



BUSINESS PARTNER

CODE OF CONDUCT AND ETHICS

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ChangXin Memory Technologies, Inc., and its subsidiaries or entities actually controlled by it (hereinafter referred to as “CXMT”, “Company” or “the Company”) is committed to the combination of its own advantages and the qualifications and competences of business partners, the adherence to the highest standards of business ethics to the applicable extent, and the establishment of a business partnership of joint development, win-win cooperation, and sustaining success. Therefore, the Company hopes that our suppliers, subcontractors, distributors, agents and other business partners can fully comply with the corresponding business ethics, laws and regulations, and management standards in environment, safety, etc.

Business Partner mentioned in this Policy means the subjects that directly or indirectly supply products or services to the Company, and that purchase or sell the products of the Company, and also includes external agencies or individuals doing business activities in the name of or on behalf of the Company.

Based on the Company Code of Business Conduct and Ethics, this Policy is drafted to serve as the requirements for Business Partners on business ethics and values, which is expected to be strictly followed by Business Partners and their employees, and applies to all of Business Partners’ affiliated subjects, branches and their employees. If there any conflicts among local laws, contractual stipulations and the requirements hereunder, the higher standard shall prevail.

General Requirements

Business Partners shall not, for the purpose of acquiring or keeping business, or attempting to exert some improper impact, directly or indirectly, offer, or promise to offer, bribes to CXMT, government officials, political parties or social organizations and other business subjects (including CXMT's customer, etc.), or, directly or indirectly, accept bribes, such bribes including any over-standard, inappropriate gifts, business entertainment, job opportunities and other unjustified benefits made for the purpose of acquiring improper or illegal interests. Business Partners shall not commit bribery through the employees of the Company or third parties.

During their cooperation with the Company, Business Partners should strictly prohibit their employees or persons working on their behalf from conducting, directly or through third parties, personally or under the name of Business Partners, any of the following acts whether for the purpose of company interests or personal interests:

- Offering or providing, directly or indirectly, bribes, kickbacks or other improper benefits to any persons of the Company and the individuals with close relationship, such as their relatives and other specific stakeholders; and
- Soliciting or accept

- Recreational entertainment is not allowed, such as KTV, nightclubs, health/massage/bath centers and other leisure activities consumption.

When the requirements as listed above are satisfied, business partner should carefully measure the influence on the normal performance of job duties by themselves or the relevant staff members. Furthermore, be alert of frequent invitations and shall decisively reject them.

In general, the employees of Company should not accept or offer the entertainment including travel arrangement; unless in the event of a proper industrial exchange, such as industrial exhibition, academic conference, salon, training or business conference, it is allowed to accept entertainment including travel arrangement upon a truthful declaration and approval of the Company.

The aforementioned travel arrangement should be moderate and necessary, and also need be accurately recorded; meanwhile, such travel arrangement could cover train/air tickets for straight round trip; accommodation expenses; ground transportation expenses

Compliance Management

General Requirements

Business Partners should establish internal compliance management system, as well as mechanisms for risk identification, examination and employee education to ensure that their commercial activities comply with the relevant applicable laws and regulations in the place of registration and business operations, the applicable international laws and rules, and that the cooperation with CXMT may not be affected due to compliance issues.

Conflicts of Interest

Business Partners shall adopt effective measures to manage issues of conflicts of interests. Business Partners shall disclose the specific content of conflict of interests to CXMT and obtain written consent before conducting business or transactions with CXMT.

The aforementioned circumstances of conflicts of interests includes but not limited to the Business Partners and their shareholders, actual controllers, senior management persons, relevant employees and their relatives and special stakeholders, have the following relations or circumstances with the Company and its shareholders, senior management persons, relevant employees and their relatives and special stakeholders: a. direct or indirect investment; b. actual control and operation; c. interests allocation and transfer; d. the aforementioned individuals have relatives relations or any other circumstances that may impact objective and fair decisions.

With respect to any circumstances of conflicts of interests that exist or oc

Anti-Trust and Anti-Unfair Competition

Business Partners should not engage in any monopolistic conducts or unfair competition alone or in collusion with other Business Partners. The prohibited conducts are behaviors which damage competitive order, including but not limited to, market segmentation by ~~type~~ ~~generation~~ or collusion, fixing or fixing resale prices, restricting production or sales, restricting access to or development of new technology, boycotting transactions, bid-rigging, bundling, abuse of dominant market position of ~~trS c~~ 0

Trade Compliance

Business Partner shall strictly ~~comply~~ ~~compliance~~ with all applicable laws and ~~regulations~~ on export control and customs administration, including those of China, the United States, the European Union and other countries or regions with which the company does business ~~any~~

The partner undertakes not to use ~~products~~ ~~technologies~~ or services obtained from CXMT directly or indirectly for the ~~business~~ purposes:

- (1) Export or sell to locations subject to embargoes by the United Nations, China, the European Union, the United States and the organization for security and cooperation in Europe;
- (2) End products for the design, sale or direct or indirect sale of any military purpose, end uses or end users which are prohibited or restricted by original export permit issued to CXMT.

Marketing Promotion and Media

the responsibility to create a healthy, dignified and fair working environment for their own employees, and ensure that the employees may not be discriminated or unequally treated due to their colors, ages, nations, genders, nations, religious beliefs, political tendencies or other factors.

Business Partner should value and protect employees` privacy, health, safety and other legitimate rights, and protect the rights and interests of female employees. And commit that not to assign female employees to do harmful jobs which prohibited by law during the special periods.

Government Clients

It should be noted that Business Partners should adhere to more prudent principles and comply with applicable laws related to governmental purchasing and tendering, when carrying out transactions with governments, public organizations or state-owned enterprises.

Conflict Minerals

Business Partner should commit not to purchase or not to support the use of conflict minerals and build a sustainable supply chain environment. The "conflict minerals" means minerals such as tin, tantalum, tungsten, gold and other minerals originating in the Democratic Republic of the Congo and surrounding countries, irrespective of their source, processing or sale place. Armed groups have been widely reported to be fighting

Provision of Materials

Business Partners must guarantee that all the materials provided for the Company are true, legal and valid. If such materials contain or relate to the confidential information of third parties, Business Partners should warrant that they have been legally authorized by such third parties. Business Partners must also guarantee that all the information offered thereby to the Company, including but not limited to product specifications, technical parameters, design drawings, orders, offers, settlement data, payment requests, changes of important matters in company and the like, are true, accurate and complete.

No Fake Business or Watered Fees

Business Partners should not assist the employees of the Company in extraction of fees, confirmation of made-up earnings, confirmation of earnings in advance, intentional delay in confirmation of earnings by made-up business, "yin yang contract" (dual contracts), and provision of false notes, receipt form or acceptance certificate. Business Partners must not fabricate the seals, materials, official documents and letters of the Company by any means.

No Fraud and Cutting Corners

It is prohibited for business partners to violate the principle of good faith, mislead, cheat and damage the interests of the company by fabricating and concealing

facts, releasing false information, signing false contracts and exaggerating propaganda in the process of market transactions, investment and services.

It is prohibited to secretly lower the quality of products, cut down quantity and sell substandard products for illegitimate profits.

Subcontracting Services

In the contract of engineering construction, without the consent of the Company, Business Partner shall not transfer part or all of the work agreed in the contract to any third party, or subcontract the work witho1

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deemed necessary, the Company may require Business Partners to take special protection measures, or require Business Partners to conduct deletion or destruction in the corresponding form, and Business Partners should be obliged to cooperate in such implementation.

Audit and Investigation

Business Partners should not conceal any information that may make an impact on the interests of the Company. In order to ensure that Business Partners strictly follow this Policy, Business Partners should undertake to cooperate with CXMT and its key account in the rel

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Whistleblowing and Feedback

If Business Partners have any doubt about this Policy, or discover any suspected violations of this Policy on the basis of good faith and reasonable doubt, please provide feedback at CXMT Compliance Hotline, www.cxmt.ethicspoint.com.

The Hotline allows report in real name or anonymity. In order to safeguard the interests of Business Partners, it is encouraged

Note: The return of this Commitment with signature of the authorized representative shall be deemed a commitment by our company to comply with this Code of Business Conduct and Ethics.

(NAME OF BUSINESS PARTNER), as the Business Partner of CXMT, has already received, read and understood the entire CXMT Business Partner Code of Business Conduct and Ethics, and hereby undertakes to strictly comply with this Code and allow CXMT or the representative thereof to review the compliance of the Business Partner during the cooperation. We commit the adherence to the highest standards of business ethics to the applicable extent.

In the event of any violations of this Code and corresponding obligation, CXMT shall have the right to immediately and unilaterally terminate the mutually signed or confirmed contract or agreement order, with written notice without incurring losses compensation and other liabilities.
CXMT is