

## IFIAR 2026 Member Profile – FSC

<b>1. Jurisdiction</b>	<b>1.1 Insert the name of the jurisdiction in English:</b>  Chinese Taipei
<b>2. Member<sup>1</sup></b>	<b>2.1 Insert the name of the Member, both in the local language and in English:</b>  Financial Supervisory Commission (FSC) 金融監督管理委員會
<b>2.2 Include relevant contact information, including postal address, telephone number(s), a general email address (if any) and a link to the Member's website:</b>  <u>Postal Address:</u> <ul style="list-style-type: none"> <li>• <b>FSC:</b> 18F., No.7, Sec. 2, Xianmin Blvd., Banqiao District, New Taipei City 22041, Taiwan</li> <li>• <b>Securities and Futures Bureau (SFB):</b> 85, Sec.1, Xin-Sheng S.Rd., Da-An District, Taipei, Taiwan</li> </ul> <u>Telephone number:</u> <ul style="list-style-type: none"> <li>• <b>FSC:</b> + 886 2 89680800</li> <li>• <b>SFB:</b> + 886 2 87735100</li> </ul> <u>Website:</u> <ul style="list-style-type: none"> <li>• <b>FSC:</b> <a href="http://www.fsc.gov.tw">www.fsc.gov.tw</a></li> <li>• <b>SFB:</b> <a href="http://www.sfb.gov.tw">www.sfb.gov.tw</a></li> </ul>	
<b>2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation:</b>  According to Article 3 of the CPA Act, the FSC is the statutory audit regulator with mandates to establish a professional audit oversight system and to safeguard audit quality, which ensures the public interest is well protected. The FSC is empowered to inspect, investigate and impose sanction against CPAs for violation of CPA act or audit standards.	

<sup>1</sup> In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.

	<p><b>2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:</b></p> <p><input checked="" type="checkbox"/> Licensing  <input checked="" type="checkbox"/> Registration  <input checked="" type="checkbox"/> Audit and/or Ethics Standard Setting  <input checked="" type="checkbox"/> Permanent Education / Continuous Training of Auditors  <input checked="" type="checkbox"/> Inspection  <input checked="" type="checkbox"/> Enforcement  <input type="checkbox"/> Other: _____</p>																	
<p><b>3. Governing Body Composition and members</b></p>	<p><b>3.1 Describe with an appropriate level of detail the current composition of the Member’s governing body, including, where possible, the names, the organization they represent (if any) and brief backgrounds of the governing body members, or provide a link to a page on your website where this information is provided.</b></p> <p>The FSC has one chairman, two vice chairpersons, and four commissioners who concurrently serve as minister as shown in the following table. None of them are practitioners before joining the FSC.</p> <table border="1" data-bbox="544 1059 1433 1704"> <tr> <td>Chairperson</td> <td>Dr. Jin-Lung Peng</td> <td>Former Head of the Department of Risk Management and Insurance, National Cheng chi University</td> </tr> <tr> <td rowspan="2">Vice-Chairperson</td> <td>Dr. Yen-Liang Chen</td> <td>Former Director of the Institute of Financial and Economic Law, National Dong Hwa University</td> </tr> <tr> <td>Hsou-Yuan Chuang</td> <td>Former Director General, Banking Bureau, FSC</td> </tr> <tr> <td rowspan="4">Commissioner</td> <td>Tsui-Yun Chuang</td> <td>Minister, Ministry of Finance</td> </tr> <tr> <td>Ming-Hsin Kung</td> <td>Minister, Ministry of Economic Affairs</td> </tr> <tr> <td>Ming-Chian Cheng</td> <td>Minister, Minister of Justice</td> </tr> <tr> <td>Chun-Hsien Yeh</td> <td>Minister, National Development Council</td> </tr> </table> <p>The FSC is a government agency established under the Executive Yuan as a competent authority responsible for financial supervisory policies and businesses. The FSC carries out its duties independently in accordance with the law.</p> <p>The chair of the FSC is a minister appointed by the President on the recommendation of the Premier. The FSC has two vice chairpersons, both appointed by the President on the recommendation of the premier, and 6 to 12 commissioners. The Minister of Finance, the Minister of Economic</p>	Chairperson	Dr. Jin-Lung Peng	Former Head of the Department of Risk Management and Insurance, National Cheng chi University	Vice-Chairperson	Dr. Yen-Liang Chen	Former Director of the Institute of Financial and Economic Law, National Dong Hwa University	Hsou-Yuan Chuang	Former Director General, Banking Bureau, FSC	Commissioner	Tsui-Yun Chuang	Minister, Ministry of Finance	Ming-Hsin Kung	Minister, Ministry of Economic Affairs	Ming-Chian Cheng	Minister, Minister of Justice	Chun-Hsien Yeh	Minister, National Development Council
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	<p>and Energy Affairs, and the Minister of Justice shall serve as ex officio commissioners, as shall FSC commissioners who had been appointed before the amendment to “Organic Act Governing the Establishment of the Financial Supervisory Commission” enters into force (until the terms of their original appointments expire after the amendment to this Act enters into force). The other commissioners shall be appointed (or retained) by the Premier from among the heads of related government agencies as well as persons with academic expertise or work experience in a relevant field, to serve in a concurrent capacity. The term of commissioners serving as the representative of a government agency shall begin and end when his or her position at that agency begins and ends.</p> <p><b>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does national legislation require representatives on the governing body from certain organizations, or with specific experience, etc.</b></p> <p>The FSC commissioners are nominated based on professionalism and independence to avoid conflicts of interest pursuant to Article 9 of the “Organic Act Establishing the Financial Supervisory Commission” (the FSC Organic Act).</p> <p><b>3.3 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>Does this include a “cooling-off” period for former auditors?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>If yes to either of the above, please describe:</b></p> <ol style="list-style-type: none"> <li>1. According to the Civil Servant Act, current FSC commissioners or employees are prohibited from serving as an audit practitioner or employee of audit firms.</li> <li>2. A former civil servant is subject to a two-year cooling-off period to further serve as an audit practitioner pursuant to Article 45 of the CPA Act, which ensures the FSC commissioners and employees are free from the undue influence from CPA profession.</li> </ol>
<p><b>4. Independence safeguards</b></p>	<p><b>4.1 Please describe the national independence requirements for the governing body and its members, and legal or regulatory requirements/provisions in place that safeguard their independence from the audit profession.</b></p>

	<p>1. According to the Civil Servant Act, current FSC commissioners or employees are prohibited from serving as an audit practitioner or employee of audit firms.</p> <p>2. A former civil servant is subject to a two-year cooling-off period to further serve as an audit practitioner pursuant to Article 45 of the CPA Act, which ensures the FSC commissioners and employees are free from the undue influence from CPA profession.</p> <p><b>Are employees of the Member covered by the same or separate set of independence requirements?</b></p> <p><input checked="" type="checkbox"/> Same set of requirements    <input type="checkbox"/> Different set of requirements</p> <p><b>If there are separate independence requirements for employees, please describe:</b></p>
<p><b>5. Funding Arrangements</b></p>	<p><b>4.2 Are there any additional safeguards in place that provide for the Member's overall independence from the audit profession? E.g. through the appointment process, specific Board actions, etc.</b></p> <p><input type="checkbox"/> Yes                      <input checked="" type="checkbox"/> No</p> <p><b>If yes, please describe:</b></p> <p><b>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</b></p> <p>The FSC funds its operation through government budget and levies from supervised financial institutions such as banks, securities related firms, and insurance companies, etc. No funding is raised from the CPA profession.</p> <p><b>5.2 Is the funding free from undue influence by the profession?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</b></p> <p>The FSC funds its operation through government budget and levies from supervised financial institutions such as banks, securities related firms, and insurance companies, etc. No funding is raised from the CPA profession.</p>
<p><b>6. Audit Market</b></p>	<p><b>6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member's oversight or mandate.</b></p>

	<p>1. As of the end of December 2025, the total number of registered audit firms was 2,435. Among them, 49 firms that audit public companies were subject to inspection.</p> <p>2. There are 2,810 public companies in Taiwan up to December 2025 (included 1,063 companies listed in the Taiwan Stock Exchange (TWSE), 874 companies listed in the Taipei Stock Exchange (TPEX) and 873 unlisted public companies).</p> <p><b>6.2 Please describe the sizes (in terms of revenue / number of listed entity clients / number of partners and audit staff / etc. – whichever measure is commonly used and available in your jurisdiction) and market shares of each of the largest audit firms in the Member’s jurisdiction.</b></p> <p>The big 4 firms (Deloitte, KPMG, PwC, and EY) have a market share of 90% of PIEs market in Taiwan.</p> <p>As of February 2026, Deloitte has 626 listed entity clients (32%), KPMG has 444 listed entity clients (23%), PwC has 469 listed entity clients (24%), and EY has 223 listed entity clients (11%), which makes the total market share of the big 4 in Taiwan 90%.</p>
<p><b>7. Inspection System</b></p>	<p><b>7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</b></p> <p><input checked="" type="checkbox"/> Yes                      <input type="checkbox"/> No</p> <p><b>7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</b></p> <p><input checked="" type="checkbox"/> Directly                      <input type="checkbox"/> Through Oversight</p> <p><b>If directly, please describe the responsibility, including the follow-up and reporting process, and the regulatory measures available to be taken as a result of inspections (if described in Question 12 Enforcement, please reference that section for details on such measures).</b></p> <p>The Accounting and Auditing Supervision Division of the Securities and Futures Bureau (SFB) of the FSC is authorized by Article 19 of CPA act to inspect audit firms and to assess their compliance with related laws and standards.</p> <p>The SFB inspectors will propose a draft of inspection report within 1-2 months after on-site inspection. The inspected firms are required to provide written opinions on inspection deficiencies within 30 days, and then to submit a remediation plan to the SFB within 2 months. The SFB inspectors will follow up the remediation progress on inspected deficiencies.</p>

	<p><b>If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight by the Member:</b></p> <p><b>7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</b></p> <p>The SFB inspects audit firms providing audit opinions for more than 100 public companies at least once biannually, considering AQI to adjust the inspection frequency; inspects those providing audit opinions for more than 10 but less than 100 public companies at least once every six years and on a risk-based inspection basis.</p> <p><b>7.4 Does the Member have its own inspection staff, use reviewers from the professional body or sub-contract to third parties, independent contractors, etc. for the conduct of inspections? Please tick the boxes that apply: (multiple responses allowed) Note that there is no need to tick a box if non-employee reviewers are used very occasionally and are not a core staffing approach.</b></p> <p><input checked="" type="checkbox"/> <b>Employees of the Member</b>                      <input type="checkbox"/> <b>Professional body</b></p> <p><input type="checkbox"/> <b>Third Parties</b>    <input type="checkbox"/> <b>Other</b></p> <p><b>Please explain below:</b></p> <p>The SFB has its own inspection staff, and they are directly employed by the SFB. The number of staff members is around 30.</p>
<b>8. Licensing</b>	<p><b>8.1 If the Member has the responsibility for <u>Licensing</u>, please indicate whether this responsibility is undertaken directly or through oversight of Licensing conducted by another organization?</b></p> <p><input checked="" type="checkbox"/> <b>Directly</b>    <input type="checkbox"/> <b>Through Oversight</b></p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p>According to Article 7 of CPA Act, A person who wishes to apply for a CPA certificate shall submit an application and documentary proof of qualifications in applying to the FSC for issuance thereof.</p> <p><b>If through oversight, please indicate the name of the other organization and its composition. Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</b></p>
<b>9. Registration</b>	<p><b>9.1 If the Member has the responsibility for <u>Registration</u>, please indicate whether this responsibility is undertaken directly or through oversight of Registration conducted by another organization?</b></p>

	<p> <input checked="" type="checkbox"/> Directly         <span style="margin-left: 150px;"><input type="checkbox"/> Through Oversight</span> </p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</b></p> <p>A joint or incorporated CPA firm shall file for registration with the FSC if it would like to provide the service of auditing and attesting of financial reports for public companies. The applicant shall submit application documents of its policies governing the implementation of internal control to ensure that firm's audit quality is properly managed and in compliance with the ISQM 1(TWSQM 1). Any further alteration in registration information shall be notified to the FSC within 10 days since the alteration occurs.</p> <p>The FSC makes public a list of approved audit firms to provide audit services for public companies on its website. The list covers information such as the name, address, and telephone number of audit firm.</p> <p><u>Link: only Chinese version</u>  <a href="https://www.sfb.gov.tw/ch/home.jsp?id=938&amp;websiteslink=artwebsite.js&amp;parentpath=0,8,935">https://www.sfb.gov.tw/ch/home.jsp?id=938&amp;websiteslink=artwebsite.js&amp;parentpath=0,8,935</a></p>
<b>10. Audits and/or Ethics Standard Setting</b>	<p><b>10.1 If the Member has the responsibility for <u>Audit and/or Ethics Standard Setting</u>, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?</b></p> <p> <input type="checkbox"/> Directly         <span style="margin-left: 150px;"><input checked="" type="checkbox"/> Through Oversight</span> </p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</b></p> <p>The Accounting Research and Development Foundation (ARDF) is an independent accounting and auditing standards setting body in Taiwan. Auditors are required to comply with “the Taiwan Standards on Quality Management” (TWSQM) and “the Taiwan Standards on Auditing” (TWSA) issued by the Auditing Standards Committee of ARDF. Most current auditing standards from TWSA were adapted from ISAs.</p>

<b>11. Permanent Education / Continuous Training of Auditors</b>	<p><b>11.1 If the Member has the responsibility for <u>Permanent Education / Continuous Training of Auditors</u>, please indicate whether this responsibility is undertaken directly or through oversight of Permanent Education / Continuous Training of Auditors conducted by another organization?</b></p> <p><input checked="" type="checkbox"/> Directly                      <input type="checkbox"/> Through Oversight</p> <p><b>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</b></p> <p><b>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</b></p> <p>According to CPA Act, the FSC is the competent authority for permanent education of auditors. To fulfil this mandate, the FSC authorizes the National Federation of Certified Public Accountants Association of the R.O.C. (NFCPAA) to promote professional education. Pursuant to Article 60 of the CPA Act, the NFCPAA shall establish a professional education committee to oversee matters related to planning, implementation, and supervision.</p> <p>Pursuant to Article 60 of the CPA Act, to organize CPA professional education, the NFCPAA shall, pursuant to Article 60 of the CPA Act, establish a professional education committee to be in charge of matters related to planning, implementation, and supervision.</p> <p>Where a CPA does not meet the minimum requirements of CPA professional education training hours, the NFCPAA shall report to the FSC. If the make-up hours are not completed within the notice period, the FSC will suspend his/her practice.</p>
<b>12. Enforcement</b>	<p><b>12.1 If the Member has the responsibility for <u>Enforcement</u>, please indicate whether this responsibility is undertaken directly or through referral to other organization(s)?</b></p> <p><input checked="" type="checkbox"/> Directly                      <input type="checkbox"/> Through Referral</p> <p><b>If directly, please describe the responsibility and procedures applied (including investigations, disciplinary actions or sanctions), as well as the reporting process for disciplinary action.</b></p>

	<p><b>If through referral, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</b></p> <p>The CPA enforcement/disciplinary proceedings (DP) are enacted in the chapter 6 of our CPA act. According to the CPA act, CPA would be subject to DP if he or she meets the cause of DP listed in the article 61 of CPA act. The FSC will bring the case to the CPA Discipline Committee. The DP is conducted by CPA Discipline Committee, consisting of Representatives of CPA associations, scholars, and relevant administrated agencies such as FSC with equal proportions. The administrative sanctions and related petition and rehearing procedures are also applied to CPA. After a disciplinary action against a CPA becomes final, the CPA Discipline Committee or the CPA Disciplinary Rehearing Committee may publicly announce the results of its resolution and publish its resolution in a government gazette.</p> <p>Useful link:  <a href="http://www.moj.gov.tw">Certified Public Accountant Act - Article Content - Laws &amp; Regulations Database of The Republic of China (Taiwan) (moj.gov.tw)</a></p>
<b>13. Other Responsibilities in Audit Oversight or Audit Regulation</b>	<p><b>13.1 If the Member has the responsibility for <u>other tasks within the area of Audit Oversight or Audit Regulation</u>, please describe with an appropriate level of detail:</b></p> <p style="text-align: center;">N/A</p>
<b>14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation</b>	<p><b>14.1 Please describe with an appropriate level of detail, the responsibility of the Member for <u>tasks outside the area of audit oversight or audit regulation</u> such as supervision of financial reporting or securities regulation:</b></p> <p>In addition to audit oversight, the FSC has responsibility for supervision of financial reporting or securities regulation, including:</p> <ol style="list-style-type: none"> <li>1. Supervision of financial reports, financial forecasts, internal controls, and other financial information issued by public companies.</li> <li>2. Review of the interpretations connected with the generally accepted financial accounting and audit standards.</li> <li>3. Proposal of the enactment, amendments, repeal, and interpretations of the Securities and Exchange Act, Futures Trading Act, and related bylaws.</li> <li>4. Proposal, planning, supervision, and auditing of the administration managerial systems of Securities and futures enterprises, such as business management, internal controls, internal audits, and operation overall risk management.</li> </ol>

<b>15. Member Update for public information (if any)</b>	<b>15.1 Are there any major news, activities, events or updates (on audit matters, the Member's organization, the governing legislation or the authority/responsibilities) that you wish to keep the public informed of since completing last year's Member Profile?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If yes, please describe these changes with an appropriate level of detail:
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