.

NPLs at domestic banks as of the end of November 2025

Unit: NT\$1 billion / percentage points

	End of Nov. 2025	End of Oct. 2025	Increase/Decrease
Total outstanding loans	44,479	44,269	Increased by 210 billion
NPL ratio	0.16%	0.15%	Increased by 0.01 percentage points
Coverage Ratio	855.48%	877.27%	Decreased by 21.79 percentage points

As of the end of November 2025, there were 38 domestic banks in Taiwan, and their asset quality continuously remained manageable as seen in the above figures. The FSC will require banks to undertake measures to improve their asset quality and financial structure on an ongoing basis.

NPLs at credit cooperatives as of the end of November 2025

Unit: NT\$1 billion / percentage points

	End of Nov. 2025	End of Oct. 2025	Increase/Decrease
NPLs	0.82	0.83	Decreased by NT\$ 0.01 billion
NPL ratio	0.12%	0.12%	-
Coverage Ratio	1,990.98%	1,961.34%	Increased by 29.64 percentage points

As of the end of November 2025, there were 23 credit cooperatives in Taiwan, and their asset quality continuously remained manageable as seen in the above figures. The FSC will require credit cooperatives to undertake measures to improve asset quality and financial structure on an ongoing basis.

Net purchases and sales of listed stocks by foreign and mainland China investors, as well as inflows and outflows of funds

1. Net foreign and mainland China investment in listed shares

Unit: NT\$1 billion

Through end November 2025		TWSE-listed shares	TPEx-listed shares
Foreign Investors	Bought	31,118.32	5,687.97
	Sold	31,529.46	5,670.92
	Net bought (sold)	(411.14)	17.07
Mainland China investors	Bought	6.15	0.54
	Sold	6.97	0.56
	Net bought (sold)	(0.82)	(0.01)
Total		(411.96)	17.06

2. Cumulative net (outward) inward remittances by foreign and mainland China investors

Unit: US\$1 billion

	End Nov. 2025	End Oct. 2025	Increase (Decrease)
Cumulative net (outward) inward remittances from offshore foreign institutional investors and foreign individual investors	315.71	317.34	(1.63)
Cumulative net (outward) inward remittances from mainland China investors	0.07	0.07	0.00
Total	315.78	317.41	(1.63)

Sales statistics of foreign-currency-denominated products by life insurance industry as of the end of September 2025

Unit: NT\$1 billion

	End Sep. 2025	End Sep. 2024	Increase (Decrease)
Investment-linked insurance	49.155	33.764	46%
Traditional life insurance	256.650	180.326	42%
New-policy premium income (total)	305.805	214.090	43%

Profit/loss, net value, and exchange gains/losses of the insurance industry in October 2025

1. Pre-tax profit of insurance enterprises

Unit: NT\$1 billion

	End Oct. 2025	End Oct. 2024	Growth rate (%)
Pre-tax profit of life insurance enterprises	138	306.3	-54.9%
Pre-tax profit of non-life insurance enterprises	29.8	23.5	26.8%
Pre-tax profit of all insurance enterprises (total)	167.8	329.8	-49.1%

2. Owners' equity of insurance enterprises

Unit: NT\$1 billion

	End Oct. 2025	End Oct. 2024	Growth Rate (%)
Owners' equity of life insurance enterprises	2,802.2	2,579.6	8.6%
Owners' equity of non-life insurance enterprises	167.3	149.1	12.2%
Owners' equity of insurance enterprises (total)	2,969.5	2,728.7	8.8%

3. As of the end of October 2025, the NT Dollar had appreciated by 6.61% against the US Dollar since the end of 2024, and the cumulative balance of foreign exchange valuation reserve of life insurance enterprises was NT\$384.5 billion, increasing by NT\$164.9 billion. Meanwhile, the combined impact of exchange gains/losses, hedging

gains/losses, and the net effect of volatility on the foreign exchange valuation reserve of life insurance enterprises was NT\$-680.6 billion. Over the same period, the overseas investments of life insurers resulted in net gains (including exchange gains/losses and hedging gains/losses, but not including the net effect of volatility on the foreign exchange valuation reserve) of NT\$ 237.2 billion.

Investor and Consumer Protection

2025 Financial Literacy Campaign for the Campus and Community

The FSC's 2025 Financial Literacy Campaign for Campuses and Communities held a total of 802 activities from January through December at the Chunri Community Development Association in Chunri Township, Pingtung County, attended by 55,990 people. The free program has proven popular since its inception in 2006. As of the end of 2025, a total of 10,053 events had been held and over 1.3 million people had attended. The target participants include students at all levels, communities, women's groups, indigenous people, immigrants, military personnel, correctional institutions, social welfare groups, senior citizens' groups, police, firefighters, coast guard personnel, and taxi drivers.

The FSC Banking Bureau will continue to hold continuing education on financial literacy in 2025. Interested schools or groups can apply online or call (02) 8968-9711.

FSC urges consumers not to purchase overseas insurance products that have not been approved of by the competent authorities

The FSC reminds the public that companies selling overseas insurance products have not been established nor do they operate in accordance with the Insurance Act. In purchasing overseas insurance policies, individuals may face five major risks: difficulties with handling insurance claims, lack of transparency, insufficient legal protection, a high risk of fraud, and an inability to qualify for domestic tax incentives. If people have insurance needs, they should select insurance companies established with the permission of the FSC and purchase them through legal sales channels.

Personnel Changes

The position of Director General of the FSC Securities and Futures Bureau has been filled by Ms. Kao Ching-ping, who has been promoted from her former position as Deputy Director General. The position of Deputy Director General has been filled by Mr. Huang Chung-hao, who has been promoted from his former position as Secretary General. The position of Secretary General has been filled by Ms. Wang Hsiu-ling, who has been promoted from her former position as Director.

Following the retirement of FSC Securities and Futures Bureau Director General Chang Chen-shan on December 2, 2025, Deputy Director General Kao Ching-ping was promoted and assumed Chang's vacated position. The change was approved by the Executive Yuan on December 2, 2025. The position of Deputy Director General was filled by Secretary General Huang Chung-hao, while the position of Secretary General was filled by Director Wang Hsiu-ling. The promoted individuals took up their posts on December 2, 2025.

The position of Director General of the Department of Development and Innovation of the FSC has been filled by Mr. Lin Hsi-sheng, who has been transferred from his former position as Director General of Planning

Following the retirement of FSC Department of Development and Innovation Director General Hu Tse-hua on November 17, 2025, Director General of Planning Lin Hsi-sheng was transferred to assume Hu's vacated position. This change was approved by the Executive Yuan on November 20, 2025, and took effect on November 21, 2025.

The position of Director General of the Department of Planning of the FSC has been filled by Ms. Liu Hsiu-ling, who has been promoted from her former position as Deputy Director General of Planning

Following the transfer of Director General of Planning Lin Hsi-sheng on November 21, 2025, to the position of Director General of Development and Innovation, Deputy Director General Liu Hsiu-ling was promoted to assume Lin's vacated position. The change was approved by the Executive Yuan on December 2, 2025, and took effect that same day.