Opportunity for all

For All
DEI Annual Report 2021

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Commitment 6: Increase representation and spend with diverse suppliers.

Diversifying our supply chain
To accelerate Micron’s commitment to supplier diversity, our procurement team set an aggressive goal in fiscal year 2021 (FY21) to increase representation in our supply chain and double our annual spend with diverse suppliers by FY23. We used our FY20 baseline of $104 million in

Progress toward goal
Spend with diverse suppliers in FY21 (USD)

| Baseline | $104M |
| FY21 goal | $139M |
| Tier 1 | $212M |
| Tier 2 | $120M |
| FY23 goal | $208M |

but also our planned goal for FY23. We saw an increase in our spend with diverse suppliers globally and specifically in markets outside the U.S. In addition, we expanded our tier 2 reporting program and captured an additional $120 million in tier 2 spend through this effort.

“As a leader in the semiconductor industry, we believe we must contribute toward shaping the supply chain of the future — a supply chain that is innovative, resilient and diverse. Micron’s supplier diversity program was established in FY19 with the aim to build mutually beneficial partnerships with businesses that are majority-owned by women, underrepresented communities, people with disabilities, members of the LGBTQ+ community, and veterans, collectively known as diverse suppliers. These partnerships are invaluable to strengthening our supply chain and communities. Creating economic opportunities for diverse-owned enterprises makes a lasting impact to the communities where we live, work, and play.”

— Corporate Vice President and Chief Procurement Officer Ben Tessone, executive owner

Tier 1 diverse spend by region
Invoices paid to diverse suppliers in FY21 (USD)

North America 72%
Asia 28%

1 Micron purchases with diverse tier 1 suppliers (“tier 1”).
2 Micron’s supplier spend with diverse suppliers that is directly tied to a Micron purchase order or contract where Micron has operational influence or control (“tier 2”).
3 Scope of spend: Tier 1 and tier 2 diverse supplier spend.

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To achieve our goals, we focused on four areas in FY21: investing in tools and resources, building our advocacy and industry partnerships, engaging with suppliers, and strengthening the inclusive sourcing culture at Micron.

As we look forward to FY22, we are committed to building on the momentum we achieved last year. We have set an ambitious internal goal for global procurement across all category areas. As part of our program, we also plan on investing in internal resources to empower our teams to create opportunities for diverse suppliers, focus on strengthening our partnerships with internal and external organizations to drive change, and build on best practices to advance supplier diversity among our supply base and within the semiconductor industry. When we widen the pool of potential suppliers, we promote development and competition, improve quality and cost, and invite unique perspectives and innovative thinking.

Expansion of Micron’s program

**Tools & Resources:** ease identification of diverse suppliers
- Installed third-party diverse supplier databases
- Enhanced Micron’s onboarding process with diversity indicators
- Grew pipeline of diverse suppliers through supplier registration mechanism
- Developed diverse supplier spend dashboards

**Advocacy & Industry Partnerships:** support equitable impact and economic empowerment
- National Minority Supplier Development Council
- National Gay and Lesbian Chamber of Commerce
- WEConnect International
- SEMI Manufacturing Ownership Diversity working group

**Supplier Engagement:** demonstrate a shared commitment
- Expanded tier 2 reporting expectations
- Incorporated diversity program assessment into suppliers’ annual performance scorecards

**Culture of Inclusion:** drive awareness and accountability
- Accountability at all levels
- Monthly progress reports to stakeholders
- Collaboration with the diversity, equality and inclusion (DEI) and sustainability teams
- Inclusion in the Global Procurement Champions Network
- Expansion to employee resource groups (ERGs) and the executive administration group

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