

Title : Rules Governing the Scope of Powers of Independent Directors for
TAIWAN SECOM CO., LTD.

Date : 2017.03.24 (Amended by the board of directors)

Article 1

To ensure good corporate governance and establish a sound independent director system, these Rules are adopted pursuant to Article 26, paragraph 1 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

Except as otherwise provided by law and regulation or by the articles of incorporation, matters concerning the duties of independent directors of the Company shall be as set out in these Rules.

Article 3

The following matters shall be submitted to and approved by a resolution of the board of directors. When an independent director objects to or expresses reservations about any of the matters, it shall be recorded in the board meeting minutes. If an independent director intends to express an objection or reservations is but unable to attend the board meeting in person, then unless there is a legitimate reason to do otherwise, the independent director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes:

1. The Company's business plan.
2. Annual and semi-annual financial reports.
3. The reviewing of adoption of or amendments to the internal control system of the Company.
4. The reviewing of adoption of or amendments to the procedures for handling material financial or business activities, such as acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others pursuant.
5. Matters in which a director is an interested party.
6. Asset transactions or derivatives trading of a material nature.
7. Loans of funds, endorsements, or provision of guarantees of a material nature.
8. The offering, issuance, or private placement of equity-type securities.
9. The hiring or dismissal of a certified public accountant and their compensation.
10. The appointment or discharge of a financial, accounting, or internal audit officer.
11. Other matters required by law, regulation, or the articles of incorporation to be approved by resolution at a shareholders meeting or a board meeting, or any matter of a material nature as prescribed by the competent authority.

Article 4

The Company may take out liability insurance for all its independent directors.

Article 5

The Company shall set the remuneration of the independent directors in the Articles of Incorporation or by a resolution of a shareholders meeting, and may consider providing a reasonable level of remuneration different from that of ordinary directors.

Regardless of profit or loss, the remuneration to independent directors is determined based on their contribution to the Company and the remuneration level of the peer companies. However, no additional remuneration that is stated in Article 26 of the Articles of Incorporation may be distributed.

Article 6

All independent directors of the Company shall pursue continuing education, including attending the relevant training courses as required.

Article 7

The Company may not obstruct, refuse, or evade the actions of independent directors in business execution. As they deem necessary for business execution, independent directors may request the board to appoint relevant personnel or to hire by themselves professionals for assistance.

Any relevant expenses necessary are borne by the Company.

Article 8

These Rules shall take effect after adoption by the board of directors. Subsequent amendments thereto shall be effected in the same manner.