

**Financial Supervisory Commission (FSC)**  
**Performance Report Summary on 2024 Policy Plan**

1. In 2024, a host of challenges beset the global economic and financial environment. Among them were growing uncertainty in the international political and economic realm, the continuing effect of inflation and the interest rate environment on market dynamics, risks and opportunities engendered by the rapid development of artificial intelligence and digital technology, frequent extreme climate events, an accelerating green transformation, and increasing requirements for the sustainable operation of enterprises and risk management at financial institutions. Network security threats, new methods of committing fraud, and digital asset risks presented additional hurdles to financial supervision. In response to this complex and ever-changing environment, the FSC continued to bolster the financial system's resilience, promote and improve financial supervisory mechanisms, and promote the development of financial innovation. In 2024, the FSC promoted policies, furthered the use and supervision of financial technology, improved information security capabilities, built up green finance and corporate governance, and bolstered financial consumer protections to create a more stable, efficient, and competitive financial system better able to cope with the rapidly changing global environment and to ensure the stable development of the nation's financial markets.
2. Among the FSC's most important achievements of 2024 were:
  - ① permitting banks to adopt internal credit risk rating methods to calculate capital requirements, which strengthened internal risk management;
  - ② helping the insurance industry to shift to IFRS 17 as well as the new generation solvency system in 2026;
  - ③ promoting the Green

Finance Action Plan 3.0 as well as green and transitional finance action plans to help Taiwan move toward net-zero goals and sustainable development; ④loosening restrictions on banks accepting financial assets denominated in foreign currencies as collateral for high-asset customers needing foreign currency credit extensions, thereby helping banks build their asset management business; ⑤reviewing and amending the “Regulations Governing Securities Investment Trust Funds” and other regulations concerning investment trusts and domestic and overseas funds to further the development of the domestic asset management business; ⑥publishing the “Operation Directions of Financial Institutions Applying for Business Trial,” to significantly broaden the scope of business trials financial companies may conduct, and encouraging the financial industry to collaborate with domestic and foreign financial technology firms on trial operations; ⑦promoting measures under the “Sustainable Development Action Plan for Listed Overseas Companies (2023)” to promote enterprises’ efforts to achieve sustainable development; ⑧publishing an interpretation stipulating that the insurance industry must, when handling public investments in line in line with public policy, abide by the “Regulations Governing Use of Insurer's Funds in Special Projects, Public Utilities and Social Welfare Enterprises,” when creating management mechanisms governing investment structures for fund loans and associated situations, this encourages the investment of insurance industry funds in domestic public construction; ⑨publishing a policy plan for digital insurance companies to accelerate the insurance industry’s digital transformation.

3. The FSC will continue to adhere to its administrative mandates of security and development as it promotes all manner of innovation and sustainable development while engaging in supervision, including continuing to

strengthen the resilience of the financial industry, improve market orderliness, protect consumer rights and realize inclusive finance, build Taiwan into an Asian asset management center, promote the development of fintech, and implement other strategies. It will also guide and promote the sustainable development of the financial industry by implementing action plans geared toward green finance and an industry transformation so that the financial industry becomes a driving force for economic growth and a positive force for social welfare.