

YMTC Yangtze Memory Technologies Co., Ltd.

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Rev.	Effective Date	Author	Change Description
0		Emma Mao	Initiate

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1. 名称: 《YMTC 商业行为道德规范》（暂行）

2. 目的:

确认员工在中国及全球从事各项业务时需遵循的商业道德标准,并要求员工遵守业务所在国家及地区的各项法律。

3. 范围:

本规范适用于长江存储科技有限责任公司及其分公司、子公司（“公司”）全体员工。

4. 名词定义:

员工是指公司全体正式员工,包括各级主管、董事会成员、监事会成员,同时也包括公司非正式员工和临时员工;

客户是指公司向其提供产品或服务的买方,以及买方的关联公司、顾问、代理人,意在评估及促成客户与公司之间建立合作关系的第三方公司亦按照客户对待;

供应商是指任何向公司提供产品或服务的卖方,以及卖方的关联公司、顾问、承包商或分包商、经销商、代理商,即使最终并未与之形成业务合作关系;

竞争对手是指从事研发、设计制造或（代理）销售与公司产品同类、类似或可替代的产品企业实体;

亲属是指员工的配偶、（岳）父母、子女、（外）祖父母、（堂/表）兄弟姐妹、（外）孙子女以及与其共同生活或财务上有依赖关系的家庭成员;

有价物品是指现金及现金等价物、具有价值的有形或无形的物品、服务、机会、优惠和折扣等;

公司财产是指公司的钱款、有价证券、债权、存货、投资、房地产、设备设施、员工的工作时间和工作成果、公司所有的知识产权、计算机系统及其软件和计算机中储存的电子信息（包含公司邮箱中的电子邮件）。

5. 参考文件/资料

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5.1 中华人民共和国劳动合同法

5.2 奖励与惩处办法

5.3 其他相关法律、法规、政策及公司的政策

6. 相关部门职责

6.1 法务部门：负责本规范的制定和修订，为公司重大违反本规范的事件提供法律意见；负责对员工进行商业道德方面的培训；负责对公司商务礼品申报、领取的管理。

6.2 人力资源部门：确保员工在入职时能对本规范充分了解与认可；若有新的变动及时通知全体员工；协助法务、审计部门处理员工违反商业道德行为的奖惩事宜。

6.3 审计部门：负责接受、调查所有涉嫌违反本规范的行为举报，确保举报及举报人相关信息的保密性。

7. 主题内容:

7.1 基本原则:

7.1.1 廉洁自律

在与客户、供应商的业务活动中，员工不得收取客户或供应商的任何有价物品，不得盗窃、骗取、挪用、贪污或侵占公司财产。

7.1.2 诚实信用

诚实信用是公司开展商业活动的基本原则，也是公司对员工从事商业行为的基本要求。员工不得有第 5.2.6 款列举的违背诚实信用的行为。

7.1.3 遵守法律、法规、规章、政策及法律性文件

在公司与（境内和境外）客户进行业务往来时，公司的商业行为必须遵循当地和本国的法律、法规、规章、政策及法律性文件。

7.1.4 遵守公司各项制度、政策

7.1.5 员工应尽职尽责做好本职工作

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7.1.6 保护公司财产

员工应保护和有效利用公司财产，防止损失或偷盗，并以规定的方式使用这些财产，保护公司财产不受毁坏、损失或侵害。

7.2 具体要求:

7.2.1 遵守行业特别法律法规

(1) 遵守进出口法律法规

- a. 作为进口商，公司应遵守当地海关和其他政府机构的进口法律法规。
- b. 作为出口商，公司应遵守中国的出口法律和 Related 国家的出口法律。

(2) 遵守环境保护的法律法规

公司遵守环境保护的国际公约和国内的法律法规，防止出现违反环境保护法的行为发生，依法处置因生产所产生的污染物和危险废弃物。

(3) 遵守安全生产的法律法规

公司遵守相关的安全生产的法律法规，包括工作场所的消防、卫生和安全工作条例等，保障员工在无害和安全的环境下工作。同时，公司严禁对员工可能造成任何人身伤害的暴力行为和恐吓行为的发生。

(4) 遵守劳动法律法规

公司遵守国家所有的劳动法律法规，禁止出现基于下列因素的各种歧视违法行为：种族、国籍、民族、肤色、性别、信仰、残障、年龄等。

(5) 遵守营业所在地的反贪污的法律法规

公司员工不得直接或间接贿赂任何国内或国外的政府官员，或任何政府机构拥有或控制的公司的雇员。公司员工不得介入任何形式的贪污、挪用、盗用、侵占、滥用公司财产或伪造、篡改相关记录等行为。

7.2.2 禁止利益冲突

所有公司员工，无论级别或身份，应当拒绝参与可能与公司利益相冲突的活动。若有此等情形发生或即将发生，员工应填写《利益冲突申报单》（或人事部颁发的《员工利益关系申报表》）向公司申报。以下为常见的利益冲突：

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(1) 任职与兼职的冲突

员工在公司任职期间不得在与公司有竞争关系或有交易关系的其他单位兼任任何职务。

(2) 担任外部管理职责的冲突

未经公司书面同意，员工不得担任与公司有竞争关系或交易关系的单位的董事、合伙人、管理职位，或者任职于政府机构或者类似政府的组织。

(3) 商业机会与商业利益的冲突

公司禁止员工利用职务便利或利用在公司知晓的信息在损害公司利益的前提下进行商业投资或为自身谋取商业机会。

(4) 亲属任职的冲突

任何员工不得将公司的业务交给或试图交给与由其亲属拥有个人权益或担任高级职位的公司，除非该冲突已经事先向公司管理层作了汇报，并按照公司正当程序审查后得到了批准。

(5) 公司内部利益关系的冲突

公司不允许有直系亲属、近亲属等利益关系的员工之间存在直接或间接的汇报关系或其他可能导致不公正、不公平的利益冲突关系的存在。

(6) 与前雇员的商业机会

未经公司事先书面同意，员工不得以公司名义与公司前雇员就公司生产经营活动有任何直接或者间接的商业往来，包括但不限于签订合同、参与采购等。

7.2.3 合法使用公司财产和保护知识产权

员工应遵守公司知识产权和信息安全政策，保护并合法使用公司的一切有形资产、知识产权、技术秘密与商业秘密以及其他无形资产。同时，员工应对公司财产的安全隐患保持警觉，发现异常情况应立即向直接主管或法务部报告。员工不得有下列不当利用公司财产和知识产权的行为：

(1) 利用公司财产为个人或第三人谋取利益；

(2) 非工作原因使用公司财产，放任他人侵占、挪用、侵害或偷窃公司财产；

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- (3) 使用公司的计算机和设备从事外部业务或从事非法/不道德的活动；
- (4) 违反公司的《机密信息保护政策》（CIPP），泄漏公司的机密信息；
- (5) 侵犯第三方拥有的知识产权。员工不得将未经授权的第三方知识产权用于公司经营。对于公司取得授权的知识产权，员工应在授权范围内使用。

7.2.4 信息的记录、保存与提供

员工应全面、公正、精确记录和保存各种业务信息及财务信息，包含纸质文件和电子记录。员工记录、保存和提供这些信息时应秉持高标准，并遵照以下指导意见：

- (1) 所有记录，以及根据这些记录生成的报告，必须遵守每项业务所涉及的法律要求；
- (2) 所有记录必须公平、准确地以合理的细节反映资产、债务、收入及支出；
- (3) 所有交易必须有合理细节的准确文档支持，并依据有关会计准则、规定及时、准确记账；
- (4) 所有记录不得包含任何虚假或故意误导的内容，不得有意错误分类；
- (5) 员工不得向管理层、审计部门或审计人员提供不实报告；
- (6) 向政府部门提供财务报告、环境监测报告或其他文件时，员工必须确保这些文件上没有错误、不实或误导的陈述。

7.2.5 商业行为中的道德要求

7.2.5.1 与第三方关系

(1) 与客户关系

公司将致力于向客户提供优质的、诚实信用的产品和服务，杜绝虚假宣传及不实广告，合理合法与竞争者进行竞争，以建立长期友好的客户关系。

(2) 与供应商关系

公司根据供应商的价格、服务、质量和信誉，本着公平竞争和最有利于公司利益的原则选取供应商，并维护合法、互惠、稳定的供应商合作关系。员工不得

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歧视和欺骗供应商，更不得借机索取或收受个人利益。

(3) 与竞争者关系

公司要求员工参与市场竞争时，不仅要以积极进取的态度争取业务，也要遵守国家颁布的《反垄断法》、《反不正当竞争法》和有关商业道德的要求，进行合理合法的公平竞争。员工不得采用不正当或非法的手段获取竞争者拥有的机密信息。公司员工不得蓄意捏造和散布虚假消息，损害竞争对手的信誉。

7.2.5.2 商业款待及有价物品馈赠

- (1) 原则上，员工不得接受供应商、客户或任何其他人的任何金钱、有价物品、有价服务、有价证券的馈赠和商业款待；
- (2) 员工应邀参加的商业款待，如果不能拒绝，须向部门最高主管（分管副总）和指定的法务部经理事先书面报备（包括商业招待目的、场所、预计人均消费、参与人员名单等），并得到部门最高主管（分管副总）和指定的法务部经理书面同意后方可参加；
- (3) 出于便利性考虑，员工可以接受供应商、客户或合作伙伴提供的工作餐的招待，但价值不得高于公司的出差餐饮日标准的三分之一（具体见《长江存储科技有限责任公司国内/国际出差管理办法》）；
- (4) 在符合所有适用的中国法律及公司政策的前提下，公司出于日常业务所需或回礼的目的，可向与公司有业务关系的相关方提供合适的礼品、娱乐或招待；
- (5) 与公司客户、供应商的正常交往中，员工不得直接或间接以暗示的方式向任何客户、供应商和业务关联单位索要或接受任何有价物品；
- (6) 收到的任何种类的有价物品礼物，如果不能拒绝或退回时，员工应填写《商务礼品申报单》并将其上交法务部，法务部对礼品进行集中管理和登记。
- (7) 法务部库存的商务礼品可用于：工作、奖品、部门活动等。对于申请使用商务礼品的，需提出书面申请，经申请人所在部门最高负责人以及指定的法务部经理批准后方可领取。

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7.2.6 员工个人行为

(1) 在任职期间，员工不得从事违背诚实信用的商业行为，包括但不限于下列情形：

- a) 向客户提供不合格产品，或提供以次充好的产品，或有使客户降低对公司或公司的产品的信心的行为
- b) 在任何时候伪造、篡改任何文件；
- c) 对未实际发生的费用或非业务原因发生的费用进行报销；
- d) 故意散布虚假信息；
- e) 隐瞒其负有通知/报告义务的重要信息/关键事件
- f) 故意销毁/删除其有保管义务的文件/信息；
- g) 盗用公司名义、未经授权或超越授权权限对外作出承诺；
- h) 向竞争对手或诉讼对象出卖公司商业秘密/利益；
- i) 与供应商或客户串通或勾结，不论是否获得利益；
- j) 做出对公司不忠诚之行为：包括但不限于，商业间谍行为、策反员工、故意损害公司品牌形象、故意使公司丧失商业机会、盗窃、骗取、挪用、侵占、浪费/滥用公司财产、故意不履行或怠于履行工作职责等；
- k) 其他明显属于欺骗或不诚实的行为。

(2) 员工的社会行为

公司尊重员工参加合法的社会活动的权利。员工在进行社会活动时，未经事先适当授权，不应对公司的所在行业、客户、供应商和竞争者等发表评述，包括但不限于下列情形：

- a) 员工不得接受记者、咨询顾问的采访或访问，回答与公司有关的问题；
- b) 员工不得以公司名义在新闻媒体上发表意见、发布消息，也不得代表公司出席公众活动；
- c) 当接到律师、司法人员、调查人员或其他执法人员要求提供公司业务资料的要求时，员工应将此要求转交公司法务部门处理；
- d) 当接到政府官员或机构提供公司业务资料的要求时，则应将其转交公司董事会办公室处理。

7.3 如发现违反法律、公司规定的行为，员工有责任和义务进行举报。

廉洁委员会负责接受所有涉嫌违反本规范的行为的举报。投诉举报渠道如下：

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7.3.1 通过电子邮件举报，邮箱地址为：lianjie@ymtc.com；

7.3.2 信函举报，地址为：湖北省武汉市东湖高新技术开发区高新四路 18 号（邮编：430205）；

7.3.3 电话专线举报，号码为：+86-27-8173-8004。

7.4 审计监察部负责接受所有涉嫌违反本规范的行为的举报，所有举报一经查实，将严格按照公司奖励与惩罚办法处理。审计监察部会谨慎处理所有举报，并在法律许可范围内竭尽全力确保举报及举报人相关信息的保密性。对于捏造事实、打击报复的恶意举报行为，亦将严肃追究举报人责任。

7.5 纪律处分

本规范对公司具有重要意义。每位公司员工均应学习、签署并遵守本规范中的各项要求。公司员工违反本规范的行为，公司有权按照人事奖惩相关制度进行处理。

7.6 阅读及签收

所有员工均必须签署一份《商业行为道德规范承诺书》，确认已经阅读过本规范，并同意遵守其规定，公司还可以要求所有员工定期进行类似确认。未能阅读本规范或签署《商业行为道德规范承诺书》不能成为员工不遵守本规范的理由托辞。

8. 公布与修改:

8.1 本暂行规范呈管理执行委员会核准后公布实施，修订时亦同，并由法务部负责解释。

8.2 在正式规范未颁布前，暂依照本暂行规范实施。

8.3 公司有权根据实际情况解释及不断修订本暂行规范的内容，以适应和解决不断涌现的新的道德和法律问题的要求。

9. 附件:

- 9.1 YMTC 商业行为道德规范承诺书
- 9.2 YMTC 利益冲突申报单
- 9.3 YMTC 商务礼品申报单
- 9.4 YMTC 商务礼品处理流程
- 9.5 YMTC 商务礼品领用申请表

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1. Title: **Ethics Standard of Business Conduct of Y MTC** (Trial) (the “Standard”)

2. Purpose:

To ensure that employees will follow the standard of business ethics when conducting business activities in China and abroad, and to require employees to operate in full compliance with laws of the countries and areas in which YMTC operates.

3. Scope:

This Standard is applicable to all employees of YMTC and its branches and subsidiaries (the “Company” or “YMTC”).

4. Definitions:

Employees mean all YMTC’s regular employees, including officers of each level, members of the Board of Directors, members of the Board of Supervisors, and also include all informal employees and temporary employees of YMTC;

Customers mean the purchasers to whom YMTC provides products or services, and purchasers’ affiliates, consultants and agents. A third-party company which evaluates and facilitates the establishment of a collaborative relationship between YMTC and a customer is also regarded as a customer;

Suppliers mean any vendor that provides product or service to YMTC, and also include such vendor’s affiliates, consultants, contractors or subcontractors, distributors and agents, even if the business relationship is not eventually established;

Competitors mean any business entity that conducts R&D, designs, manufactures or sells (or distributes) products which are of the same or similar type with, or could be substitute of, YMTC’s products;

Relatives mean an employee’s spouse, parents (or parents in law), children, grandparents, cousins, grandchildren and other family members living together or having financial dependency;

Valuable goods mean cash and cash equivalents, tangible or intangible goods, services, opportunities, preferences, discounts and etc., that are valuable;

Company assets mean money, marketable securities, creditor’s right, inventories, investments,

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real estates, equipment and facilities, employee's working hours and work achievements, Company owned intellectual property rights, IT systems and software, and all the electronic information stored in computers (including emails in the Company mailboxes).

5. Reference documents

5.1 Labor contract law of People's Republic of China

5.2 Reward and Punishment Measures

5.3 Others respective laws, regulations, policy and company rules

6. Duties of related Departments

6.1 Legal Department is responsible for the formulation and revision of this "standard"; Providing legal advices for the accidents which violate this "standard"; Responsible for the training staff on business conduct; Responsible for the declaration and using of business gift.

6.2 Human Resource Department is responsible for ensuring staff could fully understand and recognize the "standard" on their induction; Noticing all staff if any new change happens; Assisting Legal and Audit Department to deal with rewards and punishments for staff who violate business conduct.

6.3 Audit Department is responsible for receiving and investigating the reports of all conducts violated this "standard", ensuring the confidentiality of related information of the report and the reporter.

7 Main Contents:

7.1 Basic Principles:

7.1.1 Probity and self-discipline

In business dealings with customers and suppliers, no employee shall receive any valuable goods from customers or vendors, nor shall any employee steal, defraud, divert, embezzle or encroach YMTC's company assets.

7.1.2 Honesty and integrity

Honesty and Integrity are the basic principles for a company to conduct business activities, and are the basic requirements by a company of the employees in

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conducting business activities. No employee shall be involved in any of the behaviors listed as against honesty and integrity under Section 5.2.6 hereof.

7.1.3 Comply with laws, regulations, rules, policies and legal documents

When conducting business activities with customers (both in China and abroad), the business behavior of the Company shall be in full compliance with laws, regulations, rules, policies and legal documentation of the countries in which the Company conducts its business.

7.1.4 Comply with all YMTC's regulations and policies

7.1.5 Employees shall do its own work well with duty and responsibility

7.1.6 Protect YMTC's properties

Employees shall protect and effectively use YMTC's properties, prevent loss or theft, and use such properties as required, in order to protect YMTC's properties from being damaged, lost or infringed upon.

7.2 Specific Requirements:

7.2.1 Compliance with industrial specific laws and regulations

(1) Compliance with import and export laws and regulations

a. As an importer, YMTC shall comply with import laws and regulations of the local Customs and other government agencies.

b. As an exporter, YMTC shall comply with export laws of China and the relevant countries in which YMTC operates.

(2) Compliance with environment protection laws and regulations

YMTC shall comply with international conventions and domestic laws and regulations on environment protections, prevent violation of environmental protection laws from happening, and dispose of contaminates and hazardous wastes according to laws.

(3) Compliance with laws and regulations on safety production

YMTC shall comply with relevant laws and regulations on safety production, including fire control, health and safety regulations at workplace, in order to provide a harmless and safe working environment for employees. Meantime, YMTC shall strictly forbid any acts of violence and threats that might cause any personal harm and bodily injuries to employees.

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(4) Compliance with labor laws and regulations

YMTC shall comply with all labor laws and regulations in China and shall prohibit any illegal discrimination activities based on ethics, nationality, race, color of skin, gender, religion, disability or age, ect..

(5) Compliance with local anti-corruption laws and regulations

No YMTC employee shall, directly or indirectly, bribe any Chinese or foreign government official, or any employee of any government owned or controlled company. No YMTC employee shall be involved in any form of embezzlement, diversion, usurpation, encroachment, abuse of Company properties or counterfeit, falsify related records.

7.2.2 Prohibit conflicts of interest

All employees, regardless of job grade or position, shall decline to participate in activities that may be in conflict with YMTC's interest. If it happens or if it is about to happen, an employee shall complete the Conflict of Interest Application Form (or an Employee's Interested Relationship Declaration Form issued by YMTC's HR Division) to report such a matter to YMTC. A few common examples of a conflict of interest are as follows:

(1) Conflict between employment and an outside part-time job

No employee shall be involved in any capacity with any company that is a competitor of YMTC or that has a business relationship with YMTC.

(2) Conflict with outside managerial positions

No employee shall be a director, partner, or take up a managerial position in any company that is a competitor of YMTC or that has a business relationship with YMTC, or take any position in a government or a similar governmental organization without prior written consent of YMTC.

(3) Conflict between business opportunities and business interests

YMTC prohibits any employee from taking advantage of his/her position at YMTC or the information that he/she has obtained from YMTC to invest or to acquire business opportunities for himself /herself at the expense of YMTC's interest.

(3) Conflict with positions held by relatives

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No employee shall conduct or try to conduct Company business with any company in which the employee's family relative has a personal interest or holds a senior position therein, unless such conflict of interest has been reported to the management of YMTC in advance, and the conflict has been duly approved by following Company procedure.

(4) Conflict with internally interested relationships

YMTC does not allow the existence of a reporting relationship, whether direct or indirect, between interested/ related parties including immediate family members or close relatives within YMTC or the existence of other interested/ related relationships that may result in unfairness or injustice within the Company.

(5) Business dealings with former employees

No employees shall have business dealings with any former employee, whether directly or indirectly, in relation to business and operational activities of YMTC in the name of YMTC without prior written consent of YMTC, including but not limited to, signing a contract or getting involved in procurement and so on.

7.2.3 Legally utilize YMTC's property and protect intellectual property right
YMTC's employees shall follow the Company's IP (Intellectual Property) and IS(Information Security) rules as well as protect and legally utilize all Company's tangible assets, intellectual properties, trade secrets, commercial secrets and other intangible assets. Meanwhile, employees shall be alert to potential safety peril of Company's assets. If an unusual situation is spotted, employees shall at once report to his/her immediate superior or the Company's Legal division. Employees shall not engage in any inappropriate behavior in misusing Company's assets and intellectual properties as follows:

- (1) Utilize YMTC's property for one's own benefit or for any third party's benefit;
- (2) Utilize YMTC's property for non-work related purposes, and allow others to seize, divert, encroach or pilfer YMTC's property;
- (3) Utilize YMTC's computer and equipment to conduct external business or illegal/immoral activities;

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- (4) Violate YMTC's CIPP, and leak YMTC's confidential information;
- (5) Infringe upon a third party's intellectual property right. Employees shall not use unauthorized third party's intellectual property in YMTC's business activities. As to the intellectual properties that YMTC have obtained authorization, employees shall use it within the authorized scope of authorization.

7.2.4 Recording, preserving and providing information

Employees shall record and preserve all business information and financial information comprehensively, impartially and precisely, including paper documentation and electronic record. Employees shall adopt high standard when recording, preserving and providing such information, and shall follow the guidelines as follows:

- (1) All records and reports generated from these records shall comply with the legal requirements that apply to every business activity involved;
- (2) All records shall show asset, debt, income and expense with reasonable details impartially and precisely;
- (3) All transactions must be supported by precise documentations with reasonable details, and shall be recorded in a timely and precise manner according to relevant accounting rules and regulations;
- (4) All records shall not include any untruthful or misleading contents, and shall not be misclassified intentionally;
- (5) Employees shall not provide false reports to management team, audit department or auditors;
- (6) Employees shall make sure that the documents do not contain incorrect, false or misleading information when providing financial reports, environmental monitoring reports or other documents to government agencies.

7.2.5 Ethics standard in business conduct

7.2.5.1 Relationships with third parties

- (1) Relationship with customers
YMTC is committed to providing customers with excellent and honest

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products and services. YMTC strictly forbid false publicity and untruthful advertising and compete with other competitors in a reasonable and lawful manner, so as to build a long-term and friendly relationship with customers.

(2) Relationship with suppliers

YMTC chooses suppliers according to suppliers' prices, services, quality and reputation, based on the principles of fair competition and maximizing Company's interests. YMTC maintains a lawful, reciprocal and stable cooperative relationship with suppliers. Employees shall not discriminate or deceive suppliers, nor shall employees take or accept personal gain from suppliers.

(3) Relationship with competitors

YMTC requires employees not only to compete for business fairly with positive attitude, but also to comply with Chinese Anti-monopoly Laws, Anti-unfair Competition Law and business ethics requirements in order to compete fairly and lawfully. Employees shall not obtain competitors' confidential information through inappropriate or unlawful means. Employees shall not deliberately make up and spread false information in order to damage a competitor's reputation.

7.2.5.2 Business entertainment and gif

- (1) In principle, no employee shall accept any gift, cash, securities or business entertainment from any supplier, customer or any other person;
- (2) If an employee cannot decline an invitation to a business entertainment, he/she shall file a prior written report to the head (i.e. the vice president in charge) of the division in question and the designated manager of the Legal division (the report shall include the purpose of the business entertainment, venue, an average consumption level per person and the name list of the attendees), and obtain the written approvals from both the head (i.e. the vice president in charge) of the division and the designated manager of the Legal division before attending the business entertainment.
- (3) For convenience purpose, an employee is allowed to accept working meal offered by a supplier, customer or business partner provided that the value shall not exceed one third of the daily meal standard set forth in *The YMTC Domestic/ International Business Travel Procedure*;

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- (4) On conditions that all applicable Chinese laws and YMTC policy are complied with, and for Company's daily business needs or dealings, a proper gift, entertainment or reception could be provided to related parties which have business relationship with YMTC;
- (5) No employee shall, directly or implicitly, demand or receive any valuable goods from any customer, supplier and company with which YMTC has had a business relationship in normal business dealings with Company's customers and suppliers;
- (6) If an employee cannot decline to accept or return a gift of value of any kind, he/she shall fill in a Business Gifts Declaration Form and submit it to the Legal division. The Legal division will conduct centralized management and registration of all the gift received .
- (7) The stocked gifts can be used for: work, award, department activities etc. For using the business gifts, a written application shall be submitted to and approved by the head of the applicant's division and the designated manager of the Legal division.

7.2.6 Employees' individual behavior

- (1) In tenure, no employee shall engage in business activities that breach honesty and integrity, including but not limited to, the following situation:
 - a) Provide customers with substandard or shoddy products, or have behaved in such a way that will reduce customers' confidence in YMTC or in YMTC's products;
 - b) Counterfeit or falsify any document at any time
 - c) Apply reimbursement for nonexisting costs or non-business related costs;
 - d) Spread false information intentionally;
 - e) Conceal important information/critical event that one is obliged to inform/report;

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- f) Destroy/delete intentionally the document/information that one is obliged to keep;
- h) Make an external commitment by usurping YMTC's name or without authorization or beyond one's authorization;
- i) Sell YMTC's trade secrets/commercial interests to competitors or a counterparty in litigation;
- j) Collude or conspire with supplier or customers regardless of gaining benefits or not;
- k) Engage in unfaithful behavior to YMTC: including but not limited to, commercial espionage, instigate employees, intentionally damage YMTC's brand image, intentionally cause YMTC to lose business opportunities, steal, falsify divert, embezzle, encroach and/or abuse Company properties, intentionally default job duties or slow in fulfilling one's job duties;
- l) Other behaviors that obviously belong to cheating or dishonesty.

(2) Employees' social behavior

YMTC respects employees' right to participate in legitimate social activities. Without appropriate prior authorization, employees shall not give comments on YMTC's industry, customers, suppliers and competitors when participating in social activities, including but not limited to, the following situations:

- a) Employees shall not accept interviews from journalists or consultants, nor shall they answer questions related to YMTC;
- b) Employees shall not give comments on or issue news in news media in the name of YMTC, nor shall they represent YMTC to attend public activities;
- c) When requested by lawyers, judicial personnel, investigators or other enforcement personnel to provide YMTC's business information, employees shall handover such request to the Legal Division;
- d) When requested by government officials or agencies to provide

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YMTC's information, employees shall handover such request to the Office of the Board of Directors of YMTC.

7.3 If a violation of law or policy of the Company is found by an employee, the employee shall have the obligation and duty to report such violation. The Integrity Committee is responsible for accepting all the reports that are related to activities that are suspicions of violating the Standard. The reporting channels are as follows:

7.3.1 Report through email : lianjie@ymtc.com;

7.3.2 Report through mail address : No.18, Gaoxin 4th Road, Donghu High-Tech Zone, Wuhan, Hubei, China (Zip Code: 430205);

7.3.3 Report through hotline - telephone number : +86-27-8173-8004.

7.4 The Internal Auditing is responsible for receiving all the reports of alleged violations of the Standard. The Internal Auditing will deal with the situation strictly in accordance with the Award and Disciplinary Regulations of the Company (trial). The Internal Auditing will carefully handle all the reports and try its best to protect the confidentiality of the informant and the reported informant to the full extent permitted by law. Any employee who maliciously reports or fabricates any fact or intends to retaliate will be held accountable seriously.

7.5 Disciplinary Actions

This Standard is very important for the Company. Every employee of the Company shall study, sign and comply with each of the requirements of the Standard. If an employee violates this Standard, the Company will have the right to handle such violation according to the Punishment and Award Regulations of the Company.

7.6 Read and Sign the Letter of Commitment on Ethics Standard of Business Conduct of YMTC.

Every employee shall sign the Letter of Commitment on Ethics Standard of Business Conduct of YMTC to ensure that he/she has read this Standard and has agreed to comply with all the rules therein, YMTC can also require all employees to confirm on the Standard periodically. Not reading or signing this Standard cannot be an excuse for not complying with the Standard.

8. Promulgation and Amendment:

8.1 This Standard is published and implemented after being approved by the Executive Management Committee. The same will apply when revision of the Standard is needed.

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The Legal Division is responsible for interpreting the Standard.

8.2 This Standard (Trial) is in effect before a formal Standard is promulgated.

8.3 YMTC shall have the right to interpret and revise the content of the Standard according to practical circumstances in order to adapt to and resolve new ethics issues and legal problems that may arise

9. Attachments:

9.1 Letter of Commitment on Ethics Standard of Business Conduct of YMTC

9.2 YMTC Conflict of Interest Disclosure Form

9.3 YMTC Business Gifts Declaration Form

9.4 YMTC Business Gift Processing Flow

9.5 YMTC Application Form for Gift Using