



Micron

Micron Green Bond Report

2022



Introduction

Micron Technology is an industry leader in innovative memory and storage solutions transforming how the world uses information to enrich life *for all*. With a relentless focus on our customers, technology leadership, and manufacturing and operational excellence, Micron delivers a rich portfolio of high-performance DRAM, NAND and NOR memory and storage products through our Micron® and Crucial® brands. Every day, the innovations that our people create fuel the data economy, enabling advances in artificial intelligence and 5G applications that unleash opportunities — from the data center to the intelligent edge and across the client and mobile user experience.

Micron’s approximately 48,000 team members live our values: collaboration, customer focus, innovation, people and tenacity. We share a common goal to pursue technology and product innovation and manufacturing excellence for our customers, partners, communities and society.

On November 1, 2021, Micron [announced](#) the closing of a \$1 billion green bond, intending to allocate the net proceeds in accordance with the [Micron green bond framework](#) to support the company’s significant environmental priorities, including LEED Gold construction and aggressive goals for greenhouse gas emissions reductions, renewable energy use, water management, and pollution control.



* Subject to vendor availability

Micron is pleased to issue this green bond report outlining the allocation of our \$1 billion 2.703% senior notes due 2032 (the “green bond”). As of October 31, 2022, 100% of net proceeds were expected to be allocated and dispersed for eligible projects by October 31, 2023, including a two-year lookback period from the date of issuance. This report outlines existing and anticipated allocation by project category, including 3rd party limited assurance of allocation occurring from December 2019 through November 2021. The report also reviews the project categories, a selection of project descriptions, and estimated impact metrics from the projects funded.

The completion of this allocation is another milestone in Micron’s sustainability efforts, continuing the pattern we have established with aggressive long-term environmental goals set in 2020, sustainability-linked credit facilities and green bond issued in 2021, establishment of the most aggressive greenhouse gas reduction goals in the memory and storage

manufacturing industry in 2022, and the recent announcement of new leading-edge memory manufacturing facilities to be built in [Idaho](#) and [New York](#) with significant environmental features. The strength of the company’s environmental, social and governance programs has been recognized among the leaders in the semiconductor industry by Sustainalytics, S&P’s Corporate Sustainability Assessment, ISS ESG, EcoVadis and others, and more information about our sustainability programs can be found at www.micron.com/sustainability. We anticipate that the projects funded by the green bond will enable us to continue on this leadership path.



This report contains forward-looking statements regarding our sustainability plans, goals, and commitments, expected results from sustainability-related projects, and related matters. Such forward-looking statements may be identified by words such as "anticipate," "expect," "intend," "pledge," "committed," "plan," "opportunities," "future," "believe," "target," "on track," "estimate," "continue," "likely," "may," "will," "would," "should," "could," and variations of such words and similar expressions. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially. Please refer to the documents we file with the U.S. Securities and Exchange Commission, including our most recent Form 10-K. These documents contain and identify important factors that could cause our actual results to differ materially from those contained in these forward-looking statements. These certain factors can be found at micron.com/certainfactors. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. We are under no duty to update any of the forward-looking statements to conform these statements to actual results.



Green Bond Allocation and Reporting Process

Micron's [Green Bond Framework](#) published in October 2021 provides more detail about how the green bond issued by the company will be managed, and that process is summarized here.

The Framework outlines the following green use of proceeds categories eligible for allocation from a green bond:

- Green buildings
- Renewable energy
- Energy efficiency
- Sustainable water and wastewater management
- Pollution prevention and control
- Circular economy adapted products, production technologies and processes

Micron has established a Green Bond Committee to oversee the implementation of the allocation and selection process for Eligible Projects. The Green Bond Committee includes representatives of the Micron Finance, Operations, Sustainability and Legal teams. Members of Micron's Operations team maintain an internal tracking system to monitor and account for the cost and impact of environmental projects, and recommended projects to the Green Bond Committee in alignment with the company's Green Bond Framework. The Green Bond Committee finalized the project list for approval by the company's CFO.

This allocation report is accompanied by a report from Moss Adams LLP in respect to its review of management's assertions about allocation in accordance with attestation standards established by the American Institute of Certified Public Accountants, for the time periods of December 1, 2019 through November 30, 2020 and December 1, 2020 through November 30, 2021.



Green Bond Allocation Reporting

December 2019-November 2021 Allocation

Receiving 3rd party limited assurance

Eligible Project Categories	Allocation Period & Amount (\$ millions)	
	12/2019-11/2020	12/2020-11/2021
Green Buildings	\$ 194.3	\$ 151.6
Renewable Energy	\$ -	\$ 0.2
Energy Efficiency	\$ -	\$ 7.3
Sustainable Water Management	\$ 0.1	\$ 7.9
Pollution Prevention and Control	\$ -	\$ 0.2
TOTAL	\$ 194.4	\$ 167.2
% of Total Allocation*	19.4%	16.7%

Percentage of Net Proceeds Allocated to Eligible Project Categories and Assured

36%

As of November 28, 2022

*Percentage allocation within lookback period: 36%, Percentage allocation after issuance date of the bond: 64%



Anticipated December 2021-October 2023 Allocation

<u>Eligible Project Categories</u>	<u>Allocation Period & Amount (\$ millions)</u>	
	<u>12/2021-11/2022</u>	<u>12/2022-10/2023</u>
Green Buildings	\$ 268.1	\$ 282.4
Renewable Energy	\$ -	\$ -
Energy Efficiency	\$ 23.4	\$ 26.8
Sustainable Water Management	\$ 22.1	\$ 15.2
Pollution Prevention and Control	\$ 0.4	\$ -
TOTAL	\$ 314.0	\$ 324.4
% of Total Allocation*	31.4%	32.4%

Percentage of Net Proceeds Expected to be Allocated to Eligible Project Categories

64%

As of November 28, 2022

*Percentage allocation within lookback period: 36%, Percentage allocation after issuance date of the bond: 64%



Eligible Project Categories, Examples, and Impact Metrics

Green Buildings

Expected Impact: Micron is investing green bond funds to support LEED Gold or better certification across eleven facilities in Taiwan, China, Japan, Singapore, and the U.S. The four facilities in Taiwan and Malaysia that have been allocated funds during the 2019-2021 lookback period total more than 415 thousand square meters of floor space. Investments are focused on advanced water and air handling equipment and energy efficiency features, together with a range of other improvements.

Micron's A3 fabrication facility in Taiwan is one of the company's most recent buildings to receive the LEED Gold designation, as well as International WELL Building Institute Certification and certification by the EEWH, a green building organization in Taiwan. To earn these certifications, the fab incorporated features such as rooftops that are designed to harvest rainwater, landscaping that cover approximately 30% of the campus's outdoor space and water-saving technologies that reuse and recycle 75% of the fab's water consumption, estimated to save more than 16 million cubic meters of water per year. A3's power-efficient design is expected to save approximately 90 million kilowatt hours (kWh) of energy annually, equivalent to power for 18,500 Taiwan households and reducing greenhouse gas emissions by nearly 46,000 metric tons of CO₂ annually. Using LEED performance criteria, the building is estimated to achieve a 14% energy savings compared to baseline, as well as 50% reduction in indoor water use and 100% reduction in outdoor water use compared to baseline facilities.

Another example is Micron's planned fab in Boise, ID, which broke ground in September 2022. Micron plans to use green infrastructure and sustainable building attributes for the construction of this new leading-edge fab that is expected to achieve LEED Gold status, and aims to achieve 100% water reuse, recycling and restoration together with 100% renewable energy use for cleanroom space that will ultimately reach 600,000 square feet (55,740 square meters).

Renewable Energy

Expected Impact: Micron initiated one of its first on-site solar self-investment projects at our manufacturing facility in Hiroshima, Japan, installing 150kW capacity which is expected to generate 150 MWh annually and support 94 MTCO₂e reductions in annual greenhouse gas emissions. We have identified additional opportunities to build out on-site solar projects, which we hope to initiate in the near future. Given the scale of Micron's renewable energy needs, our primary focus is on establishing off-site power purchase agreements which may not require funding through the company's green bond.

Energy Efficiency

Expected Impact: Twenty-four energy efficiency projects meet Micron's criteria for green bond allocation. In total these investments are expected to directly achieve 139,000 MWh in avoided energy use annually, supporting 62,000 MTCO₂e reductions in annual greenhouse gas emissions. The funded projects include three compressed dry air projects, five chilled water plant upgrades, and three cooling tower upgrades. Nine projects were funded in Taiwan; four in the U.S.; three each in Xi'an (China), Singapore, and Malaysia; and two in Japan.

Over one third of the projected energy savings (53,600 MWh) are expected to come from chilled water plant upgrades at facilities in the U.S., Singapore, Taiwan and Malaysia, including large-scale replacement of chillers and pumps along with system optimization in Singapore expected to save 33,000



MWh annually. Another of the most impactful projects is the installation of variable frequency drives at our existing Boise facility to align power demand with the mechanical work required, rather than continuously running equipment at 100%, saving an estimated 17,500 MWh annually – approximately one-third of the total from these projects.

Sustainable Water and Wastewater Management

Expected Impact: Micron’s green bond funds are also being allocated toward twenty-four water management projects, expected to save over 7 million cubic meters of water per year across all of Micron’s existing manufacturing sites through efficiency improvements, recycling and reuse. The single largest project, recycling of dilute acid wastewater at our Manassas facility, is expected to increase water recycling by nearly 3 million cubic meters per year. Micron’s Hiroshima facility saw one of the most cost-effective projects, at less than \$100,000 to reduce the water intake of wet process tools by over 150,000 cubic meters annually.

Pollution Prevention and Control

Expected Impact: Micron’s green bond funds are being allocated to four pollution prevention and control projects expected to reduce waste by 2.3 million kilograms annually. These include a dehydration system to reduce waste in our Xi’an plant by over two million kilograms annually.

An important element of Micron’s environmental sustainability initiatives is awareness-raising and employee engagement to support ongoing progress toward our corporate goals. With that in mind, we also invested in “reverse vending machines” in Singapore to encourage team members to consider their role in Micron’s sustainability efforts while recycling bottles and cans .

Circular economy adapted products, production technologies and processes

While Micron did not choose to allocate any funds from the company’s 2021 green bond to this category, the company has a significant focus on the development of energy efficient products and active initiatives exploring material recovery and use of recycled content. We may choose to allocate a portion of the proceeds from any future green bond funds to this category.



Eligible Project Category	Allocated & Assured Green Bond Spend (\$ millions, 12/19-11/21)	Anticipated Allocation (\$ millions, 12/21-10/23)	Number of Projects	Expected Impact Metrics
Green Buildings	\$ 345.9	\$ 550.5	4 (12/19-11/20) 11 total	>415,000 square meters of LEED Gold facilities (allocations during 12/2019-11/2021)
Renewable Energy	\$ 0.2	\$ -	1	150kW capacity installed Generating 150 MWh annually 90 MTCO ₂ e annual GHG reduction
Energy Efficiency	\$ 7.3	\$ 50.2	24	139,000 MWh annual savings 62,000 MTCO ₂ e annual GHG reduction
Sustainable Water and Wastewater Management	\$ 8.0	\$ 37.3	24	7 million cubic meters annual water savings
Pollution Prevention and Control	\$ 0.2	\$ 0.4	4	2.3 million kg annual waste reduction



Independent Accountant's Report

To the Stakeholders
Micron Technology, Inc.

We have reviewed the Green Bond Allocation Reporting included in the accompanying Green Bond Report of Micron Technology, Inc. for the period from December 1, 2019 through November 30, 2021 (the Allocation), appearing on page 5. Micron's management is responsible for preparing the Allocation in accordance with the Micron October 2021 Green Bond Framework (the Criteria) as referenced on page 4. Our responsibility is to express a conclusion on the Allocation based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Allocation in order for it to be in accordance with the Criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether the Allocation is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

Only the Allocation from December 1, 2019 through November 30, 2021 included in the table on page 5 is part of our review engagement. The other information in the Green Bond Report has not been subjected to the procedures applied in our review engagement, and accordingly, we make no comment as to its completeness and accuracy and do not express a conclusion or provide any assurance on such information.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Based on our review, we are not aware of any material modifications that should be made to the Allocation for the period from December 1, 2019 through November 30, 2021, in order for it to be in accordance with the Micron October 2021 Green Bond Framework.

Moss Adams LLP

Seattle, Washington
November 28, 2022



micron.com/sustainability

About Micron Technology, Inc.

We are an industry leader in innovative memory and storage solutions transforming how the world uses information to enrich life for all. With a relentless focus on our customers, technology leadership, and manufacturing and operational excellence, Micron delivers a rich portfolio of high-performance DRAM, NAND and NOR memory and storage products through our Micron® and Crucial® brands. Every day, the innovations that our people create fuel the data economy, enabling advances in artificial intelligence and 5G applications that unleash opportunities — from the data center to the intelligent edge and across the client and mobile user experience. To learn more about Micron Technology, Inc. (Nasdaq: MU), visit micron.com.

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