

Financial Supervisory Commission (FSC) Performance Report Summary on 2021 Policy Plan

In 2021, facing the impact of the international political, economic, and financial situation, in order to respond to the impact of the epidemic, the FSC adjusted supervisory regulations and systems in a timely manner, encouraged banks to make relief and stimulus loans, and promoted digital transformation. In the past year, a number of regulatory amendments have been completed, and various policies have been promoted. The FSC continued to foster prosperity by promoting major plans focusing on the development of information security, financial technology, green finance, corporate governance, insurance solvency, trust business, and capital markets, and is committed to developing a sound, fair, efficient, and internationalized financial environment and market. Thanks to the sound capital structure and asset quality of Taiwan's financial industry, as well as the efforts of financial institutions, overall financial industry profits in 2021 reached a new high.

Major achievements of 2021 include the following: the FSC

1. Amended the "Act Governing Electronic Payment Institutions" and formulated related regulations authorized by the Act.
2. Amended some provisions of the "Insurance Act" to improve the financial structure of the insurance industry and to strengthen insurers' ability to withstand risks, and to facilitate efforts to channel insurers' funds toward use in special projects, public infrastructure, and social welfare enterprises.
3. Established the "Taiwan Innovation Board" and "Pioneer Stock Board" to support the financing and development of innovative businesses.
4. Published guidelines for banks and insurers on climate-related financial disclosures.
5. Established a sustainable bond market to promote environmental sustainability.
6. Officially launched the "Retirement Preparation Platform" on September 23, to encourage citizens to save for their own retirement needs.
7. Formulated the "Guidelines for Information Sharing among Financial

Institutions" to protect consumers' rights and improve the efficiency of data use.

8. Published the "2021 Financial Inclusion Indicators for Taiwan" to serve as the basis for evaluating the state of financial inclusion in Taiwan.
9. Expanded the range of parties that are allowed to purchase micro-insurance policies, increased the maximum insured amount, and increased the maximum number of in-force microinsurance policies that a single party may hold. These changes were made to achieve inclusive finance.

The FSC plans and implements various policies and measures with prudence and proactive perspectives in an orderly manner, and continues to maintain a financial market that is ethical, resilient, innovative, sustainable, and inclusive. Remaining firmly focused on achieving both stability and development, the FSC will continue working to exercise prudential supervision and to effectively enhance the function of financial services to support industrial development. While driving the continuous innovation of financial technology, the FSC intends to ensure that the rights and interests of the people are fully protected at the same time. The FSC is gradually implementing the four goals of strengthening financial resilience, promoting financial innovation, developing sustainable finance, and implementing financial inclusion. It is the FSC's expectation that our financial industry serves as a driving force for economic growth and social progress and a positive force for social well-being.