

# SMIC ETHICS POLICY STATEMENT

To: All SMIC Employees  
From: Hai Jun Zhao, Chief Executive Officer  
Subject: SMIC Code of Business Conduct and Ethics Policy Statement  
Date: 1-September -2017

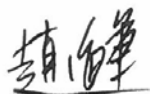
As an exemplary corporate citizen, SMIC is committed to maintain a high level of corporate governance in order to protect the interest of its shareholders and to build business reputation. SMIC aims to maximize its legitimate business interest but at the same time ensure that its business practice is in compliance with applicable laws and regulations and in line with the principle of Code of Business Conduct and Ethics

To ensure that all SMIC employees understand and adhere to the above value and principles, SMIC adopted Code of Business Conduct and Ethics and various policies, including, Anti-Fraud Policy, Anti-Corruption Policy, Gift-Receiving Policy Gift-Giving Policy and etc (“Ethics Policy”).

All employees are required to comply with the code or policies and violations may result in disciplinary actions and relevant legal liabilities. Any person, including SMIC’s employees, investors, contractors, customers, suppliers or business partners, may report any possible illegal action, criminal conduct or violation of SMIC’s Ethic Policies to SMIC through the methods set out below. All informer’s information and complaints will be kept in strict confidence and no retaliation is allowed.

For reports involving any possible violation of SMIC code or policies, please send it to: [Code@smics.com](mailto:Code@smics.com) or Voice Mail: 8621-2081-2121. For any complaints about Compliance Office please contact our Audit Committee directly at [AuditCommittee@smics.com](mailto:AuditCommittee@smics.com).

I wish to thank you all for your full cooperation. Our continued success depends on good compliance.



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Hai Jun Zhao  
Chief Executive Officer