

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended November 30, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

**For the transition period from to
Commission file number 1-10658**

Micron Technology, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

Address of principal executive offices, including zip code

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

75-1618004

(IRS Employer Identification No.)

8000 S. Federal Way, Boise, Idaho 83716-9632

(208) 368-4000

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.10 per share	MU	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of outstanding shares of the registrant's common stock as of December 14, 2023 was 1,103,908,880.

Table of Contents

Introduction	3
PART I. Financial Information	
Item 1. Financial Statements:	5
Consolidated Statements of Operations	5
Consolidated Statements of Comprehensive Income (Loss)	6
Consolidated Balance Sheets	7
Consolidated Statements of Changes in Equity	8
Consolidated Statements of Cash Flows	9
Notes to Consolidated Financial Statements	10
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	25
Results of Operations	27
Liquidity and Capital Resources	30
Item 3. Quantitative and Qualitative Disclosures about Market Risk	32
Item 4. Controls and Procedures	33
PART II. Other Information	
Item 1. Legal Proceedings	33
Item 1A. Risk Factors	34
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	53
Item 5. Other Information	54
Item 6. Exhibits	55
Signatures	56

Definitions of Commonly Used Terms

As used herein, “we,” “our,” “us,” and similar terms include Micron Technology, Inc. and its consolidated subsidiaries, unless the context indicates otherwise. Abbreviations, terms, or acronyms are commonly used or found in multiple locations throughout this report and include the following:

Term	Definition	Term	Definition
2024 Term Loan A	Senior Term Loan A due October 2024	2051 Notes	3.477% Senior Notes due November 2051
2025 Term Loan A	Senior Term Loan A due November 2025	CAC	China’s Cyberspace Administration
2026 Term Loan A	Senior Term Loan A due November 2026	DDR	Double data rate DRAM
2027 Term Loan A	Senior Term Loan A due November 2027	EBITDA	Earnings before interest, taxes, depreciation, and amortization
2026 Notes	4.975% Senior Notes due February 2026	EUV	Extreme ultraviolet lithography
2027 Notes	4.185% Senior Notes due February 2027	HBM	High-bandwidth memory, a stacked DRAM technology optimized for memory-bandwidth intensive applications
2028 Notes	5.375% Senior Notes due April 2028	LPDRAM	Low-power DRAM
2029 A Notes	5.327% Senior Notes due February 2029	MCP	Multichip packaged solutions with managed NAND and LPDRAM
2029 B Notes	6.750% Senior Notes due November 2029	Micron	Micron Technology, Inc. (Parent Company)
2030 Notes	4.663% Senior Notes due February 2030	NRV	Net realizable value
2032 Green Bonds	2.703% Senior Notes due April 2032	Revolving Credit Facility	\$2.5 billion Revolving Credit Facility due May 2026
2033 A Notes	5.875% Senior Notes due February 2033	SOFR	Secured Overnight Financing Rate
2033 B Notes	5.875% Senior Notes due September 2033	SSD	Solid state drive
2041 Notes	3.366% Senior Notes due November 2041		

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.

Micron, Crucial, any associated logos, and all other Micron trademarks are the property of Micron. Other product names or trademarks that are not owned by Micron are for identification purposes only and may be the trademarks of their respective owners.

Available Information

Investors and others should note that we announce material financial information about our business and products through a variety of means, including our investor relations website (investors.micron.com), filings with the U.S. Securities and Exchange Commission (“SEC”), press releases, public conference calls, blog posts (micron.com/about/blog), and webcasts. We use these channels to achieve broad, non-exclusionary distribution of information to the public and for complying with our disclosure obligations under Regulation FD. Therefore, we encourage investors, the media, and others interested in our company to review the information we post on such channels.

Forward-Looking Statements

This Form 10-Q contains trend information and other forward-looking statements that involve a number of risks and uncertainties. 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. Specific forward-looking statements include, but are not limited to, statements such as those made regarding potential change in our effective tax rate; the timing for construction and ramping of production for new memory manufacturing fabs in the United States; intent to make investments at our backend facility in Xi'an, China and build a new assembly and test facility in Gujarat, India; expected wafer starts and underutilization charges for the second quarter of 2024, the payment of future cash dividends; market conditions and profitability in our industry; the impact of the Cyberspace Administration of China decision; capital spending in 2024; and the sufficiency of our cash and investments. Our actual results could differ materially from our historical results and those discussed in the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, those identified in "Part II. Other Information – Item 1A. Risk Factors."

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

Micron Technology, Inc.
Consolidated Statements of Operations

(In millions, except per share amounts)

(Unaudited)

Three months ended	November 30, 2023	December 1, 2022
Revenue	\$ 4,726	\$ 4,085
Cost of goods sold	4,761	3,192
Gross margin	(35)	893
Research and development	845	849
Selling, general, and administrative	263	251
Restructure and asset impairments	—	13
Other operating (income) expense, net	(15)	(11)
Operating income (loss)	(1,128)	(209)
Interest income	132	88
Interest expense	(132)	(51)
Other non-operating income (expense), net	(27)	(4)
	(1,155)	(176)
Income tax (provision) benefit	(73)	(8)
Equity in net income (loss) of equity method investees	(6)	(11)
Net income (loss)	\$ (1,234)	\$ (195)
Earnings (loss) per share		
Basic	\$ (1.12)	\$ (0.18)
Diluted	(1.12)	(0.18)
Number of shares used in per share calculations		
Basic	1,100	1,090
Diluted	1,100	1,090

See accompanying notes to consolidated financial statements.

Micron Technology, Inc.

Consolidated Statements of Comprehensive Income (Loss)

(In millions)

(Unaudited)

Three months ended	November 30, 2023	December 1, 2022
Net income (loss)	\$ (1,234)	\$ (195)
Other comprehensive income (loss), net of tax		
Gains (losses) on derivative instruments	44	108
Unrealized gains (losses) on investments	7	(19)
Pension liability adjustments	2	1
Foreign currency translation adjustments	(1)	(3)
Other comprehensive income (loss)	52	87
Total comprehensive income (loss)	<u>\$ (1,182)</u>	<u>\$ (108)</u>

See accompanying notes to consolidated financial statements.

Micron Technology, Inc.

Consolidated Balance Sheets

(In millions, except par value amounts)

(Unaudited)

As of	November 30, 2023	August 31, 2023
Assets		
Cash and equivalents	\$ 8,075	\$ 8,577
Short-term investments	973	1,017
Receivables	2,943	2,443
Inventories	8,276	8,387
Other current assets	791	820
Total current assets	21,058	21,244
Long-term marketable investments	720	844
Property, plant, and equipment	37,677	37,928
Operating lease right-of-use assets	648	666
Intangible assets	416	404
Deferred tax assets	781	756
Goodwill	1,150	1,150
Other noncurrent assets	1,326	1,262
Total assets	\$ 63,776	\$ 64,254
Liabilities and equity		
Accounts payable and accrued expenses	\$ 3,946	\$ 3,958
Current debt	908	278
Other current liabilities	1,108	529
Total current liabilities	5,962	4,765
Long-term debt	12,597	13,052
Noncurrent operating lease liabilities	601	603
Noncurrent unearned government incentives	705	727
Other noncurrent liabilities	1,026	987
Total liabilities	20,891	20,134
Commitments and contingencies		
Shareholders' equity		
Common stock, \$0.10 par value, 3,000 shares authorized, 1,245 shares issued and 1,104 outstanding (1,239 shares issued and 1,098 outstanding as of August 31, 2023)	124	124
Additional capital	11,217	11,036
Retained earnings	39,356	40,824
Treasury stock, 141 shares held (141 shares as of August 31, 2023)	(7,552)	(7,552)
Accumulated other comprehensive income (loss)	(260)	(312)
Total equity	42,885	44,120
Total liabilities and equity	\$ 63,776	\$ 64,254

See accompanying notes to consolidated financial statements.

Micron Technology, Inc.

Consolidated Statements of Changes in Equity

(In millions, except per share amounts)

(Unaudited)

	Common Stock		Additional Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Number of Shares	Amount					
Balance at August 31, 2023	1,239	\$ 124	\$ 11,036	\$ 40,824	\$ (7,552)	\$ (312)	\$ 44,120
Net income (loss)	—	—	—	(1,234)	—	—	(1,234)
Other comprehensive income (loss), net	—	—	—	—	—	52	52
Stock issued under stock plans	8	—	9	—	—	—	9
Stock-based compensation expense	—	—	188	—	—	—	188
Repurchase of stock - withholdings on employee equity awards	(2)	—	(16)	(105)	—	—	(121)
Dividends and dividend equivalents declared (\$0.115 per share)	—	—	—	(129)	—	—	(129)
Balance at November 30, 2023	1,245	\$ 124	\$ 11,217	\$ 39,356	\$ (7,552)	\$ (260)	\$ 42,885

	Common Stock		Additional Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Number of Shares	Amount					
Balance at September 1, 2022	1,226	\$ 123	\$ 10,197	\$ 47,274	\$ (7,127)	\$ (560)	\$ 49,907
Net income (loss)	—	—	—	(195)	—	—	(195)
Other comprehensive income (loss), net	—	—	—	—	—	87	87
Stock issued under stock plans	8	—	7	—	—	—	7
Stock-based compensation expense	—	—	146	—	—	—	146
Repurchase of stock - repurchase program	—	—	—	—	(425)	—	(425)
Repurchase of stock - withholdings on employee equity awards	(2)	—	(15)	(80)	—	—	(95)
Dividends and dividend equivalents declared (\$0.115 per share)	—	—	—	(126)	—	—	(126)
Balance at December 1, 2022	1,232	\$ 123	\$ 10,335	\$ 46,873	\$ (7,552)	\$ (473)	\$ 49,306

See accompanying notes to consolidated financial statements.

Micron Technology, Inc.

Consolidated Statements of Cash Flows

(In millions)

(Unaudited)

Three months ended	November 30, 2023	December 1, 2022
Cash flows from operating activities		
Net income (loss)	\$ (1,234)	\$ (195)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation expense and amortization of intangible assets	1,915	1,921
Stock-based compensation	188	146
Change in operating assets and liabilities:		
Receivables	(501)	1,842
Inventories	111	(1,697)
Accounts payable and accrued expenses	271	(630)
Other current liabilities	579	(430)
Other	72	(14)
Net cash provided by operating activities	1,401	943
Cash flows from investing activities		
Expenditures for property, plant, and equipment	(1,796)	(2,449)
Purchases of available-for-sale securities	(199)	(90)
Proceeds from maturities and sales of available-for-sale securities	374	362
Proceeds from government incentives	85	2
Other	(22)	(91)
Net cash provided by (used for) investing activities	(1,558)	(2,266)
Cash flows from financing activities		
Payments of dividends to shareholders	(129)	(126)
Payments on equipment purchase contracts	(56)	(47)
Repayments of debt	(53)	(20)
Repurchases of common stock - repurchase program	—	(425)
Proceeds from issuance of debt	—	3,349
Other	(114)	(99)
Net cash provided by (used for) financing activities	(352)	2,632
Effect of changes in currency exchange rates on cash, cash equivalents, and restricted cash	(1)	(6)
Net increase (decrease) in cash, cash equivalents, and restricted cash	(510)	1,303
Cash, cash equivalents, and restricted cash at beginning of period	8,656	8,339
Cash, cash equivalents, and restricted cash at end of period	\$ 8,146	\$ 9,642

See accompanying notes to consolidated financial statements.

Micron Technology, Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All tabular amounts in millions, except per share amounts)

(Unaudited)

Significant Accounting Policies

For a discussion of our significant accounting policies, see “Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Significant Accounting Policies” of our Annual Report on Form 10-K for the year ended August 31, 2023. There have been no changes to our significant accounting policies since our Annual Report on Form 10-K for the year ended August 31, 2023.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Micron Technology, Inc. and our consolidated subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) consistent in all material respects with those applied in our Annual Report on Form 10-K for the year ended August 31, 2023.

In the opinion of our management, the accompanying unaudited consolidated financial statements contain all necessary adjustments, consisting of a normal recurring nature, to fairly state the financial information set forth herein. Certain reclassifications have been made to prior period amounts to conform to current period presentation.

Our fiscal year is the 52 or 53-week period ending on the Thursday closest to August 31. Fiscal years 2024 and 2023 each contain 52 weeks. All period references are to our fiscal periods unless otherwise indicated. These interim financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended August 31, 2023.

Variable Interest Entities

A number of special purpose entities (the “Lease SPEs”) were created by a third-party to facilitate equipment lease financing transactions between us and financial institutions that fund the lease financing transactions (“Financing Entities”). Neither we nor the Financing Entities have an equity interest in the Lease SPEs. The Lease SPEs are variable interest entities because their equity is not sufficient to permit them to finance their activities without additional support from the Financing Entities and because the third-party equity holder lacks characteristics of a controlling financial interest. By design, the arrangements with the Lease SPEs are merely financing vehicles and we do not bear any significant risks from variable interests with the Lease SPEs. We have determined that we do not have the power to direct the activities of the Lease SPEs that most significantly impact their economic performance and we do not consolidate the Lease SPEs. As of November 30, 2023, we had approximately \$250 million of financial lease liabilities and right-of-use assets under these arrangements.

Cash and Investments

All of our short-term investments and long-term marketable investments were classified as available-for-sale as of the dates noted below. Cash and equivalents and the fair values of our available-for-sale investments, which approximated amortized costs, were as follows:

	As of November 30, 2023				As of August 31, 2023			
	Cash and Equivalents	Short-term Investments	Long-term Marketable Investments ⁽¹⁾	Total Fair Value	Cash and Equivalents	Short-term Investments	Long-term Marketable Investments ⁽¹⁾	Total Fair Value
Cash	\$ 5,400	\$ —	\$ —	\$ 5,400	\$ 5,771	\$ —	\$ —	\$ 5,771
Level 1 ⁽²⁾								
Money market funds	1,570	—	—	1,570	1,629	—	—	1,629
Level 2 ⁽³⁾								
Certificates of deposit	1,090	26	—	1,116	1,172	25	—	1,197
Corporate bonds	—	681	359	1,040	—	737	437	1,174
Asset-backed securities	—	16	349	365	—	15	387	402
Government securities	15	152	12	179	5	131	20	156
Commercial paper	—	98	—	98	—	109	—	109
	8,075	\$ 973	\$ 720	\$ 9,768	8,577	\$ 1,017	\$ 844	\$ 10,438
Restricted cash ⁽⁴⁾	71				79			
Cash, cash equivalents, and restricted cash	\$ 8,146				\$ 8,656			

⁽¹⁾ The maturities of long-term marketable investments primarily range from one to five years, except for asset-backed securities which are not due at a single maturity date.

⁽²⁾ The fair value of Level 1 securities is measured based on quoted prices in active markets for identical assets.

⁽³⁾ The fair value of Level 2 securities is measured using information obtained from pricing services, which obtain quoted market prices for similar instruments, non-binding market consensus prices that are corroborated by observable market data, or various other methodologies, to determine the appropriate value at the measurement date. We perform supplemental analysis to validate information obtained from these pricing services. No adjustments were made to the fair values indicated by such pricing information as of November 30, 2023 or August 31, 2023.

⁽⁴⁾ Restricted cash is included in other current assets and other noncurrent assets and primarily relates to certain government incentives received prior to being earned and for which restrictions lapse upon achieving certain performance conditions or which will be returned if performance conditions are not met.

Gross realized gains and losses from sales of available-for-sale securities were not significant for any period presented.

Non-marketable Equity Investments

In addition to the amounts included in the table above, we had \$188 million and \$218 million of non-marketable equity investments without a readily determinable fair value that were included in other noncurrent assets as of November 30, 2023 and August 31, 2023, respectively. We recognized losses in other non-operating income (expense) on our non-marketable investments of \$31 million for the first quarter of 2024 and net losses of \$7 million for the first quarter of 2023. Our non-marketable equity investments are recorded at fair value on a non-recurring basis and classified as Level 3.

Receivables

As of	November 30, 2023	August 31, 2023
Trade receivables	\$ 2,478	\$ 2,048
Income and other taxes	217	194
Other	248	201
	<u>\$ 2,943</u>	<u>\$ 2,443</u>

Inventories

As of	November 30, 2023	August 31, 2023
Finished goods	\$ 1,282	\$ 1,616
Work in process	6,334	6,111
Raw materials and supplies	660	660
	<u>\$ 8,276</u>	<u>\$ 8,387</u>

Property, Plant, and Equipment

As of	November 30, 2023	August 31, 2023
Land	\$ 283	\$ 283
Buildings	18,652	17,967
Equipment ⁽¹⁾	66,392	65,555
Construction in progress ⁽²⁾	2,215	2,464
Software	1,377	1,316
	88,919	87,585
Accumulated depreciation	(51,242)	(49,657)
	<u>\$ 37,677</u>	<u>\$ 37,928</u>

⁽¹⁾ Includes costs related to equipment not placed into service of \$2.88 billion as of November 30, 2023 and \$2.91 billion as of August 31, 2023.

⁽²⁾ Includes building-related construction, tool installation, and software costs for assets not placed into service.

Intangible Assets

	As of November 30, 2023			As of August 31, 2023		
	Gross Amount	Accumulated Amortization	Net Carrying Amount	Gross Amount	Accumulated Amortization	Net Carrying Amount
Product and process technology	\$ 631	\$ (226)	\$ 405	\$ 613	\$ (209)	\$ 404
Other	11	—	11	—	—	—
	<u>\$ 642</u>	<u>\$ (226)</u>	<u>\$ 416</u>	<u>\$ 613</u>	<u>\$ (209)</u>	<u>\$ 404</u>

In the first quarters of 2024 and 2023, we capitalized \$22 million and \$30 million, respectively, for product and process technology with weighted-average useful lives of 9 years and 10 years, respectively. Amortization expense was \$20 million and \$23 million for the first three months of 2024 and 2023, respectively. Expected amortization expense is \$59 million for the remainder of 2024, \$54 million for 2025, \$50 million for 2026, \$46 million for 2027, and \$44 million for 2028.

Leases

The components of lease cost are presented below:

Three months ended	November 30, 2023	December 1, 2022
Finance lease cost		
Amortization of right-of-use asset	\$ 32	\$ 24
Interest on lease liability	6	6
Operating lease cost ⁽¹⁾	33	36
	<u>\$ 71</u>	<u>\$ 66</u>

⁽¹⁾ Operating lease cost includes short-term and variable lease expenses, which were not material for the periods presented.

Supplemental cash flow information related to leases was as follows:

Three months ended	November 30, 2023	December 1, 2022
Cash flows used for operating activities		
Finance leases	\$ 6	\$ 5
Operating leases	33	33
Cash flows used for financing activities – Finance leases	27	20
Noncash acquisitions of right-of-use assets		
Finance leases	217	43
Operating leases	—	35

Supplemental balance sheet information related to leases was as follows:

As of	November 30, 2023	August 31, 2023
Finance lease right-of-use assets (included in property, plant, and equipment)	\$ 1,497	\$ 1,311
Current operating lease liabilities (included in accounts payable and accrued expenses)	62	66
Weighted-average remaining lease term (in years)		
Finance leases	8	9
Operating leases	11	11
Weighted-average discount rate		
Finance leases	4.25 %	3.86 %
Operating leases	3.23 %	3.21 %

As of November 30, 2023, maturities of lease liabilities by fiscal year were as follows:

For the year ending	Finance Leases	Operating Leases
Remainder of 2024	\$ 204	\$ 50
2025	255	77
2026	241	76
2027	235	76
2028	225	74
2029 and thereafter	541	453
Less imputed interest	(220)	(143)
	<u>\$ 1,481</u>	<u>\$ 663</u>

The table above excludes obligations for leases that have been executed but have not yet commenced. As of November 30, 2023, excluded obligations consisted of \$122 million of finance lease obligations over a weighted-average period of 8 years for gas supply arrangements deemed to contain embedded leases and equipment leases. We will recognize right-of-use assets and associated lease liabilities at the time such assets become available for our use.

Accounts Payable and Accrued Expenses

As of	November 30, 2023	August 31, 2023
Accounts payable	\$ 1,721	\$ 1,725
Property, plant, and equipment	1,197	1,419
Salaries, wages, and benefits	621	367
Income and other taxes	97	67
Other	310	380
	<u>\$ 3,946</u>	<u>\$ 3,958</u>

Debt

	As of November 30, 2023						As of August 31, 2023		
	Stated Rate	Effective Rate	Net Carrying Amount			Net Carrying Amount			
			Current	Long-Term	Total	Current	Long-Term	Total	
2024 Term Loan A	6.163 %	6.20 %	\$ 587	\$ —	\$ 587	\$ —	\$ 587	\$ 587	
2025 Term Loan A	6.698 %	6.83 %	—	1,050	1,050	—	1,050	1,050	
2026 Term Loan A	6.823 %	6.96 %	49	909	958	49	921	970	
2027 Term Loan A	6.948 %	7.09 %	57	1,049	1,106	57	1,063	1,120	
2026 Notes	4.975 %	5.07 %	—	499	499	—	499	499	
2027 Notes ⁽¹⁾	4.185 %	4.27 %	—	797	797	—	798	798	
2028 Notes	5.375 %	5.52 %	—	597	597	—	596	596	
2029 A Notes	5.327 %	5.40 %	—	697	697	—	697	697	
2029 B Notes	6.750 %	6.54 %	—	1,263	1,263	—	1,263	1,263	
2030 Notes	4.663 %	4.73 %	—	847	847	—	846	846	
2032 Green Bonds	2.703 %	2.77 %	—	995	995	—	995	995	
2033 A Notes	5.875 %	5.96 %	—	745	745	—	745	745	
2033 B Notes	5.875 %	6.01 %	—	890	890	—	890	890	
2041 Notes	3.366 %	3.41 %	—	497	497	—	497	497	
2051 Notes	3.477 %	3.52 %	—	496	496	—	496	496	
Finance lease obligations	N/A	4.25 %	215	1,266	1,481	172	1,109	1,281	
			\$ 908	\$ 12,597	\$ 13,505	\$ 278	\$ 13,052	\$ 13,330	

⁽¹⁾ In 2021, we entered into fixed-to-floating interest rate swaps on the 2027 Notes with an aggregate \$900 million notional amount equal to the principal amount of the 2027 Notes. The resulting variable interest paid is at a rate equal to SOFR plus approximately 3.33%. The fixed-to-floating interest rate swaps are accounted for as fair value hedges, and as a result, the carrying values of our 2027 Notes reflect adjustments in fair value.

Revolving Credit Facility

As of November 30, 2023, no amounts were outstanding under the Revolving Credit Facility and \$2.50 billion was available to us. Under the Revolving Credit Facility, borrowings would generally bear interest at a rate equal to adjusted term SOFR plus 1.00% to 1.75%, depending on our corporate credit ratings. Adjusted term SOFR for the Revolving Credit Facility agreement is the SOFR benchmark plus a credit spread adjustment ranging from approximately 0.11% to 0.43% depending on the applicable interest period selected. Any amounts outstanding under the Revolving Credit Facility would mature in May 2026 and amounts borrowed may be prepaid without penalty.

The Revolving Credit Facility requires us to maintain, on a consolidated basis, a leverage ratio of total indebtedness to adjusted EBITDA, as defined in the Revolving Credit Facility and calculated as of the last day of each fiscal quarter, not to exceed 3.25 to 1.00. On March 27, 2023, we amended the Revolving Credit Facility to provide that in lieu of the foregoing leverage ratio, during the fourth quarter of 2023 and each quarter of 2024, we will be required to maintain, on a consolidated basis, a net leverage ratio of total net indebtedness to adjusted EBITDA, as defined in the Revolving Credit Facility and calculated as of the last day of each fiscal quarter, not to exceed 3.25 to 1.00. Alternatively, for up to three of such five quarters, we may elect to comply with a requirement of minimum liquidity, as defined in the Revolving Credit Facility, of not less than \$5.0 billion. In the fourth quarter of 2023 and first quarter of 2024, we complied with the net leverage ratio requirement. Each of the leverage ratio and net leverage ratio maximums, as applicable, is subject to a temporary four quarter increase in such ratio to 3.75 to 1.00 following certain material acquisitions.

Maturities of Notes Payable

As of November 30, 2023, maturities of notes payable by fiscal year were as follows:

Remainder of 2024	\$	81
2025		695
2026		1,659
2027		1,780
2028		1,492
2029 and thereafter		6,450
Unamortized issuance costs, discounts, and premium, net		(32)
Hedge accounting fair value adjustment		(101)
	\$	<u>12,024</u>

Contingencies

We are currently a party to legal actions other than those described below arising from the normal course of business, none of which are expected to have a material adverse effect on our business, results of operations, or financial condition.

Patent Matters

As is typical in the semiconductor and other high-tech industries, from time to time, others have asserted, and may in the future assert, that our products or manufacturing processes infringe upon their intellectual property rights.

On March 19, 2018, Micron Semiconductor (Xi'an) Co., Ltd. ("MXA") was served with a patent infringement complaint filed by Fujian Jinhua Integrated Circuit Co., Ltd. ("Jinhua") in the Fuzhou Intermediate People's Court in Fujian Province, China (the "Fuzhou Court"). On April 3, 2018, Micron Semiconductor (Shanghai) Co. Ltd. ("MSS") was served with the same complaint. The complaint alleged that MXA and MSS infringed one Chinese patent by manufacturing and selling certain Crucial DDR4 DRAM modules. The complaint sought an order requiring MXA and MSS to destroy inventory of the accused products and equipment for manufacturing the accused products in China; to stop manufacturing, using, selling, and offering for sale the accused products in China; and to pay damages of 98 million Chinese yuan plus court fees incurred. On December 4, 2023, Micron and Jinhua entered a settlement agreement under which Jinhua will file an application to the Fuzhou Court to withdraw its complaints against MXA and MSS.

On March 21, 2018, MXA was served with a patent infringement complaint filed by United Microelectronics Corporation ("UMC") in the Fuzhou Court. On April 3, 2018, MSS was served with the same complaint. The complaint alleges that MXA and MSS infringed one Chinese patent by manufacturing and selling certain Crucial DDR4 DRAM modules. The complaint seeks an order requiring MXA and MSS to destroy inventory of the accused products and equipment for manufacturing the accused products in China; to stop manufacturing, using, selling, and offering for sale the accused products in China; and to pay damages of 90 million Chinese yuan plus court fees incurred. On November 26, 2021, pursuant to a settlement agreement between UMC and Micron, UMC filed an application to the Fuzhou Court to withdraw its complaints against MXA and MSS.

On April 3, 2018, MSS was served with another patent infringement complaint filed by Jinhua and an additional complaint filed by UMC in the Fuzhou Court. The additional complaints alleged that MSS infringed two Chinese patents by manufacturing and selling certain Crucial MX300 SSDs. The complaint filed by UMC sought an order requiring MSS to destroy inventory of the accused products and equipment for manufacturing the accused products in China; to stop manufacturing, using, selling, and offering for sale the accused products in China; and to pay damages of 90 million Chinese yuan plus court fees incurred. The complaint filed by Jinhua sought an order requiring MSS to destroy inventory of the accused products and equipment for manufacturing the accused products in China; to stop manufacturing, using, selling, and offering for sale the accused products in China; and to pay damages of 98 million Chinese yuan plus court fees incurred. On November 26, 2021, pursuant to a settlement agreement between UMC and Micron, UMC filed an application to the Fuzhou Court to withdraw its complaint against MSS. On December 4, 2023, Micron and Jinhua entered a settlement agreement under which Jinhua will file an application to the Fuzhou Court to withdraw its complaint against MSS.

On July 5, 2018, MXA and MSS were notified that the Fuzhou Court granted a preliminary injunction against those entities that enjoins them from manufacturing, selling, or importing certain Crucial and Ballistix-branded DRAM modules and solid-state drives in China. On December 4, 2023, Micron and Jinhua entered a settlement agreement under which Jinhua will file an application to the Fuzhou Court to withdraw the injunction.

On April 28, 2021, Netlist, Inc. (“Netlist”) filed two patent infringement actions against Micron, Micron Semiconductor Products, Inc. (“MSP”), and Micron Technology Texas, LLC (“MTEC”) in the U.S. District Court for the Western District of Texas. The first complaint alleges that one U.S. patent is infringed by certain of our non-volatile dual in-line memory modules. The second complaint alleges that three U.S. patents are infringed by certain of our load-reduced dual in-line memory modules (“LRDIMMs”). Each complaint seeks injunctive relief, damages, attorneys’ fees, and costs. On March 31, 2022, Netlist filed a patent infringement complaint against Micron and Micron Semiconductor Germany, GmbH in Dusseldorf Regional Court alleging that two German patents are infringed by certain of our LRDIMMs. The complaint seeks damages, costs, and injunctive relief. On June 10, 2022, Netlist filed a patent infringement complaint against Micron, MSP, and MTEC in the U.S. District Court for the Eastern District of Texas (“E.D. Tex.”) alleging that six U.S. patents are infringed by certain of our memory modules and HBM products. On August 1, 2022, Netlist filed a second patent infringement complaint against the same defendants in E.D. Tex. alleging that one U.S. patent is infringed by certain of our LRDIMMs. On August 15, 2022, Netlist amended the second complaint to assert that two additional U.S. patents are infringed by certain of our LRDIMMs. The complaints in E.D. Tex. seek injunctive relief, damages, and attorneys’ fees.

On August 16, 2022, Sonrai Memory Ltd. filed a patent infringement complaint against Micron in the U.S. District Court for the Western District of Texas. The complaint alleges that two U.S. patents are infringed by certain SSD and NAND flash products. The complaint seeks damages, attorneys’ fees, and costs.

On January 23, 2023, Besang Inc. filed a patent infringement complaint against Micron in the U.S. District Court for the Eastern District of Texas. The complaint alleges that one U.S. patent is infringed by certain of our 3D NAND and SSD products. The complaint seeks an injunction, damages, attorneys’ fees, and costs.

On November 9, 2023, Yangtze Memory Technologies Company, Ltd. (“YMTC”) filed a patent infringement complaint against Micron and one of its subsidiaries in the U.S. District Court for the Northern District of California. The complaint alleges that eight U.S. patents are infringed by certain of our 3D NAND products. The complaint seeks an injunction, damages, attorneys’ fees, and costs.

Among other things, the above lawsuits pertain to substantially all of our DRAM, NAND, and other memory and storage products we manufacture, which account for substantially all of our revenue.

Antitrust Matters

Six cases have been filed against Micron alleging price fixing of DRAM products in the following Canadian courts on the dates indicated: Superior Court of Quebec (April 30, 2018 and May 3, 2018), the Federal Court of Canada (May 2, 2018), the Ontario Superior Court of Justice (May 15, 2018), and the Supreme Court of British Columbia (May 10, 2018). The plaintiffs in these cases are individuals seeking certification of class actions on behalf of direct and indirect purchasers of DRAM in Canada (or regions of Canada) between June 1, 2016 and February 1, 2018.

On May 15, 2018, the Chinese State Administration for Market Regulation (“SAMR”) notified Micron that it was investigating potential collusion and other anticompetitive conduct by DRAM suppliers in China. On May 31, 2018, SAMR made unannounced visits to our sales offices in Beijing, Shanghai, and Shenzhen to seek certain information as part of its investigation. We are cooperating with SAMR in its investigation.

Securities Matters

On February 9, 2021, a derivative complaint was filed by a shareholder against Sanjay Mehrotra and other current and former directors of Micron, allegedly on behalf of and for the benefit of Micron, in the U.S. District Court for the District of Delaware alleging violations of securities laws, breaches of fiduciary duties, and other violations of law involving allegedly false and misleading statements about Micron’s commitment to diversity and progress in diversifying its workforce, executive leadership, and Board of Directors. The complaint sought damages, fees, interest, costs, and an order requiring Micron to take various actions to allegedly improve its corporate governance and internal procedures. On November 2, 2023, the District Court granted the defendants’ motion to dismiss the complaint.

Other Matters

In the normal course of business, we are a party to a variety of agreements pursuant to which we may be obligated to indemnify another party. It is not possible to predict the maximum potential amount of future payments under these types of agreements due to the conditional nature of our obligations and the unique facts and circumstances involved in each particular agreement. Historically, our payments under these types of agreements have not had a material adverse effect on our business, results of operations, or financial condition.

Contingency Assessment

We are unable to predict the outcome of any of the matters noted above and cannot make a reasonable estimate of the potential loss or range of possible losses. A determination that our products or manufacturing processes infringe the intellectual property rights of others or entering into a license agreement covering such intellectual property could result in significant liability and/or require us to make material changes to our products and/or manufacturing processes. Any of the foregoing, as well as the resolution of any other legal matter noted above, could have a material adverse effect on our business, results of operations, or financial condition.

Equity

Common Stock Repurchases

Our Board of Directors has authorized the discretionary repurchase of up to \$10 billion of our outstanding common stock through open-market purchases, block trades, privately-negotiated transactions, derivative transactions, and/or pursuant to Rule 10b5-1 trading plans. The repurchase authorization has no expiration date, does not obligate us to acquire any common stock, and is subject to market conditions and our ongoing determination of the best use of available cash. No shares were repurchased in the first quarter of 2024. Through November 30, 2023, we had repurchased an aggregate of \$6.89 billion under the authorization. Amounts repurchased are included in treasury stock.

Dividends

In the first quarter of 2024, we declared and paid dividends of \$129 million (\$0.115 per share). On December 20, 2023, our Board of Directors declared a quarterly dividend of \$0.115 per share, payable in cash on January 18, 2024, to shareholders of record as of the close of business on January 2, 2024.

Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) by component for the three months ended November 30, 2023 were as follows:

	Gains (Losses) on Derivative Instruments	Unrealized Gains (Losses) on Investments	Pension Liability Adjustments	Cumulative Foreign Currency Translation Adjustment	Total
As of August 31, 2023	\$ (304)	\$ (41)	\$ 36	\$ (3)	\$ (312)
Other comprehensive income (loss) before reclassifications	14	7	—	(1)	20
Amount reclassified out of accumulated other comprehensive income (loss)	44	—	2	—	46
Tax effects	(14)	—	—	—	(14)
Other comprehensive income (loss)	44	7	2	(1)	52
As of November 30, 2023	\$ (260)	\$ (34)	\$ 38	\$ (4)	\$ (260)

Fair Value Measurements

The estimated fair values and carrying values of our outstanding debt instruments were as follows:

	As of November 30, 2023		As of August 31, 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Notes	\$ 11,651	\$ 12,024	\$ 11,549	\$ 12,049

The fair values of our debt instruments were estimated based on Level 2 inputs, including the trading price of our notes when available, discounted cash flows, and interest rates based on similar debt issued by parties with credit ratings similar to ours.

Derivative Instruments

	Notional or Contractual Amount	Fair Value of	
		Assets ⁽¹⁾	Liabilities ⁽²⁾
As of November 30, 2023			
Derivative instruments with hedge accounting designation			
Cash flow currency hedges	\$ 4,057	\$ 34	\$ (139)
Cash flow commodity hedges	310	25	(2)
Fair value interest rate hedges	900	—	(101)
Derivative instruments without hedge accounting designation			
Non-designated currency hedges	1,860	23	(20)
		<u>\$ 82</u>	<u>\$ (262)</u>
As of August 31, 2023			
Derivative instruments with hedge accounting designation			
Cash flow currency hedges	\$ 3,873	\$ 16	\$ (180)
Cash flow commodity hedges	331	45	—
Fair value interest rate hedges	900	—	(100)
Derivative instruments without hedge accounting designation			
Non-designated currency hedges	1,839	2	(17)
		<u>\$ 63</u>	<u>\$ (297)</u>

⁽¹⁾ Included in receivables and other noncurrent assets.

⁽²⁾ Included in accounts payable and accrued expenses and other noncurrent liabilities.

Derivative Instruments with Hedge Accounting Designation

Cash Flow Hedges: We utilize forward and swap contracts that generally mature within two years designated as cash flow hedges to minimize our exposure to changes in currency exchange rates or commodity prices for certain capital expenditures and manufacturing costs. Forward and swap contracts are measured at fair value based on market-based observable inputs including market spot and forward rates, interest rates, and credit-risk spreads (Level 2). We recognized gains from cash flow hedges of \$53 million for the first quarter of 2023 in accumulated other comprehensive income (loss). The amounts recognized in the first quarter of 2024 were not significant. As of November 30, 2023, we expect to reclassify \$153 million of pre-tax losses related to cash flow hedges from accumulated other comprehensive income (loss) into earnings in the next 12 months.

Fair Value Hedges: We utilize fixed-to-floating interest rate swaps designated as fair value hedges to minimize certain exposures to changes in the fair value of fixed-rate debt that result from fluctuations in benchmark interest rates. Interest rate swaps are measured at fair value based on market-based observable inputs including interest rates and credit-risk spreads (Level 2). The changes in the fair values of derivatives designated as fair value hedges and the offsetting changes in the underlying fair values of the hedged items are both recognized in earnings. When a derivative is no longer designated as a fair value hedge for any reason, including termination and maturity, the remaining unamortized difference between the carrying value of the hedged item at that time and the face value of the hedged item is amortized to earnings over the remaining life of the hedged item, or immediately if the hedged item has matured or been extinguished. The effects of fair value hedges on our consolidated statements of operations, recognized in interest expense, were not significant for the periods presented.

Derivative Instruments without Hedge Accounting Designation

Currency Derivatives: We generally utilize a rolling hedge strategy with currency forward contracts that mature within three months to hedge our exposures of monetary assets and liabilities from changes in currency exchange rates. At the end of each reporting period, monetary assets and liabilities denominated in currencies other than the U.S. dollar are remeasured into U.S. dollars and the associated outstanding forward contracts are marked to market. Currency forward contracts are valued at fair values based on the middle of bid and ask prices of dealers or exchange quotations (Level 2). Realized and unrealized gains and losses on derivative instruments without hedge accounting designation as well as the changes in the underlying monetary assets and liabilities from changes in currency exchange rates are included in other non-operating income (expense), net. The amounts recognized for derivative instruments without hedge accounting designation were not significant for the periods presented. We do not use derivative instruments for speculative purposes.

Equity Plans

As of November 30, 2023, 74 million shares of our common stock were available for future awards under our equity plans, including 14 million shares approved for issuance under our employee stock purchase plan (“ESPP”).

Restricted Stock and Restricted Stock Units (“Restricted Stock Awards”)

Restricted Stock Awards activity is summarized as follows:

Three months ended	November 30, 2023	December 1, 2022
Restricted stock award shares granted	12	14
Weighted-average grant-date fair value per share	\$ 67.36	\$ 53.94

Stock-based Compensation Expense

Stock-based compensation expense recognized in our statements of operations is presented below. Stock-based compensation expense of \$94 million and \$88 million was capitalized and remained in inventory as of November 30, 2023 and August 31, 2023, respectively.

Three months ended	November 30, 2023	December 1, 2022
Stock-based compensation expense by caption		
Research and development	\$ 68	\$ 53
Cost of goods sold	67	36
Selling, general, and administrative	47	37
	<u>\$ 182</u>	<u>\$ 126</u>
Stock-based compensation expense by type of award		
Restricted stock awards	\$ 163	\$ 109
ESPP	19	17
	<u>\$ 182</u>	<u>\$ 126</u>

As of November 30, 2023, \$1.84 billion of total unrecognized compensation costs for unvested awards, before the effect of any future forfeitures, was expected to be recognized through the first quarter of 2028, resulting in a weighted-average period of 1.4 years.

Revenue and Customer Contract Liabilities

Revenue is primarily recognized at a point in time when control of the promised goods is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods. Substantially all contracts with our customers are short-term in duration at fixed, negotiated prices with payment generally due shortly after delivery. From time to time, we have contracts with initial terms that include performance obligations that extend beyond one year. As of November 30, 2023, our future performance obligations beyond one year were not significant.

Revenue by Technology

Three months ended	November 30, 2023	December 1, 2022
DRAM	\$ 3,427	\$ 2,829
NAND	1,230	1,103
Other (primarily NOR)	69	153
	<u>\$ 4,726</u>	<u>\$ 4,085</u>

See "Segment and Other Information" for disclosure of disaggregated revenue by market segment.

Customer Contract Liabilities

Contract liabilities from customer prepayments made to secure product supply in future periods were approximately \$600 million as of November 30, 2023 and were reported within other current liabilities.

As of November 30, 2023 and August 31, 2023, other current liabilities also included \$455 million and \$453 million, respectively, for estimates of consideration payable to customers including estimates for pricing adjustments and returns.

Income Taxes

Our income tax (provision) benefit consisted of the following:

Three months ended	November 30, 2023	December 1, 2022
Income (loss) before taxes	\$ (1,155)	\$ (176)
Income tax (provision) benefit	(73)	(8)
Effective tax rate	(6.3)%	(4.5)%

For the first quarter of 2024, we recorded tax expense based on actual first quarter results for jurisdictions where small changes in our projected pre-tax income may cause significant changes in the estimated annual effective tax rate.

The change in our effective tax rate for the first quarter of 2024 as compared to the first quarter of 2023 was primarily due to changes in levels of profitability, interim tax expense methodology, and our geographic mix of earnings. Despite a consolidated pre-tax loss on a worldwide basis, we have taxes payable in certain geographies due to minimum taxable income reportable in those geographies.

We operate in a number of jurisdictions outside the United States, including Singapore, where we have tax incentive arrangements. These incentives expire, in whole or in part, at various dates through 2034 and are conditional, in part, upon meeting certain business operations and employment thresholds. As a result of a loss before taxes and geographic mix of income, the benefit from tax incentive arrangements was not material for the first quarters of 2024 and 2023.

Earnings Per Share

Three months ended	November 30, 2023	December 1, 2022
Net income (loss) – Basic and Diluted	\$ (1,234)	\$ (195)
Weighted-average common shares outstanding – Basic and Diluted	1,100	1,090
Earnings (loss) per share		
Basic	\$ (1.12)	\$ (0.18)
Diluted	(1.12)	(0.18)

Antidilutive potential common shares excluded from the computation of diluted earnings per share, that could dilute basic earnings per share in the future, were 35 million for the first quarter of 2024 and 2023.

Segment and Other Information

Segment information reported herein is consistent with how it is reviewed and evaluated by our chief operating decision maker. We have the following four business units, which are our reportable segments:

Compute and Networking Business Unit (“CNBU”): Includes memory products and solutions sold into client, cloud server, enterprise, graphics, and networking markets.

Mobile Business Unit (“MBU”): Includes memory and storage products sold into smartphone and other mobile-device markets.

Embedded Business Unit (“EBU”): Includes memory and storage products and solutions sold into automotive, industrial, and consumer markets.

Storage Business Unit (“SBU”): Includes SSDs and component-level solutions sold into enterprise and cloud, client, and consumer storage markets.

Certain operating expenses directly associated with the activities of a specific segment are charged to that segment. Other indirect operating income and expenses are generally allocated to segments based on their respective percentage of cost of goods sold or forecasted wafer production. We do not identify or report internally our assets (other than goodwill) or capital expenditures by segment, nor do we allocate gains and losses from equity method investments, interest, other non-operating income or expense items, or taxes to segments.

Three months ended	November 30, 2023	December 1, 2022
Revenue		
CNBU	\$ 1,737	\$ 1,746
MBU	1,293	655
EBU	1,037	1,000
SBU	653	680
All Other	6	4
	<u>\$ 4,726</u>	<u>\$ 4,085</u>
Operating income (loss)		
CNBU	\$ (397)	\$ 190
MBU	(687)	(195)
EBU	10	194
SBU	(490)	(257)
All Other	4	3
	<u>(1,560)</u>	<u>(65)</u>
Unallocated		
Lower costs from sale of inventory written down in prior periods	605	—
Stock-based compensation	(182)	(126)
Restructure and asset impairments	—	(13)
Other	9	(5)
	<u>432</u>	<u>(144)</u>
Operating income (loss)	<u>\$ (1,128)</u>	<u>\$ (209)</u>

Certain Concentrations

Revenue by end market as an approximate percent of total revenue is presented in the table below:

Three months ended	November 30, 2023	December 1, 2022
Mobile	25 %	15 %
Automotive, industrial, and consumer	20 %	25 %
Client and graphics	20 %	15 %
Enterprise and cloud server	15 %	20 %
SSDs and other storage	15 %	15 %

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion should be read in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended August 31, 2023. All period references are to our fiscal periods unless otherwise indicated. Our fiscal year is the 52 or 53-week period ending on the Thursday closest to August 31. Fiscal 2024 and 2023 each contain 52 weeks. All tabular dollar amounts are in millions, except per share amounts.

Overview

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.

We manufacture our products at wholly-owned facilities and also utilize subcontractors for certain manufacturing processes. Our global network of manufacturing centers of excellence not only allows us to benefit from scale while streamlining processes and operations, but it also brings together some of the world's brightest talent to work on the most advanced memory technology. Centers of excellence bring expertise together in one location, providing an efficient support structure for end-to-end manufacturing, with quicker cycle times, in partnership with teams such as research and development ("R&D"), product engineering, human resources, procurement, and supply chain. For our locations in Singapore and Taiwan, this is also a combination of bringing fabrication and back-end manufacturing together. We make significant investments to develop proprietary product and process technology, which generally increases bit density per wafer and reduces per-bit manufacturing costs of each generation of product. We continue to introduce new generations of products that offer improved performance characteristics, including higher data transfer rates, advanced packaging solutions, lower power consumption, improved read/write reliability, and increased memory density.

We face intense competition in the semiconductor memory and storage markets and to remain competitive we must continuously develop and implement new products and technologies and decrease manufacturing costs in spite of ongoing inflationary cost pressures. Our success is largely dependent on obtaining returns on our R&D investments, efficient utilization of our manufacturing infrastructure, development and integration of advanced product and process technologies, market acceptance of our diversified portfolio of semiconductor-based memory and storage solutions, and efficient capital spending.

Product Technologies

Our product portfolio of memory and storage solutions, advanced solutions, and storage platforms is based on our high-performance semiconductor memory and storage technologies, including DRAM, NAND, and NOR. We sell our products into various markets through our business units in numerous forms, including components, modules, SSDs, managed NAND, MCPs, and wafers. Our system-level solutions, including SSDs and managed NAND, combine NAND, a controller, firmware, and in some cases DRAM.

DRAM: DRAM products are dynamic random access memory semiconductor devices with low latency that provide high-speed data retrieval with a variety of performance characteristics. DRAM products lose content when power is turned off ("volatile") and are most commonly used in client, cloud server, enterprise, networking, graphics, industrial, and automotive markets. LPDRAM products, which are engineered to meet standards for performance and power consumption, are sold into smartphone and other mobile-device markets (including client markets for Chromebooks and notebook PCs), as well as into the automotive, industrial, consumer, and datacenter markets.

NAND: NAND products are non-volatile, re-writeable semiconductor storage devices that provide high-capacity, low-cost storage with a variety of performance characteristics. NAND is used in SSDs for the enterprise and cloud, client, consumer, and automotive markets and in removable storage markets. Managed NAND is used in smartphones and other mobile devices, and in consumer, automotive, and embedded markets. Low-density NAND is ideal for applications like automotive, surveillance, machine-to-machine, automation, printer, and home networking.

NOR: NOR products are non-volatile, re-writable semiconductor memory devices that provide fast read speeds. NOR is most commonly used for reliable code storage (e.g., boot, application, operating system, and execute-in-place code in an embedded system) and for frequently changing small data storage and is ideal for automotive, industrial, and consumer applications.

Industry Conditions

The memory and storage industry environment deteriorated sharply in the fourth quarter of 2022 and throughout 2023 due to weak demand in many end markets combined with global and macroeconomic challenges and lower demand resulting from customer actions to reduce inventory levels. This led to significant reductions in average selling prices for both DRAM and NAND and reductions in bit shipments for DRAM, resulting in declines in revenue across all our business segments and nearly all our end markets. For the first quarter of 2024, improving demand growth driven in part by deployment of artificial intelligence, customer inventory normalization, and industry-wide supply discipline, resulted in an improved industry supply and demand balance. As a result, we have experienced improvements in pricing and margins.

As a result of challenging market conditions that have persisted since the fourth quarter of 2022 and increased levels of our inventories, in recent quarters we have reduced capital expenditures and wafer starts for both DRAM and NAND. We expect wafer starts will remain below peak capacity levels for the second quarter of 2024 as we remain focused on managing down our inventories and controlling our supply. We recognized period costs from fabrication facility underutilization of \$165 million in first quarter of 2024 and \$222 million in the fourth quarter of 2023 due to wafer start reductions. We expect reduced underutilization charges in the second quarter of 2024. In addition, we have strategically diverted underutilized equipment toward ramping new technology nodes, which will help us increase leading edge production in a capital efficient manner. Since the number of wafer processing steps is higher for leading-edge nodes, this approach of diverting underutilized tools to the leading edge meaningfully reduces our overall wafer capacity.

Impact of China Cyberspace Administration Decision

On March 31, 2023, China's Cyberspace Administration (the "CAC") notified us that it was conducting a cybersecurity review of our products sold in China. On May 21, 2023, we received notice that the CAC had concluded its review and decided that our products presented a cybersecurity risk. As such, the CAC determined that critical information infrastructure operators in China may not purchase Micron products. The CAC decision has impacted our business, particularly in the domestic data center and networking markets in China, and we have been working to mitigate that impact. Our long-term goal is to retain our worldwide DRAM and NAND market share.

Results of Operations

Consolidated Results

	First Quarter 2024		Fourth Quarter 2023		First Quarter 2023	
Revenue	\$ 4,726	100 %	\$ 4,010	100 %	\$ 4,085	100 %
Cost of goods sold	4,761	101 %	4,445	111 %	3,192	78 %
Gross margin	(35)	(1)%	(435)	(11)%	893	22 %
Research and development	845	18 %	719	18 %	849	21 %
Selling, general, and administrative	263	6 %	219	5 %	251	6 %
Restructure and asset impairments	—	— %	4	— %	13	— %
Other operating (income) expense, net	(15)	— %	95	2 %	(11)	— %
Operating income (loss)	(1,128)	(24)%	(1,472)	(37)%	(209)	(5)%
Interest income (expense), net	—	— %	5	— %	37	1 %
Other non-operating income (expense), net	(27)	(1)%	9	— %	(4)	— %
Income tax (provision) benefit	(73)	(2)%	24	1 %	(8)	— %
Equity in net income (loss) of equity method investees	(6)	— %	4	— %	(11)	— %
Net income (loss)	\$ (1,234)	(26)%	\$ (1,430)	(36)%	\$ (195)	(5)%

Total Revenue: Total revenue for the first quarter of 2024 was impacted by the factors described in the section titled “Industry Conditions” above. Total revenue for the first quarter of 2024 increased 18% as compared to the fourth quarter of 2023 primarily due to increases in sales of both DRAM and NAND products.

- Sales of DRAM products in the first quarter of 2024 increased 24% as compared to the fourth quarter of 2023 primarily due to a low-20s percent range increase in bit shipments and increases in average selling prices in the low single-digit-percent range.
- Sales of NAND products in the first quarter of 2024 increased 2% as compared to the fourth quarter of 2023 primarily due to an approximate 20% increase in average selling prices partially offset by decreases in bit shipments in the mid-teens percent range after record NAND bit shipments in the fourth quarter of 2023.

Total revenue for the first quarter of 2024 increased 16% as compared to the first quarter of 2023 primarily due to increases in sales of both DRAM and NAND products.

- Sales of DRAM products in the first quarter of 2024 increased 21% as compared to the first quarter of 2023 primarily due to a low-80s percent range increase in bit shipments partially offset by a decrease in average selling prices in the low-30s percent range.
- Sales of NAND products in the first quarter of 2024 increased 12% as compared to the first quarter of 2023 primarily due to a high-70s percent range increase in bit shipments partially offset by a decrease in average selling prices in the high-30s percent range.

Consolidated Gross Margin: Our consolidated gross margin has been impacted by the factors described in the section titled “Industry Conditions” above. Our consolidated gross margin percentage improved to negative 1% for the first quarter of 2024 from negative 11% for the fourth quarter of 2023, as a result of improvements in margins for both DRAM and NAND products, primarily due to increases in average selling prices, and a higher mix of revenue from DRAM. Our consolidated gross margin percentage declined to negative 1% for the first quarter of 2024 from 22% for the first quarter of 2023 primarily due to declines in average selling prices for both DRAM and NAND and \$165 million of facility underutilization costs in the first quarter of 2024.

Inventory NRV write-downs: Our consolidated gross margin was impacted by charges in the third and second quarters of 2023 to write down inventories to their estimated net realizable value as a result of declines in average selling prices for both DRAM and NAND. As charges to write down inventories are recorded in advance of when inventories are sold, costs of goods sold in subsequent periods are lower than they otherwise would be. The impact of inventory NRV write-downs for each period reflects (1) inventory write-downs in that period, offset by (2) lower costs in that period on the sale of inventory written down in prior periods. The impacts of inventory NRV write-downs are summarized below:

	First Quarter 2024	Fourth Quarter 2023	First Quarter 2023
Provision to write down inventory to NRV	\$ —	\$ —	\$ —
Lower costs from sale of inventory written down in prior periods	605	563	—
	<u>\$ 605</u>	<u>\$ 563</u>	<u>\$ —</u>

Revenue by Business Unit

	First Quarter 2024		Fourth Quarter 2023		First Quarter 2023	
CNBU	\$ 1,737	37 %	\$ 1,200	30 %	\$ 1,746	43 %
MBU	1,293	27 %	1,211	30 %	655	16 %
EBU	1,037	22 %	860	21 %	1,000	24 %
SBU	653	14 %	739	18 %	680	17 %
All Other	6	— %	—	— %	4	— %
	<u>\$ 4,726</u>		<u>\$ 4,010</u>		<u>\$ 4,085</u>	

Percentages of total revenue may not total 100% due to rounding.

Changes in revenue for each business unit for the first quarter of 2024 as compared to the fourth quarter of 2023 were as follows:

- CNBU revenue increased 45% primarily due to increases in bit shipments driven by strong demand in data center and client end markets.
- MBU revenue increased 7% primarily due to increases in average selling prices and NAND bit shipments, driven by improved end market demand.
- EBU revenue increased 21% primarily due to increases in bit shipments reflecting growth across most end markets.
- SBU revenue decreased 12% primarily due to declines in component NAND sales, partially offset by increases in SSD sales.

Changes in revenue for each business unit for the first quarter of 2024 as compared to the first quarter of 2023 were as follows:

- CNBU revenue decreased 1% as declines in average selling prices were largely offset by increases in bit shipments.
- MBU revenue increased 97% primarily due to increases in bit shipments for both DRAM and NAND, partially offset by declines in average selling prices.
- EBU revenue increased 4% primarily due to increases in bit shipments, partially offset by declines in average selling prices.
- SBU revenue decreased 4% primarily due to declines in average selling prices, partially offset by increases in bit shipments.

Operating Income (Loss) by Business Unit

	First Quarter 2024		Fourth Quarter 2023		First Quarter 2023	
CNBU	\$ (397)	(23)%	\$ (403)	(34)%	\$ 190	11 %
MBU	(687)	(53)%	(733)	(61)%	(195)	(30)%
EBU	10	1 %	35	4 %	194	19 %
SBU	(490)	(75)%	(672)	(91)%	(257)	(38)%
All Other	4	67 %	2	— %	3	75 %
	<u>\$ (1,560)</u>		<u>\$ (1,771)</u>		<u>\$ (65)</u>	

Percentages reflect operating income (loss) as a percentage of revenue for each business unit.

Changes in operating income or loss for each business unit for the first quarter of 2024 as compared to the fourth quarter of 2023 were as follows:

- CNBU operating income (loss) was relatively unchanged.
- MBU operating income (loss) improved primarily due to increases in average selling prices.
- EBU operating income decreased slightly primarily due to declines in average selling prices.
- SBU operating income (loss) improved primarily due to increases in average selling prices.

Changes in operating income or loss for each business unit for the first quarter of 2024 as compared to the first quarter of 2023 were as follows:

- CNBU operating income (loss) deteriorated primarily due to declines in average selling prices.
- MBU operating income (loss) deteriorated primarily due to declines in average selling prices.
- EBU operating income decreased primarily due to declines in average selling prices.
- SBU operating income (loss) deteriorated primarily due to declines in average selling prices.

Operating Expenses and Other

Research and Development: R&D expenses vary primarily with the number of development and pre-qualification wafers processed, the cost of advanced equipment dedicated to new product and process development, and personnel costs. Because of the lead times necessary to manufacture our products, we typically begin to process wafers before completion of performance and reliability testing. Development of a product is deemed complete when it is qualified through internal reviews and tests for performance and reliability. R&D expenses can vary significantly depending on the timing of product qualification.

R&D expenses for the first quarter of 2024 increased 18% as compared to the fourth quarter of 2023 due to higher volumes of development and prequalification wafers and an increase in employee compensation. R&D expenses for the first quarter of 2024 compared to the first quarter of 2023 were relatively unchanged as lower volumes of development and prequalification wafers were largely offset by increases in employee compensation.

Selling, General, and Administrative: SG&A expenses for the first quarter of 2024 increased 20% as compared to the fourth quarter of 2023 primarily due to an increase in employee compensation. SG&A expenses for the first quarter of 2024 were relatively unchanged compared to the first quarter of 2023.

Other operating (income) expense, net: In the fourth quarter of 2023, we recognized a charge of \$101 million included in other operating (income) expense, net to impair all of the goodwill assigned to our SBU reporting unit based on a quantitative assessment for impairment.

Income Taxes: Our income tax (provision) benefit consisted of the following:

	First Quarter 2024	Fourth Quarter 2023	First Quarter 2023
Income (loss) before taxes	\$ (1,155)	\$ (1,458)	\$ (176)
Income tax (provision) benefit	(73)	24	(8)
Effective tax rate	(6.3)%	1.6 %	(4.5)%

For the first quarter of 2024, we recorded tax expense based on actual first quarter results for jurisdictions where small changes in our projected pre-tax income may cause significant changes in the estimated annual effective tax rate.

In future quarters where a reliable annual effective tax rate can be estimated for all jurisdictions, we would revert back to a global annual effective tax rate method, which may result in a significant adjustment due to the change in methodology during that period.

The change in our effective tax rate for the first quarter of 2024 as compared to the fourth quarter of 2023 was primarily due to discrete tax benefits occurring in the fourth quarter of 2023 and interim tax expense methodology in the first quarter of 2024. The change in our effective tax rate for the first quarter of 2024 as compared to the first quarter of 2023 was primarily due to changes in levels of profitability, interim tax expense methodology, and our geographic mix of earnings. Despite a consolidated pre-tax loss on a worldwide basis, we have taxes payable in certain geographies due to minimum taxable income reportable in those geographies.

We operate in a number of jurisdictions outside the United States, including Singapore, where we have tax incentive arrangements. These incentives expire, in whole or in part, at various dates through 2034 and are conditional, in part, upon meeting certain business operations and employment thresholds. As a result of a loss before taxes and geographical mix of income, the benefit from tax incentive arrangements was not material for the periods presented.

Various tax reforms are being considered in multiple jurisdictions that, if enacted, contain provisions that could materially impact our tax expense. We continue to monitor the potential impact of these various tax reform proposals to our overall global effective tax rate and financial statements.

Other: Further information can be found in the following notes contained in “Item 1. Financial Statements – Notes to Consolidated Financial Statements – Equity Plans.”

Liquidity and Capital Resources

Our primary sources of liquidity are cash generated from operations and financing obtained from capital markets and financial institutions. Cash generated from operations is highly dependent on selling prices for our products, which can vary significantly from period to period. Cash and marketable investments totaled \$9.77 billion as of November 30, 2023, and \$10.44 billion as of August 31, 2023. Our cash and investments consist primarily of bank deposits, money market funds, and liquid investment-grade, fixed-income securities, which are diversified among industries and individual issuers. To mitigate credit risk, we invest through high-credit-quality financial institutions and by policy generally limit the concentration of credit exposure by restricting the amount of investments with any single obligor. As of November 30, 2023, \$2.56 billion of our cash and marketable investments was held by our foreign subsidiaries.

We continuously evaluate alternatives for efficiently funding our capital expenditures and ongoing operations. We expect, from time to time, to engage in a variety of financing transactions for such purposes, including the issuance of securities. As of November 30, 2023, \$2.50 billion was available to draw under our Revolving Credit Facility.

To develop new product and process technology, support future growth, achieve operating efficiencies, and maintain product quality, we must continue to invest in manufacturing technologies, facilities and equipment, and R&D. We estimate capital expenditures in 2024 for property, plant, and equipment, net of proceeds from government incentives, to be in the range of \$7.5 billion to \$8.0 billion. Actual amounts for 2024 will vary depending on market conditions and may vary from quarter to quarter due to the timing of expenditures. As of November 30, 2023, we had purchase obligations of approximately \$1.03 billion for the acquisition of property, plant, and equipment, of which approximately \$963 million is expected to be paid within one year. For a description of other contractual obligations, such as leases and debt, see “Item 1. Financial Statements – Notes to Consolidated Financial Statements – Leases,” and “ – Debt.”

To support expected memory demand in the second half of the decade, we will need to add new DRAM wafer capacity. Following the enactment of the CHIPS Act in 2022, we announced plans to invest in two leading-edge memory manufacturing fabs in the United States, contingent on CHIPS Act support through grants and investment tax credits. As part of this plan, in September 2022, we broke ground on a leading-edge memory manufacturing fab in Boise, Idaho. Construction of the fab began in October 2023 with DRAM production targeted to start in calendar 2025 and first output in early calendar 2026. In addition, in October 2022, we announced plans to build a second leading-edge DRAM manufacturing fab in Clay, New York. We expect construction to begin in calendar 2024, with production anticipated to ramp in the latter half of the decade. We expect these new fabs to be key to meeting our requirements for additional wafer capacity starting in the second half of the decade and beyond, in line with industry demand trends. On August 21, 2023, we announced that two of our subsidiaries had each submitted full applications on August 18, 2023 for federal funding in the form of grants under the CHIPS Act for both of these projects.

We are also advancing our global back-end assembly and test network in order to support our product portfolio and extend our ability to deliver on global customer demand in the future. We intend to make investments at our backend facility in Xi’an, China, including a new building to provide space to add more product capability, to allow us over time to serve more of the demand from our customers in China from the Xi’an facility. We also intend to build a new assembly and test facility in Gujarat, India to address demand in the latter half of this decade.

Our Board of Directors has authorized the discretionary repurchase of up to \$10 billion of our outstanding common stock through open-market purchases, block trades, privately-negotiated transactions, derivative transactions, and/or pursuant to Rule 10b5-1 trading plans. The repurchase authorization has no expiration date, does not obligate us to acquire any common stock, and is subject to market conditions and our ongoing determination of the best use of available cash. Through November 30, 2023, we had repurchased an aggregate of \$6.89 billion of the authorized amount. See “Item 1. Financial Statements – Notes to Consolidated Financial Statements – Equity.”

On December 20, 2023, our Board of Directors declared a quarterly dividend of \$0.115 per share, payable in cash on January 18, 2024, to shareholders of record as of the close of business on January 2, 2024. The declaration and payment of any future cash dividends are at the discretion and subject to the approval of our Board of Directors. Our Board of Directors' decisions regarding the amount and payment of dividends will depend on many factors, including, but not limited to, our financial condition, results of operations, capital requirements, business conditions, debt service obligations, contractual restrictions, industry practice, legal requirements, regulatory constraints, and other factors that our Board of Directors may deem relevant.

We expect that our cash and investments, cash flows from operations, and available financing will be sufficient to meet our requirements at least through the next 12 months and thereafter for the foreseeable future.

Cash Flows

	First Quarter	
	2024	2023
Net cash provided by operating activities	\$ 1,401	\$ 943
Net cash provided by (used for) investing activities	(1,558)	(2,266)
Net cash provided by (used for) financing activities	(352)	2,632
Effect of changes in currency exchange rates on cash, cash equivalents, and restricted cash	(1)	(6)
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>\$ (510)</u>	<u>\$ 1,303</u>

Operating Activities: Cash provided by operating activities reflects net income (loss) adjusted for certain non-cash items, including depreciation expense, amortization of intangible assets, and stock-based compensation, and the effects of changes in operating assets and liabilities. The increase in cash provided by operating activities for the first quarter of 2024 as compared to the first quarter of 2023 was primarily due to a larger net loss in the current year adjusted for non-cash items and the effect of an increase in receivables, which was more than offset by a decrease in inventories, an increase in accounts payable and accrued expenses, and an increase in other current liabilities largely due to approximately \$600 million of customer prepayments to secure product supply.

Investing Activities: For the first quarter of 2024, net cash used for investing activities consisted primarily of \$1.80 billion of expenditures for property, plant, and equipment; contributions of \$85 million received from government incentives to offset capital expenditures; partially offset by \$175 million of net inflows from maturities, sales, and purchases of available-for-sale securities.

For the first quarter of 2023, net cash used for investing activities consisted primarily of \$2.45 billion of expenditures for property, plant, and equipment; partially offset by \$272 million of net inflows from maturities, sales, and purchases of available-for-sale securities.

Financing Activities: For the first quarter of 2024, net cash used for financing activities consisted primarily of \$129 million for payments of dividends to shareholders, \$56 million of payments on equipment purchase contracts, and \$53 million for repayments of debt.

For the first quarter of 2023, net cash provided by financing activities consisted primarily of \$2.60 billion of proceeds from our 2025, 2026, and 2027 Term Loan A borrowings and \$749 million (net of original issue discount) from the issuance of the 2029 B Notes. Cash used for financing activities included \$425 million for the acquisition of 8.6 million shares of our common stock under our share repurchase authorization, \$126 million of cash payments of dividends to shareholders, and \$47 million of payments on equipment purchase contracts.

Critical Accounting Estimates

For a discussion of our critical accounting estimates, see “Part II – Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates” of our Annual Report on Form 10-K for the year ended August 31, 2023. There have been no significant changes to our critical accounting estimates since our Annual Report on Form 10-K for the year ended August 31, 2023.

Recently Adopted Accounting Standards

No material items.

Recently Issued Accounting Standards

No material items.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For further discussion about market risk and sensitivity analysis related to changes in interest rates and currency exchange rates, see “Part II – Item 7A. Quantitative and Qualitative Disclosures About Market Risk” in our Annual Report on Form 10-K for the year ended August 31, 2023.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this report. Based upon that evaluation, the principal executive officer and principal financial officer concluded that those disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to our management, including the principal executive officer and principal financial officer, to allow timely decisions regarding disclosure.

During the first quarter of 2024, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a discussion of legal proceedings, see “Part I – Item 3. Legal Proceedings” of our Annual Report on Form 10-K for the year ended August 31, 2023 and the sections titled “Part I. Financial Information – Item 1. Financial Statements – Notes to Consolidated Financial Statements – Contingencies” and “Item 1A. Risk Factors” in this Quarterly Report on Form 10-Q.

SEC regulations require disclosure of certain proceedings related to environmental matters unless we reasonably believe that the related monetary sanctions, if any, will be less than a specified threshold. We use a threshold of \$1 million for this purpose.

ITEM 1A. RISK FACTORS

In addition to the factors discussed elsewhere in this Form 10-Q, this section discusses important factors which could cause actual results or events to differ materially from those contained in any forward-looking statements made by us. The order of presentation is not necessarily indicative of the level of risk that each factor poses to us. Any of these factors could have a material adverse effect on our business, results of operations, financial condition, or stock price. Our operations could also be affected by other factors that are presently unknown to us or not considered significant.

Risk Factor Summary

Risks Related to Our Business, Operations, and Industry

- volatility in average selling prices of our products;
- a range of factors that may adversely affect our gross margins;
- our international operations, including geopolitical risks;
- the highly competitive nature of our industry;
- our ability to develop and produce new and competitive memory and storage technologies and products;
- realizing expected returns from capacity expansions;
- achieving or maintaining certain performance or other obligations associated with incentives from various governments;
- availability and quality of materials, supplies, and capital equipment and dependency on third-party service providers;
- a downturn in regional or worldwide economies;
- disruptions to our manufacturing process from operational issues, natural disasters, or other events;
- dependency on a select number of key customers, including international customers;
- products that fail to meet specifications, are defective, or are incompatible with end uses;
- breaches of our security systems or products, or those of our customers, suppliers, or business partners;
- attracting, retaining, and motivating highly skilled employees;
- responsible sourcing requirements and related regulations;
- environmental, social, and governance considerations;
- acquisitions and/or alliances; and
- restructure plans may not realize expected savings or other benefits.

Risks Related to Intellectual Property and Litigation

- protecting our intellectual property and retaining key employees who are knowledgeable of and develop our intellectual property;
- legal proceedings and claims; and
- claims that our products or manufacturing processes infringe or otherwise violate the intellectual property rights of others or failure to obtain or renew license agreements covering such intellectual property.

Risks Related to Laws and Regulations

- impacts of government actions and compliance with tariffs, trade restrictions, and/or trade regulations;
- tax expense and tax laws in key jurisdictions; and
- compliance with laws, regulations, or industry standards, including environmental considerations.

Risks Related to Capitalization and Financial Markets

- our ability to generate sufficient cash flows or obtain access to external financing;
- our debt obligations;
- changes in foreign currency exchange rates;
- counterparty default risk;
- volatility in the trading price of our common stock; and
- fluctuations in the amount and frequency of our common stock repurchases and payment of cash dividends and resulting impacts.

Risks Related to Our Business, Operations, and Industry

Volatility in average selling prices for our semiconductor memory and storage products may adversely affect our business.

We have experienced significant volatility in our average selling prices and may continue to experience such volatility in the future. For example, average selling prices for DRAM declined in the high-40s percent range and NAND declined in the low-50s percent range for 2023 as compared to 2022. Since 2017, annual percentage changes in DRAM average selling prices have ranged from plus mid-30s percent range to a minus high-40s percent range. Since 2017, annual percentage changes in NAND average selling prices have ranged from nearly flat to a minus low-50s percent range. In current and recent periods, average selling prices for our products have been below our manufacturing costs and we may experience such circumstances in the future. Average selling prices for our products that decline faster than our costs have recently had an adverse effect on our business and results of operations, and in future periods could have a material adverse effect on our business, results of operations, or financial condition.

Our gross margins may be adversely affected by a range of factors.

Our gross margins are dependent, in part, upon continuing decreases in per gigabit manufacturing costs achieved through improvements in our manufacturing processes and product designs. Factors that may limit our ability to reduce our per gigabit manufacturing costs at sufficient levels to prevent deterioration of or improve gross margins include, but are not limited to:

- strategic product diversification decisions affecting product mix;
- increasing complexity of manufacturing processes;
- difficulties in transitioning to smaller line-width process technologies or additional 3D memory layers or NAND cell levels;
- process complexity including number of mask layers and fabrication steps;
- manufacturing yield;
- technological barriers;
- changes in process technologies;
- new products that may require relatively larger die sizes;
- start-up or other costs associated with capacity expansions;
- higher costs of goods and services due to inflationary pressures or market conditions; and
- higher manufacturing costs per gigabit due to fabrication facility underutilization, lower wafer output, and insufficient volume to run new technology nodes to achieve cost optimization.

Many factors may result in a reduction of our output or a delay in ramping production, which could lead to underutilization of our production assets. These factors may include, among others, a weak demand environment, industry oversupply, inventory surpluses, difficulties in ramping emerging technologies, supply chain disruptions, and delays from equipment suppliers. See “Part I. Financial Information – Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Overview – Industry Conditions” for information regarding our current underutilization. A significant portion of our manufacturing costs are fixed and do not vary proportionally with changes in production output. As a result, lower utilization, lower wafer output, and corresponding increases in our per gigabit manufacturing costs have resulted in higher inventory carrying costs, and have had, and may continue to have, an adverse effect on our gross margins, business, results of operations, or financial condition.

We have a broad portfolio of products to address our customers' needs, which span multiple market segments and are subject to rapid technological changes. Our manufacturing costs on a per gigabit basis vary across our portfolio as they are largely influenced by the technology node in which the solution was developed. We strive to balance our demand and supply for each technology node, but the dynamics of our markets and our customers can create periods of imbalance, which can lead us to carry elevated inventory levels. Consequently, we may incur charges in connection with obsolete or excess inventories, or we may not fully recover our costs, which would reduce our gross margins. For example, in 2023, we recorded aggregate charges of \$1.83 billion to write down the carrying value of our inventories to their estimated net realizable value. In addition, due to the customized nature of certain products we manufacture, we may be unable to sell certain finished goods inventories to alternative customers or manufacture in-process inventory to different specifications, which may result in excess and obsolescence charges in future periods.

In addition, if we are unable to supply products that meet customer design and performance specifications, we may be required to sell such products at lower average selling prices, which may reduce our gross margins. Our gross margins may also be impacted by shifts in product mix, driven by our strategy to optimize our portfolio to best respond to changing market dynamics.

Our inability to prevent deterioration of or improve gross margins could have a material adverse effect on our business, results of operations, or financial condition.

We face geopolitical and other risks associated with our international operations that could materially adversely affect our business, results of operations, or financial condition.

In addition to our U.S. operations, a substantial portion of our operations are conducted in Taiwan, Singapore, Japan, Malaysia, China, and India, and many of our customers, suppliers, and vendors also operate internationally. In 2023, nearly half of our revenue was from sales to customers who have headquarters located outside the United States, while over 80% of our revenue in 2023 was from products shipped to customer locations outside the United States.

Our international operations are subject to a number of risks, including:

- restrictions on sales of goods or services to one or more of our significant foreign customers;
- export and import duties, changes to import and export regulations, customs regulations and processes, and restrictions on the transfer of funds, including currency controls in China, which could negatively affect the amount and timing of payments from certain of our customers and, as a result, our cash flows;
- compliance with U.S. and international laws involving international operations, including the Foreign Corrupt Practices Act of 1977, as amended, sanctions and anti-corruption laws, export and import laws, and similar rules and regulations;
- theft of intellectual property;
- political and economic instability, including instability resulting from domestic and international conflicts;
- government actions or civil unrest preventing the flow of products and materials, including delays in shipping and obtaining products and materials, cancellation of orders, or loss or damage of products;
- problems with the transportation or delivery of products and materials;
- issues arising from cultural or language differences and labor unrest;
- longer payment cycles and greater difficulty in collecting accounts receivable;
- compliance with trade, technical standards, and other laws in a variety of jurisdictions;
- contractual and regulatory limitations on the ability to maintain flexibility with staffing levels;
- disruptions to manufacturing or R&D activities as a result of actions imposed by foreign governments;
- changes in economic policies of foreign governments;
- difficulties in staffing and managing international operations; and
- public health issues.

If we or our customers, suppliers, or vendors are impacted by any of these risks, it could have a material adverse effect on our business, results of operations, or financial condition.

Following the May 21, 2023 decision of its cybersecurity review of our products sold in China, the CAC determined that critical information infrastructure operators in China may not purchase Micron products, impacting our revenue with companies headquartered in mainland China and Hong Kong, including direct sales as well as indirect sales through distributors. Some revenue with customers headquartered outside of China has also been impacted. As we try to mitigate possible impacts due to the CAC decision, revenue may come at lower prices or gross margins due to product or customer mix changes, which may impact our business results. Further actions by the Chinese government could impact additional revenue inside or outside China, or our operations in China, or our ability to ship products to our customers, any of which could have a material adverse effect on our business, results of operations, or financial condition.

Political, economic, or other actions may adversely affect our operations in Taiwan. A majority of our DRAM production output in 2023 was from our fabrication facilities in Taiwan and any loss of output could have a material adverse effect on us. Any political, economic, or other actions may also adversely affect our customers and the technology industry supply chain, for which Taiwan is a central hub, and as a result, could have a material adverse impact on us.

In addition, the U.S. government has in the past restricted American firms from selling products and software to certain of our customers and may in the future impose similar restrictions on one or more of our significant customers. These restrictions may not prohibit our competitors from selling similar products to our customers, which may result in our loss of sales and market share. Even as such restrictions are lifted, financial or other penalties or continuing export restrictions imposed with respect to our customers could have a continuing negative impact on our future revenue and results of operations, and we may not be able to recover any customers or market share we lose, or make such recoveries at acceptable average selling prices, while complying with such restrictions.

The semiconductor memory and storage markets are highly competitive.

We face intense competition in the semiconductor memory and storage markets from a number of companies, including Kioxia Holdings Corporation; Samsung Electronics Co., Ltd.; SK hynix Inc.; and Western Digital Corporation. Our competitors may use aggressive pricing to obtain market share. Some of our competitors are large corporations or conglomerates that may have a larger market share and greater resources to invest in technology, capitalize on growth opportunities, and withstand downturns in the semiconductor markets in which we compete. Consolidation of industry competitors could put us at a competitive disadvantage as our competitors may benefit from increased manufacturing scale and a stronger product portfolio. We operate in different jurisdictions than our competitors and may be impacted by unfavorable changes in currency exchange rates.

In addition, some governments may provide, or have provided and may continue to provide, significant assistance, financial or otherwise, to some of our competitors or to new entrants and may intervene in support of national industries and/or competitors. In particular, we face the threat of increasing competition as a result of significant investment in the semiconductor industry by the Chinese government and various state-owned or affiliated entities, in companies such as Yangtze Memory Technologies Co., Ltd. ("YMTC") and ChangXin Memory Technologies, Inc. ("CXMT"). In addition, the CAC's decision that critical information infrastructure operators in China may not purchase Micron products had an impact on our ability to compete effectively in China and elsewhere.

We and our competitors generally seek to increase wafer output, improve yields, and reduce die size, which could result in significant increases in worldwide supply and downward pressure on prices. Increases in worldwide supply of semiconductor memory and storage also result from fabrication capacity expansions, either by way of new facilities, increased capacity utilization, or reallocation of other semiconductor production to semiconductor memory and storage production. Our competitors may increase capital expenditures resulting in future increases in worldwide supply. We, and some of our competitors, have plans to ramp, or are constructing or ramping, production at new fabrication facilities. Increases in worldwide supply of semiconductor memory and storage, if not accompanied by commensurate increases in demand, could lead to declines in average selling prices for our products and could materially adversely affect our business, results of operations, or financial condition. If competitors are more successful at developing or implementing new product or process technology, their products could have cost or performance advantages.

The competitive nature of our industry could have a material adverse effect on our business, results of operations, or financial condition.

Our future success depends on our ability to develop and produce new and competitive memory and storage technologies and products.

Our key semiconductor memory and storage technologies face technological barriers to continue to meet long-term customer needs. These barriers include potential limitations on stacking additional 3D memory layers, increasing bits per cell (i.e., cell levels), meeting higher density requirements, developing advanced packaging solutions, improving power consumption and reliability, and delivering advanced features and higher performance. We may face technological barriers to continue to shrink our products at our current or historical rate, which has generally reduced per gigabit cost. We have invested and expect to continue to invest in R&D for new and existing products and process technologies, such as EUV lithography, to continue to deliver advanced product requirements. Such new technologies can add complexity and risk to our schedule and may affect our costs and production output. We may be unable to recover our investment in R&D or otherwise realize the economic benefits of reducing die size or increasing memory and storage densities. Our competitors are working to develop new memory and storage technologies that may offer performance and/or cost advantages to existing technologies and render existing technologies obsolete. Accordingly, our future success may depend on our ability to develop and produce viable and competitive new memory and storage technologies.

We are developing new products, including system-level memory and storage products and solutions, which complement our traditional products or leverage their underlying design or process technology. We have invested and expect to continue to invest in new semiconductor product and system-level solution development. We are increasingly differentiating our products and solutions to meet the specific demands of our customers, which increases our reliance on our customers' ability to accurately forecast the needs and preferences of their customers. As a result, our product demand forecasts may be impacted significantly by the strategic actions of our customers. In addition, our ability to successfully introduce new products often requires us to make product specification decisions multiple years in advance of when new products enter the market.

It is important that we deliver products in a timely manner with increasingly advanced performance characteristics at the time our customers are designing and evaluating samples for their products. If we do not meet their product design schedules, our customers may exclude us from further consideration as a supplier for those products. The process to develop new products requires us to demonstrate advanced functionality, performance, and reliability, often well in advance of a planned ramp of production, in order to secure design wins with our customers. Many factors may negatively impact our ability to meet anticipated timelines and/or expected or required quality standards with respect to the development of certain of our products. In addition, some of our components have long lead-times, requiring us to place orders up to a year in advance of anticipated demand. Such long lead-times increase the risk of excess inventory or loss of sales in the event our forecasts vary substantially from actual demand.

There can be no assurance of the following:

- we will be successful in developing competitive new semiconductor memory and storage technologies and products;
- we will be able to cost-effectively manufacture new products;
- we will be able to successfully market these technologies;
- margins generated from sales of these products will allow us to recover costs of development efforts;
- we will be able to establish or maintain key relationships with customers, or that we will not be prohibited from working with certain customers, for specific chip set or design requirements;
- we will accurately predict and design products that meet our customers' specifications; or
- we will be able to introduce new products into the market and qualify them with our customers on a timely basis.

Unsuccessful efforts to develop new memory and storage technologies and products could have a material adverse effect on our business, results of operations, or financial condition.

We may not be able to achieve expected returns from capacity expansions.

We have announced our intent to expand our production capacity and/or make capital investments in the United States and in other regions where we operate.

These expansions involve several risks including the following:

- capital expenditure requirements for capacity expansions during periods of relatively low free cash flow generation, resulting from challenging memory and storage industry conditions;
- availability of necessary funding, which may include external sources;
- ability to realize expected grants, investment tax credits, and other government incentives, including through the U.S. CHIPS and Science Act of 2022 (“CHIPS Act”) and other national, international, state, and local grants;
- potential changes in laws or provisions of grants, investment tax credits, and other government incentives;
- potential restrictions on expanding in certain geographies;
- availability of equipment and construction materials;
- ability to complete construction as scheduled and within budget;
- availability of the necessary workforce;
- ability to timely ramp production in a cost-effective manner;
- increases to our cost structure until new production is ramped to adequate scale; and
- sufficient customer demand to utilize our increased capacity.

We invest our capital in areas that we believe best align with our business strategy and optimize future returns. Investments in capital expenditures may not generate expected returns or cash flows. Significant judgment is required to determine which capital investments will result in optimal returns, and we could invest in projects that are ultimately less profitable than those projects we do not select. Delays in completion and ramping of new production facilities, or failure to optimize our investment choices, could significantly impact our ability to realize expected returns on our capital expenditures.

Any of the above factors could have a material adverse effect on our business, results of operations, or financial condition.

Our incentives from various governments are conditional upon achieving or maintaining certain performance or other obligations and are subject to reduction, termination, clawback, or could impose certain limitations on our business.

We have received, and may in the future continue to receive, benefits and incentives from national, state, and local governments in various regions of the world designed to encourage us to establish, maintain, or increase investment, workforce, or production in those regions. These incentives may take various forms, including grants, loan subsidies, and tax arrangements, and typically require us to achieve or maintain certain levels of investment, capital spending, employment, technology deployment, or research and development activities to qualify for such incentives or could restrict us from undertaking certain activities. We may be unable to obtain sufficient future incentives to continue to fund a portion of our capital expenditures and operating costs, without which our cost structure may be adversely impacted and planned capital expenditures may be affected. We also cannot guarantee that we will successfully achieve performance or other obligations required to qualify for these incentives or that the granting agencies will provide or continue to provide such funding. These incentive arrangements typically provide the granting agencies with rights to audit our compliance with their terms and obligations. Such audits could result in modifications to, or termination of, the applicable incentive program. The incentives we receive could be subject to reduction, termination, or clawback, and any decrease or clawback of government incentives could have a material adverse effect on our business, results of operations, or financial condition.

Our business, results of operations, or financial condition could be adversely affected by the availability and quality of materials, supplies, and capital equipment, or dependency on third-party service providers.

Our supply chain and operations are dependent on the availability of materials that meet exacting standards and the use of third parties to provide us with components and services. We generally have multiple sources of supply for our materials and services. However, only a limited number of suppliers are capable of delivering certain materials, components, and services that meet our standards and, in some cases, materials, components, or services are provided by a single or sole source, and we may be unable to qualify new suppliers on a timely basis. The availability of materials or components such as chemicals, silicon wafers, gases, photoresist, controllers, substrates, lead frames, printed circuit boards, targets, and reticle glass blanks is impacted by various factors. These factors could include a shortage of raw materials or a disruption in the processing or purification of those raw materials into finished goods. Shortages or increases in lead times have occurred in the past, are currently occurring with respect to some materials and components, and may occur from time to time in the future. Constraints within our supply chain for certain materials and integrated circuit components could limit our bit shipments, which could have a material adverse effect on our business, results of operations, or financial condition.

Our manufacturing processes are also dependent on our relationships with third-party manufacturers of controllers, analog integrated circuits, and other components used in some of our products and with outsourced semiconductor foundries, assembly and test providers, contract manufacturers, logistics carriers, and other service providers, including providers of maintenance for our advanced semiconductor manufacturing equipment and providers of electricity and other utilities. Although we have certain long-term contracts with some of our suppliers, many of these contracts do not provide for long-term capacity or pricing commitments. To the extent we do not have firm commitments from our third-party suppliers over a specific time period or for any specific capacity, quantity, and/or pricing, our suppliers may allocate capacity to their other customers and capacity and/or materials may not be available when needed or at reasonable prices. Inflationary pressures have increased, and may continue to increase costs for materials, supplies, and services. Regardless of contract structure, large swings in demand may exceed our contracted supply and/or our suppliers' capacity to meet those demand changes resulting in a shortage of parts, materials, or capacity needed to manufacture our products. In addition, if any of our suppliers was to cease operations or become insolvent, this could impact their ability to provide us with necessary supplies, and we may not be able to obtain the needed supply in a timely way or at all from other providers.

Certain materials are primarily available in a limited number of countries, including rare earth elements, minerals, and metals. Trade disputes, geopolitical tensions, economic circumstances, political conditions, or public health issues may limit our ability to obtain such materials. Although these rare earth and other materials are generally available from multiple suppliers, China is the predominant producer of certain of these materials. If China were to restrict or stop exporting these materials, our suppliers' ability to obtain such supply may be constrained and we may be unable to obtain sufficient quantities, or obtain supply in a timely manner, or at a commercially reasonable cost. Constrained supply of rare earth elements, minerals, and metals may restrict our ability to manufacture certain of our products and make it difficult or impossible to compete with other semiconductor memory and storage manufacturers who are able to obtain sufficient quantities of these materials from China.

We and/or our suppliers and service providers could be affected by regional conflicts, civil unrest, labor disruptions, sanctions, tariffs, embargoes, or other trade restrictions, as well as laws and regulations enacted in response to concerns regarding climate change, conflict minerals, responsible sourcing practices, public health crises, or other matters, which could limit the supply of our materials and/or increase the cost. Environmental regulations could limit our ability to procure or use certain chemicals or materials in our operations or products. In addition, disruptions in transportation lines could delay our receipt of materials. Our ability to procure components to repair equipment essential for our manufacturing processes could also be negatively impacted by various restrictions or disruptions in supply chains, among other items. The disruption of our supply of materials, components, or services, or the extension of our lead times could have a material adverse effect on our business, results of operations, or financial condition.

Our operations are dependent on our ability to procure advanced semiconductor manufacturing equipment that enables the transition to lower cost manufacturing processes. For certain key types of equipment, including photolithography tools, we are sometimes dependent on a single supplier. From time to time, we have experienced difficulties in obtaining some equipment on a timely basis due to suppliers' limited capacity. Our inability to obtain equipment on a timely basis could adversely affect our ability to transition to next generation manufacturing processes and reduce our costs. Delays in obtaining equipment could also impede our ability to ramp production and could increase our overall costs of a ramp. Our inability to obtain advanced semiconductor manufacturing equipment in a timely manner could have a material adverse effect on our business, results of operations, or financial condition.

Our construction projects to expand production and R&D capacity are highly dependent on available sources of labor, materials, equipment, and services. Increasing demand, supply constraints, inflation, and other market conditions could result in increasing shortages and higher costs for these items. Difficulties in obtaining these resources could result in significant delays in completion of our construction projects and cost increases, which could have a material adverse effect on our business, results of operations, or financial condition.

Our inability to source materials, supplies, capital equipment, or third-party services could affect our overall production output and our ability to fulfill customer demand. Significant or prolonged shortages of our products could halt customer manufacturing and damage our relationships with these customers. Any damage to our customer relationships as a result of a shortage of our products could have a material adverse effect on our business, results of operations, or financial condition.

Similarly, if our customers experience disruptions to their supplies, materials, components, or services, or the extension of their lead times, they may reduce, cancel, or alter the timing of their purchases with us, which could have a material adverse effect on our business, results of operations, or financial condition.

Downturns in regional or worldwide economies may harm our business.

Downturns in regional or worldwide economies, due to inflation, geopolitics, major central bank policy actions including interest rate increases, public health crises, or other factors, have harmed our business in the past and current and future downturns could also adversely affect our business. Adverse economic conditions affect demand for devices that incorporate our products, such as personal computers, smartphones, automobiles, and servers. Reduced demand for these or other products could result in significant decreases in our average selling prices and product sales. In addition, to the extent our customers or distributors have elevated inventory levels or are impacted by a deterioration in credit markets, we may experience a decrease in short-term and/or long-term demand resulting in industry oversupply and declines in pricing for our products.

A deterioration of conditions in regional or worldwide credit markets could limit our ability to obtain external financing to fund our operations and capital expenditures. In addition, we may experience losses on our holdings of cash and investments due to failures of financial institutions and other parties. Difficult economic conditions may also result in a higher rate of losses on our accounts receivable due to credit defaults. As a result, downturns in regional or worldwide economies could have a material adverse effect on our business, results of operations, or financial condition.

If our manufacturing process is disrupted by operational issues, natural disasters, or other events, our business, results of operations, or financial condition could be materially adversely affected.

We and our subcontractors manufacture products using highly complex processes that require technologically advanced equipment and continuous modification to improve yields and performance. Difficulties in the manufacturing process or the effects from a shift in product mix can reduce yields or disrupt production and may increase our per gigabit manufacturing costs. We and our subcontractors maintain operations and continuously implement new product and process technology at manufacturing facilities, which are widely dispersed in multiple locations in several countries including the United States, Singapore, Taiwan, Japan, Malaysia, and China. As a result of the necessary interdependence within our network of manufacturing facilities, an operational disruption at one of our or a subcontractor's facilities may have a disproportionate impact on our ability to produce many of our products.

From time to time, there have been disruptions in our manufacturing operations as a result of power outages, improperly functioning equipment, disruptions in supply of raw materials or components, or equipment failures. We have manufacturing and other operations in locations subject to natural occurrences and possible climate changes, such as severe and variable weather and geological events resulting in increased costs, or disruptions to our manufacturing operations or those of our suppliers or customers. In addition, climate change may pose physical risks to our manufacturing facilities or our suppliers' facilities, including increased extreme weather events that could result in supply delays or disruptions. Other events, including political or public health crises, such as an outbreak of contagious diseases, may also affect our production capabilities or that of our suppliers, including as a result of quarantines, closures of production facilities, lack of supplies, or delays caused by restrictions on travel or shipping. Events of the types noted above have occurred from time to time and may occur in the future. As a result, in addition to disruptions to operations, our insurance premiums may increase or we may not be able to fully recover any sustained losses through insurance.

If production is disrupted for any reason, manufacturing yields may be adversely affected, or we may be unable to meet our customers' requirements and they may purchase products from other suppliers. This could result in a significant increase in manufacturing costs, loss of revenue, or damage to customer relationships, any of which could have a material adverse effect on our business, results of operations, or financial condition.

A significant portion of our revenue is concentrated with a select number of customers.

In each of the last three years, approximately one-half of our total revenue was from our top ten customers. A disruption in our relationship with any of these customers could adversely affect our business. We could experience fluctuations in our customer base or the mix of revenue by customer as markets and strategies evolve. Our customers' demand for our products may fluctuate due to factors beyond our control. In addition, any consolidation of our customers could reduce the number of customers to whom our products may be sold. Our inability to meet our customers' requirements or to qualify our products with them could adversely impact our revenue. A meaningful change in the inventory strategy of our customers could impact our industry bit demand growth outlook. The loss of, or restrictions on our ability to sell to, one or more of our major customers, or any significant reduction in orders from, or a shift in product mix by, customers could have a material adverse effect on our business, results of operations, or financial condition.

Increases in sales of system solutions may increase our dependency upon specific customers and our costs to develop, qualify, and manufacture our system solutions.

Our development of system-level memory and storage products is dependent, in part, upon successfully identifying and meeting our customers' specifications for those products. Developing and manufacturing system-level products with specifications unique to a customer increases our reliance upon that customer for purchasing our products at sufficient volumes and prices in a timely manner. Even if our products meet customer specifications, our sales of system-level solutions are dependent upon our customers choosing our products over those of our competitors and purchasing our products at sufficient volumes and prices. Our competitors' products may be less costly, provide better performance, or include additional features when compared to our products. Our long-term ability to sell system-level memory and storage products is reliant upon our customers' ability to create, market, and sell their products containing our system-level solutions at sufficient volumes and prices in a timely manner. If we fail to successfully develop and market system-level products, our business, results of operations, or financial condition may be materially adversely affected.

Manufacturing system-level solutions, such as SSDs, managed NAND, and HBM, typically results in higher per-unit manufacturing costs as compared to other products. Even if we are successful in selling system-level solutions to our customers in sufficient volume, we may be unable to generate sufficient profit if our per-unit manufacturing costs are not offset by higher per-unit selling prices. Manufacturing system-level solutions to customer specifications requires a longer development cycle, as compared to discrete products, to design, test, and qualify, which may increase our costs. Some of our system solutions are increasingly dependent on sophisticated firmware that may require significant customization to meet customer specifications, which increases our costs and time to market. Additionally, we may need to update our controller and hardware design as well as our firmware or develop new firmware as a result of new product introductions or changes in customer specifications and/or industry standards, which increases our costs. System complexities and extended warranties for system-level products could also increase our warranty costs. Our failure to cost-effectively manufacture system-level solutions and/or controller, hardware design, and firmware in a timely manner may result in reduced demand for our system-level products and could have a material adverse effect on our business, results of operations, or financial condition.

Products that fail to meet specifications, are defective, or are otherwise incompatible with end uses could impose significant costs on us.

Products that do not meet specifications or that contain, or are perceived by our customers to contain, defects or that are otherwise incompatible with end uses could impose significant costs on us or otherwise materially adversely affect our business, results of operations, or financial condition. From time to time, we experience problems with nonconforming, defective, or incompatible products after we have shipped such products. In recent periods, we have further diversified and expanded our product offerings, which could potentially increase the chance that one or more of our products could fail to meet specifications in a particular application. Our products and solutions may be deemed fully or partially responsible for functionality in our customers' products and may result in sharing or shifting of product or financial liability from our customers to us for costs incurred by the end user as a result of our customers' products failing to perform as specified. In addition, if our products and solutions perform critical functions in our customers' products or are used in high-risk consumer end products, such as autonomous driver assistance programs, home and enterprise security, smoke and noxious gas detectors, medical monitoring equipment, or wearables for child and elderly safety, our potential liability may increase. We could be adversely affected in several ways, including the following:

- we may be required or agree to compensate customers for costs incurred or damages caused by defective or incompatible products and to replace products;
- we could incur a decrease in revenue or adjustment to pricing commensurate with the reimbursement of such costs or alleged damages; and
- we may encounter adverse publicity, which could cause a decrease in sales of our products or harm our reputation or relationships with existing or potential customers.

Any of the foregoing items could have a material adverse effect on our business, results of operations, or financial condition.

Breaches of our security systems or products, or those of our customers, suppliers, or business partners, could expose us to losses.

We maintain a system of controls over the physical security of our facilities. We also manage and store various proprietary information and sensitive or confidential data relating to our operations. In addition, we process, store, and transmit large amounts of data relating to our customers and employees, including sensitive personal information. Unauthorized persons, employees, former employees, nation states, or other parties may gain access to our facilities or technology infrastructure and systems to steal trade secrets or other proprietary information, compromise confidential information, create system disruptions, or cause shutdowns. This risk is exacerbated as competitors for talent, particularly engineering talent, attempt to hire our employees. Through cyberattacks on technology infrastructure and systems, unauthorized parties may obtain access to computer systems, networks, and data, including cloud-based platforms. The technology infrastructure and systems of our suppliers, vendors, service providers, cloud solution providers, and partners have in the past experienced, and may in the future experience, such attacks, which could impact our operations. Cyberattacks can include ransomware, computer denial-of-service attacks, worms, supply chain attacks, social engineering, open source vulnerabilities, and other malicious software programs or other attacks, including those using techniques that change frequently or may be disguised or difficult to detect, or designed to remain dormant until a triggering event, impersonation of authorized users, and efforts to discover and exploit any design flaws, “bugs,” security vulnerabilities, as well as intentional or unintentional acts by employees or other insiders with access privileges. Additionally, some actors are using artificial intelligence technology to launch more automated, targeted and coordinated attacks. Globally, cyberattacks are increasing in number and the attackers are increasingly organized and well-financed, or supported by state actors, and are developing increasingly sophisticated systems to not only attack, but also to evade detection. In addition, geopolitical tensions or conflicts may create a heightened risk of cyberattacks. Breaches of our physical security, attacks on our technology infrastructure and systems, or breaches or attacks on our customers, suppliers, or business partners who have confidential or sensitive information regarding us and our customers and suppliers, could result in significant losses and damage our reputation with customers and suppliers and may expose us to litigation if the confidential information of our customers, suppliers, or employees is compromised.

Our products are also targets for cyberattacks, including those products utilized in cloud-based environments. While some of our products contain encryption or security algorithms to protect third-party content or user-generated data stored on our products, these products could still be hacked or the encryption schemes could be compromised, breached, or circumvented by motivated and sophisticated attackers. Further, our products contain sophisticated hardware and firmware and applications that may contain security vulnerabilities or defects in design or manufacture, including “bugs” and other problems that could interfere with the intended operation of our products. To the extent our products are hacked, or the encryption schemes are compromised or breached, this could harm our business by requiring us to employ additional resources to fix the errors or defects, exposing us to litigation, claims, and harm to our reputation.

Any of the foregoing security risks could have a material adverse effect on our business, results of operations, or financial condition.

We must attract, retain, and motivate highly skilled employees.

To remain competitive, we must attract, retain, and motivate executives and other highly skilled, diverse employees, as well as effectively manage succession for key roles. Competition for experienced employees in our industry can be intense. Hiring and retaining qualified executives and other skilled talent is critical to our business. If our total compensation programs, employment benefits, and workplace culture are not viewed as competitive and inclusive, our ability to attract, retain, and motivate employees could be compromised.

At times, we experience higher levels of attrition, increasing compensation costs, and more intense competition for talent across our industry. To the extent we experience significant attrition and are unable to timely replace employees, we could experience a loss of critical skills and reduced employee morale, potentially resulting in business disruptions or increased expenses to address any disruptions. Additionally, changes to immigration policies in the countries in which we operate, as well as restrictions on travel due to public health crises or other causes, may limit our ability to hire and/or retain talent in, or transfer talent to, specific locations.

Our inability to attract, retain, and motivate executives and other employees or effectively manage succession of key roles may inhibit our ability to maintain or expand our business operations.

Compliance with responsible sourcing requirements and any related regulations could increase our operating costs, or limit the supply and increase the cost of certain materials, supplies, and services, and if we fail to comply, customers may reduce purchases from us or disqualify us as a supplier.

We and many of our customers have adopted responsible sourcing programs that require us to meet certain environmental, social and governance criteria, and to periodically report on our performance against these requirements, including that we source the materials, supplies, and services we use and incorporate into the products we sell as prescribed by these programs. Many customer programs require us to remove a supplier within a prescribed period if such supplier ceases to comply with prescribed criteria, and our supply chain may at any time contain suppliers at risk of being removed due to non-compliance with responsible sourcing requirements. Some of our customers may elect to disqualify us as a supplier (resulting in a permanent or temporary loss of sales to such customer) or reduce purchases from us if we are unable to verify that our performance or products (including the underlying supply chain) meet the specifications of our customers' responsible sourcing programs on a continuous basis. Meeting responsible sourcing requirements may increase operating requirements and costs or limit the sourcing and availability of some of the materials, supplies, and services we use, particularly when the availability of such materials, supplies, and services is concentrated to a limited number of suppliers. From time to time, we remove suppliers or require our suppliers to remove suppliers from their supply chains based on our responsible sourcing requirements or customer requirements, and we or our suppliers may be unable to replace such removed suppliers in a timely or cost-effective manner. Any inability to replace removed suppliers in a timely or cost effective manner may affect our ability and/or the cost to obtain sufficient quantities of materials, supplies, and services necessary for the manufacture of our products. Our inability to replace suppliers we have removed in a timely or cost-effective manner or comply with customers' responsible sourcing requirements or with any related regulations could have a material adverse effect on our business, results of operations, or financial condition.

Failure to meet environmental, social, and governance expectations or standards or achieve our related goals could adversely affect our business, results of operations, financial condition, or stock price.

In recent years, there has been an increased focus from stakeholders on environmental, social, and governance matters, including greenhouse gas emissions and climate-related risks, sustainability, renewable energy, water stewardship, waste management, diversity, equality and inclusion, responsible sourcing and supply chain, human rights, and social responsibility. Given our commitment to social and environmental issues as it relates to our business, we actively manage these issues and have established and publicly announced certain goals, commitments, and targets which we may refine or even expand further in the future. These goals, commitments, and targets reflect our current plans and aspirations and are not guarantees that we will be able to achieve them. Achieving these goals may entail significant costs, for example we have entered into several virtual power purchase agreements to obtain renewable energy credits at a cost that will vary based on future prices for electrical power. Evolving stakeholder expectations and our efforts to manage these issues, report on them, and accomplish our goals present numerous operational, regulatory, reputational, financial, legal, and other risks, any of which could have a material adverse impact, including on our reputation and stock price.

Such risks and uncertainties include:

- reputational harm, including damage to our relationships with customers, suppliers, investors, governments, or other stakeholders;
- adverse impacts on our ability to manufacture and sell products and maintain our market share;
- the success of our collaborations with third parties;
- increased risk of litigation, investigations, or regulatory enforcement action;
- unfavorable environmental, social, and governance ratings or investor sentiment;
- diversion of resources and increased costs to control, assess, and report on environmental, social, and governance metrics;
- our ability to achieve our goals, commitments, and targets within timeframes announced;
- increased costs to achieve our goals, commitments, and targets;
- unforeseen operational and technological difficulties;
- access to and increased cost of capital; and
- adverse impacts on our stock price.

Any failure, or perceived failure, to meet evolving stakeholder expectations and industry standards or achieve our environmental, social, and governance goals, commitments, and targets could have an adverse effect on our business, results of operations, financial condition, or stock price.

Acquisitions and/or alliances involve numerous risks.

Acquisitions and the formation or operation of alliances, such as joint ventures and other partnering arrangements, involve numerous risks, including the following:

- integrating the operations, technologies, and products of acquired or newly formed entities into our operations;
- increasing capital expenditures to upgrade and maintain facilities;
- increased debt levels;
- the assumption of unknown or underestimated liabilities;
- the use of cash to finance a transaction, which may reduce the availability of cash to fund working capital, capital expenditures, R&D expenditures, and other business activities;
- diverting management's attention from daily operations;
- managing larger or more complex operations and facilities and employees in separate and diverse geographic areas;
- hiring and retaining key employees;
- requirements imposed by government authorities in connection with the regulatory review of a transaction, which may include, among other things, divestitures or restrictions on the conduct of our business or the acquired business;
- underestimating the costs or overestimating the benefits, including product, revenue, cost and other synergies and growth opportunities that we expect to realize, and we may not achieve those benefits;
- failure to maintain customer, vendor, and other relationships;
- inadequacy or ineffectiveness of an acquired company's internal financial controls, disclosure controls and procedures, compliance programs, and/or environmental, health and safety, anti-corruption, human resource, or other policies or practices; and
- impairment of acquired intangible assets, goodwill, or other assets as a result of changing business conditions or technological advancements.

The global memory and storage industry has experienced consolidation and may continue to consolidate. We engage, from time to time, in discussions regarding potential acquisitions and similar opportunities. To the extent we are successful in completing any such transactions, we could be subject to some or all of the risks described above. Acquisitions of, or alliances with, technology companies are inherently risky and may not be successful and could have a material adverse effect on our business, results of operations, or financial condition.

We have incurred restructure charges and may incur restructure charges in future periods and may not realize expected savings or other benefits from restructure plans.

In 2023, we initiated a restructure plan in response to challenging industry conditions (the "2023 Restructure Plan"). Under the plan, we reduced our headcount by approximately 15% through a combination of voluntary attrition and personnel reductions. The 2023 Restructure Plan was substantially completed in 2023. In addition, we may in the future enter into other restructure initiatives in order to, among other items, streamline our operations, respond to changes in business conditions, our markets, or product offerings, or to centralize certain key functions.

We may not realize expected savings or other benefits from our current or future restructure activities and may incur additional restructure charges or other losses in future periods associated with other initiatives. In connection with any restructure initiatives, we could incur restructure charges, loss of production output, loss of key personnel, disruptions in our operations, and difficulties in the timely delivery of products, which could have a material adverse effect on our business, results of operations, or financial condition.

Risks Related to Intellectual Property and Litigation

We may be unable to protect our intellectual property or retain key employees who are knowledgeable of and develop our intellectual property.

We maintain a system of controls over our intellectual property, including U.S. and foreign patents, trademarks, copyrights, trade secrets, licensing arrangements, confidentiality procedures, non-disclosure agreements with employees, consultants, and vendors, and a general system of internal controls. Despite our system of controls over our intellectual property, it may be possible for our current or future competitors to obtain, copy, use, or disclose, illegally or otherwise, our product and process technology or other proprietary information. The laws of some foreign countries may not protect our intellectual property to the same degree as do U.S. laws, and our confidentiality, non-disclosure, and non-compete agreements may be unenforceable or difficult and costly to enforce.

Additionally, our ability to maintain and develop intellectual property is dependent upon our ability to attract, develop, and retain highly skilled employees. If our competitors or future entrants into our industry are successful in hiring our employees, they may directly benefit from the knowledge these employees gained while they were under our employment, and this may also negatively impact our ability to maintain and develop intellectual property.

Our inability to protect our intellectual property or retain key employees who are knowledgeable of and develop our intellectual property could have a material adverse effect on our business, results of operations, or financial condition.

Legal proceedings and claims could have a material adverse effect on our business, results of operations, or financial condition.

From time to time, we are subject to various legal proceedings and claims that arise out of the ordinary conduct of our business or otherwise, both domestically and internationally. Such claims include, but are not limited to, allegations of anticompetitive conduct and infringement of intellectual property. See “Part I. Financial Information – Item 1. Financial Statements – Notes to Consolidated Financial Statements – Contingencies.”

Any claim, with or without merit, could result in significant legal fees that could negatively impact our financial results, disrupt our operations, and require significant attention from our management. We may be associated with and subject to litigation, claims, or arbitration disputes arising from, or as a result of:

- our relationships with vendors or customers, supply agreements, or contractual obligations with our subcontractors or business partners;
- the actions of our vendors, subcontractors, or business partners;
- our indemnification obligations, including obligations to defend our customers against third-party claims asserting infringement of certain intellectual property rights, which may include patents, trademarks, copyrights, or trade secrets; and
- the terms of our product warranties or from product liability claims.

As we continue to focus on developing system solutions with manufacturers of consumer products, including autonomous driving, augmented reality, and others, we may be exposed to greater potential for personal liability claims against us as a result of consumers’ use of those products. We, our officers, or our directors could also be subject to claims of alleged violations of securities laws. There can be no assurance that we are adequately insured to protect against all claims and potential liabilities, and we may elect to self-insure with respect to certain matters. Exposures to various legal proceedings and claims could lead to significant costs and expenses as we defend claims, are required to pay damage awards, or enter into settlement agreements, any of which could have a material adverse effect on our business, results of operations, or financial condition.

Claims that our products or manufacturing processes infringe or otherwise violate the intellectual property rights of others, or failure to obtain or renew license agreements covering such intellectual property, could materially adversely affect our business, results of operations, or financial condition.

As is typical in the semiconductor and other high technology industries, from time to time others have asserted, and may in the future assert, that our products or manufacturing processes infringe upon, misappropriate, misuse, or otherwise violate their intellectual property rights. We are unable to predict the outcome of these assertions made against us. Any of these types of claims, regardless of the merits, could subject us to significant costs to defend or resolve such claims and may consume a substantial portion of management's time and attention. As a result of these claims, we may be required to:

- pay significant monetary damages, fines, royalties, or penalties;
- enter into license or settlement agreements covering such intellectual property rights;
- make material changes to or redesign our products and/or manufacturing processes; and/or
- cease manufacturing, having made, selling, offering for sale, importing, marketing, or using products and/or manufacturing processes in certain jurisdictions.

We may not be able to take any of the actions described above on commercially reasonable terms and any of the foregoing results could have a material adverse effect on our business, results of operations, or financial condition. See "Part I. Financial Information – Item 1. Financial Statements – Notes to Consolidated Financial Statements – Contingencies."

We have a number of intellectual property license agreements. Some of these license agreements require us to make one-time or periodic payments. We may need to obtain additional licenses or renew existing license agreements in the future. We are unable to predict whether these license agreements can be obtained or renewed on terms acceptable to us. The failure to obtain or renew licenses as necessary could have a material adverse effect on our business, results of operations, or financial condition.

Risks Related to Laws and Regulations

Government actions and regulations, such as export restrictions, tariffs, and trade protection measures, may limit our ability to sell our products to certain customers or markets, or could otherwise restrict our ability to conduct operations.

International trade disputes, geopolitical tensions, and military conflicts have led, and continue to lead, to new and increasing export restrictions, trade barriers, tariffs, and other trade measures that can increase our manufacturing costs, make our products less competitive, reduce demand for our products, limit our ability to sell to certain customers or markets, limit our ability to procure, or increase our costs for, components or raw materials, impede or slow the movement of our goods across borders, impede our ability to perform R&D activities, or otherwise restrict our ability to conduct operations. Increasing protectionism, economic nationalism, and national security concerns may lead to further changes in trade policy, domestic sourcing initiatives, or other formal and informal measures that could make it more difficult to sell our products in, or restrict our access to, some markets and/or customers. For example, following the May 21, 2023 decision of its cybersecurity review of our products sold in China, the CAC determined that critical information infrastructure operators in China may not purchase Micron products, impacting our revenue with companies headquartered in mainland China and Hong Kong, including direct sales as well as indirect sales through distributors. Some revenue with customers headquartered outside of China has also been impacted. Further actions by the Chinese government could impact additional revenue inside or outside China, or our operations in China, or our ability to ship products to our customers, any of which could have a material adverse effect on our business, results of operations, or financial condition.

We cannot predict what further actions may ultimately be taken with respect to export regulations, tariffs, or other trade regulations between the United States and other countries, what products or companies may be subject to such actions, or what actions may be taken by other countries in retaliation. Further changes in trade policy, tariffs, restrictions on exports or other trade barriers, or restrictions on supplies, equipment, and raw materials including rare earth minerals, may limit our ability to produce products, increase our selling and/or manufacturing costs, decrease margins, reduce the competitiveness of our products, or inhibit our ability to sell products or purchase necessary equipment and supplies. Such changes may also result in reputational harm to us, the development or adoption of technologies that compete with our products, long-term changes in global trade and technology supply chains, or negative impacts on our customers' products which incorporate our solutions. Any of the effects described in this risk factor could have a material adverse effect on our business, results of operations, or financial condition.

The technology industry is subject to intense media, political, and regulatory scrutiny, which can increase our exposure to government investigations, legal actions, and penalties. Although we have policies, controls, and procedures designed to help ensure compliance with applicable laws, there can be no assurance that our employees, contractors, suppliers, or agents will not violate such laws or our policies. Violations of trade laws, restrictions, or regulations can result in fines; criminal sanctions against us or our officers, directors, or employees; prohibitions on the conduct of our business; and damage to our reputation.

Tax-related matters could have a material adverse effect on our business, results of operations, or financial condition.

We are subject to income taxes in the United States and many foreign jurisdictions. Our provision for income taxes and cash tax liabilities in the future could be adversely affected by numerous factors, including changes in the geographic mix of our earnings among jurisdictions, challenges by tax authorities to our tax positions and intercompany transfer pricing arrangements, failure to meet performance obligations with respect to tax incentive agreements, expanding our operations in various countries, fluctuations in foreign currency exchange rates, adverse resolution of audits and examinations of previously filed tax returns, and changes in tax laws and regulations.

Changes to income tax laws and regulations, or the interpretation of such laws, in any of the jurisdictions in which we operate could significantly increase our effective tax rate and ultimately reduce our cash flows from operating activities and otherwise have a material adverse effect on our financial condition. Beginning in 2024, the Inflation Reduction Act of 2022 imposes a 15% book minimum tax on corporations with three-year average annual adjusted financial statement income exceeding \$1 billion. The impact of this tax will depend on our facts in each year, anticipated guidance from the U.S. Department of the Treasury, and other developing global tax legislation. Further changes in the tax laws of foreign jurisdictions could arise as a result of the base erosion and profit shifting project undertaken by the Organisation for Economic Co-operation and Development ("OECD"). In December 2022, the European Union ("EU") member states reached an agreement to implement the minimum tax component ("Pillar Two") of the OECD's tax reform initiative. The directive is expected to be enacted into the national law of the EU member states by December 31, 2023. If similar directives under Pillar Two are adopted by taxing authorities in other countries where we do business, such changes could have a material adverse effect on our business, results of operations, or financial condition.

We and others are subject to a variety of complex and evolving laws, regulations, or industry standards, including with respect to environmental, health, safety, and product considerations, which may have a material adverse effect on our business, results of operations, or financial condition.

The manufacture of our products requires the use of facilities, equipment, chemicals, and materials that are subject to a broad array of laws and regulations in numerous jurisdictions in which we operate. Additionally, we are subject to a variety of other laws and regulations relative to the construction, maintenance, and operations of our facilities. Any changes in laws, regulations, or industry standards could cause us to incur additional direct costs, as well as increased indirect costs related to our relationships with our customers and suppliers, and otherwise harm our operations and financial condition. Any failure to comply with laws, regulations, or industry standards could adversely impact our reputation and our financial results. Additionally, we engage various third parties as sales channel partners or to represent us or otherwise act on our behalf who are also subject to a broad array of laws, regulations, and industry standards. Our engagement with these third parties may also expose us to risks associated with their respective compliance with laws and regulations.

New and evolving environmental health, safety, and product considerations, including those related to greenhouse gas emissions and climate change, the purchase, use and disposal of regulated and/or hazardous chemicals, and the potential resulting environmental, health or safety impacts, may result in new laws, regulations, or industry standards that may affect us, our suppliers, and our customers. Such laws, regulations, or industry standards could cause us to incur additional direct costs for compliance, as well as increased indirect costs resulting from our customers, suppliers, or both incurring additional compliance costs that are passed on to us. These costs may adversely impact our results of operations and financial condition.

New and evolving cybersecurity, data privacy, and artificial intelligence laws and regulations impose requirements for information confidentiality, integrity, availability, personal and proprietary data collection, storage, use, sharing, deletion, and artificial intelligence solutions that must be transparent, fair, secure, human-focused, and accountable. Such laws, standards, and market expectations could cause us to incur additional direct costs for compliance, as well as increased indirect costs resulting from our customers, suppliers, or partners reluctance to share information or solutions due to actual or perceived inadequate controls. These costs may adversely impact our operations and financial condition.

As a result of the considerations detailed in this risk factor, we could experience the following:

- suspension of production or sales of our products;
- limited supplies of chemicals or materials used to make our products;
- remediation costs;
- increased compliance costs;
- alteration of our manufacturing processes;
- regulatory penalties, fines, civil or criminal sanctions, and other legal liabilities; and
- reputational challenges.

Compliance with, or our failure, or the failure of our third-party sales channel partners or agents, to comply with, laws, regulations, or industry standards could have a material adverse effect on our business, results of operations, or financial condition.

Risks Related to Capitalization and Financial Markets

We may be unable to generate sufficient cash flows or obtain access to external financing necessary to fund our operations, make scheduled debt payments, pay our dividend, and make adequate capital investments.

Our cash flows from operations depend primarily on the volume of semiconductor memory and storage products sold, average selling prices, and manufacturing costs. To develop new product and process technology, support future growth, achieve operating efficiencies, and maintain product quality, we must make significant capital investments in manufacturing technology, capital equipment, facilities, R&D, and product and process technology. We estimate capital expenditures in 2024 for property, plant, and equipment, net of partner contributions, to be in the range of \$7.5 billion to \$8.0 billion.

In the past, we have utilized external sources of financing when needed. As a result of our debt levels, expected debt amortization, prevailing interest rates, and general capital market and other economic conditions, it may be difficult for us to obtain financing on terms acceptable to us or at all. We have experienced volatility in our cash flows and operating results and we expect to continue to experience such volatility in the future, which may negatively affect our credit rating. Our credit rating may also be affected by our liquidity, financial results, economic risk, or other factors, which may increase the cost of borrowings and make it difficult for us to obtain financing on terms acceptable to us or at all. There can be no assurance that we will be able to generate sufficient cash flows, access capital or credit markets, or find other sources of financing to fund our operations, make debt payments, refinance our debt, pay our quarterly dividend, and make adequate capital investments to remain competitive in terms of technology development and cost efficiency. Our inability to do any of the foregoing could have a material adverse effect on our business, results of operations, or financial condition.

Debt obligations could adversely affect our financial condition.

We have incurred in the past, and expect to incur in the future, debt to finance our capital investments, business acquisitions, and to realign our capital structure. As of November 30, 2023, we had debt with a carrying value of \$13.51 billion and may incur additional debt, including under our \$2.50 billion Revolving Credit Facility. Our debt obligations could adversely impact us as follows:

- require us to use a large portion of our cash flow to pay principal and interest on debt, which will reduce the amount of cash flow available to fund our business activities;
- adversely impact our credit rating, which could increase borrowing costs;
- limit our future ability to raise funds for capital expenditures, strategic acquisitions or business opportunities, R&D, and other general corporate requirements;
- restrict our ability to incur specified indebtedness, create or incur certain liens, and enter into sale-leaseback financing transactions;
- increase our vulnerability to adverse economic and industry conditions;
- increase our exposure to rising interest rates from variable rate indebtedness; and
- result in certain of our debt instruments becoming immediately due and payable or being deemed to be in default if applicable cross default, cross-acceleration and/or similar provisions are triggered.

Our ability to meet our payment obligations under our debt instruments depends on our ability to generate significant cash flows or obtain external financing in the future. This, to some extent, is subject to market, economic, financial, competitive, legislative, and regulatory factors as well as other factors that are beyond our control. There can be no assurance that our business will generate cash flow from operations, or that additional capital will be available to us, in amounts sufficient to enable us to meet our debt payment obligations and to fund other liquidity needs. Additionally, events and circumstances may occur which would cause us to not be able to satisfy applicable draw-down conditions and utilize our Revolving Credit Facility. In light of industry conditions, in 2023, we amended the financial covenants in our Revolving Credit Facility and term loan agreements. See “Part I. Financial Information – Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Overview” and “Part I. Financial Information - Item 1. Financial Statements – Notes to Consolidated Financial Statements – Debt.” If we are unable to generate sufficient cash flows to service our debt payment obligations or satisfy our debt covenants, we may need to refinance, restructure, or amend the terms of our debt, sell assets, reduce or delay capital investments, or seek to raise additional capital. If we are unable to implement one or more of these alternatives, we may be unable to meet our debt payment obligations, which could have a material adverse effect on our business, results of operations, or financial condition.

Changes in foreign currency exchange rates could materially adversely affect our business, results of operations, or financial condition.

Across our global operations, significant transactions and balances are denominated in currencies other than the U.S. dollar (our reporting currency), primarily the Chinese yuan, euro, Indian rupee, Japanese yen, Malaysian ringgit, New Taiwan dollar, and Singapore dollar. In addition, a significant portion of our manufacturing costs are denominated in foreign currencies. Exchange rates for some of these currencies against the U.S. dollar have been volatile and may be volatile in future periods. If these currencies strengthen against the U.S. dollar, our manufacturing costs could significantly increase. Exchange rates for the U.S. dollar that adversely change against our foreign currency exposures could have a material adverse effect on our business, results of operations, or financial condition.

We are subject to counterparty default risks.

We have numerous arrangements with financial institutions that subject us to counterparty default risks, including cash deposits, investments, and derivative instruments. Additionally, we are subject to counterparty default risk from our customers for amounts receivable from them. As a result, we are subject to the risk that the counterparty will default on its performance obligations. A counterparty may not comply with its contractual commitments which could then lead to its defaulting on its obligations with little or no notice to us, which could limit our ability to mitigate our exposure. Additionally, our ability to mitigate our exposures may be constrained by the terms of our contractual arrangements or because market conditions prevent us from taking effective action. If one of our counterparties becomes insolvent or files for bankruptcy, our ability to recover any losses suffered as a result of that counterparty's default may be limited by the liquidity of the counterparty or the applicable laws governing the bankruptcy proceedings. In the event of such default, we could incur significant losses, which could have a material adverse effect on our business, results of operations, or financial condition.

The trading price of our common stock has been and may continue to be volatile.

Our common stock has experienced substantial price volatility in the past and may continue to do so in the future. Additionally, we, the technology industry, and the stock market as a whole have on occasion experienced extreme stock price and volume fluctuations that have affected stock prices in ways that may have been unrelated to the specific operating performance of individual companies. The trading price of our common stock may fluctuate widely due to various factors, including, but not limited to, actual or anticipated fluctuations in our financial condition and operating results, changes in financial forecasts or estimates by us or financial or other market estimates and ratings by securities and other analysts, changes in our capital structure, including issuance of additional debt or equity to the public, interest rate changes, regulatory changes, news regarding our products or products of our competitors, and broad market and industry fluctuations.

For these reasons, investors should not rely on recent or historical trends to predict future trading prices of our common stock, financial condition, results of operations, or cash flows. Investors in our common stock may not realize any return on their investment in us and may lose some or all of their investment. Volatility in the trading price of our common stock could also result in the filing of securities class action litigation matters, which could result in substantial costs and the diversion of management time and resources.

The amount and frequency of our share repurchases may fluctuate, and we cannot guarantee that we will fully consummate our share repurchase authorization, or that it will enhance long-term shareholder value. Share repurchases could also increase the volatility of the trading price of our stock and will diminish our cash reserves.

The amount, frequency, and execution of our share repurchases pursuant to our share repurchase authorization may fluctuate based on our operating results, cash flows, and priorities for the use of cash for other purposes. Our expenditures for share repurchases were \$425 million in 2023, \$2.43 billion in 2022, \$1.20 billion in 2021, \$176 million in 2020, and \$2.66 billion in 2019. These other purposes include, but are not limited to, operational spending, capital spending, acquisitions, and repayment of debt. Other factors, including changes in tax laws, could also impact our share repurchases. Although our Board of Directors has authorized share repurchases of up to \$10 billion of our outstanding common stock, the authorization does not obligate us to repurchase any common stock.

We cannot guarantee that our share repurchase authorization will be fully consummated or that it will enhance long-term shareholder value. The repurchase authorization could affect the trading price of our stock and increase volatility, and any announcement of a pause in, or termination of, this program may result in a decrease in the trading price of our stock. In addition, this program will diminish our cash reserves.

There can be no assurance that we will continue to declare cash dividends in any particular amounts or at all.

Our Board of Directors has adopted a dividend policy pursuant to which we currently pay a cash dividend on our common shares on a quarterly basis. The declaration and payment of any dividend is subject to the approval of our Board of Directors and our dividend may be discontinued or reduced at any time. There can be no assurance that we will declare cash dividends in the future in any particular amounts, or at all.

Future dividends, if any, and their timing and amount, may be affected by, among other factors: our financial condition, results of operations, capital requirements, business conditions, debt service obligations, contractual restrictions, industry practice, legal requirements, regulatory constraints, and other factors that our Board of Directors may deem relevant. A reduction in or elimination of our dividend payments could have a negative effect on the trading price of our stock.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In May 2018, we announced that our Board of Directors authorized the discretionary repurchase of up to \$10 billion of our outstanding common stock through open-market purchases, block trades, privately-negotiated transactions, derivative transactions, and/or pursuant to Rule 10b5-1 trading plans. The repurchase authorization has no expiration date, does not obligate us to acquire any common stock, and is subject to market conditions and our ongoing determination of the best use of available cash. During the quarter ended November 30, 2023, we did not repurchase any common stock under the authorization and as of November 30, 2023, \$3.11 billion of the authorization remained available for the repurchase of our common stock.

Shares of common stock withheld as payment of withholding taxes upon the vesting of restricted stock are also treated as common stock repurchases. Shares withheld for the payment of withholding taxes or exercises prices for equity awards other than restricted stock are not considered repurchases for purposes of this Item and are not required to be reported. In the first quarter of 2024, shares withheld as payment upon the vesting of restricted stock consisted of the following:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under publicly announced plans or programs (in millions)
September 1, 2023 — October 5, 2023	—	\$ —	—	—
October 6, 2023 – November 2, 2023	235,061	69.36	—	—
November 3, 2023 – November 30, 2023	—	—	—	—
	<u>235,061</u>	<u>\$ 69.36</u>	<u>—</u>	<u>\$3,106</u>

ITEM 5. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

The following officer, as defined in Rule 16a-1(f) of the Exchange Act, adopted a “Rule 10b5-1 trading arrangement,” as defined in Item 408 of Regulation S-K, as follows:

On November 14, 2023, April Arnzen, our Executive Vice President and Chief People Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale of an aggregate of up to 19,560 shares of our common stock acquired by Ms. Arnzen pursuant to our Restricted Stock Awards. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The first date that sales of any shares are permitted to be sold under the trading arrangement will be March 27, 2024, and subsequent sales under the trading arrangement may occur on a regular basis for the duration of the trading arrangement until December 31, 2024, or earlier if all transactions under the trading arrangement are completed.

No other officers or directors, as defined in Rule 16a-1(f), adopted and/or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as defined in Item 408 of Regulation S-K, during the last fiscal quarter.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit	Filed Herewith	Form	Period Ending	Exhibit/ Appendix	Filing Date
3.1	<u>Restated Certificate of Incorporation of the Registrant</u>		8-K		99.2	1/26/15
3.2	<u>Bylaws of the Registrant, Amended and Restated</u>		8-K		3.1	2/16/21
10.1	<u>Executive Officer Cash Severance Policy</u>	X				
10.2*	<u>Severance Policy Acknowledgement Letter for Sanjay Mehrotra</u>	X				
10.3*	<u>Amended and Restated Severance Agreement by and between Micron Technology, Inc. and Scott J. DeBoer</u>	X				
10.4*	<u>Amended and Restated 2008 Director Compensation Plan</u>	X				
31.1	<u>Rule 13a-14(a) Certification of Chief Executive Officer</u>	X				
31.2	<u>Rule 13a-14(a) Certification of Chief Financial Officer</u>	X				
32.1	<u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350</u>	X				
32.2	<u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350</u>	X				
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	X				
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	X				

* Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Micron Technology, Inc.

(Registrant)

Date: December 21, 2023

By: /s/ Mark Murphy

Mark Murphy
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Scott Allen

Scott Allen
Corporate Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Micron Technology, Inc.**Executive Officer Cash Severance Policy (the "Policy")**

Micron Technology, Inc. (the "Company") will not enter into any new employment agreement, severance agreement or separation agreement with any officer as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended ("Executive Officer") or establish any new severance plan or policy covering any Executive Officer that provides for Cash Severance Benefits exceeding 2.99 times the sum of the Executive Officer's base salary plus target bonus opportunity without seeking shareholder ratification of such agreement, plan or policy. In addition, any cash payments that may be owed under any existing agreement, plan or policy entered into with an Executive Officer prior to the adoption of this Policy will be reduced to the extent necessary to not exceed 2.99 times the sum of the Executive Officer's base salary plus target bonus opportunity, unless shareholder ratification is obtained.

For purposes of this Policy:

- "Cash Severance Benefits" means cash payments to an Executive Officer for the Executive Officer's termination of employment, or to offset any tax liability relating to such termination payments. It does not include:
 - The payment, vesting or acceleration of equity-based awards granted under Company equity plans,
 - The payment or provision of perquisites (flights, security, car allowances, executive physicals, club dues, etc.) and other similar benefits generally available to similarly-situated employees,
 - Any earned but unpaid bonus under any Company plan or policy,
 - Payment of deferred compensation, 401(k) matching, health savings matching contributions, retirement benefits or other vested employee benefits provided under any Company benefit plan or policy, or
 - Accrued but unpaid base salary, or vacation pay or expense reimbursements as of the termination date.
- The Compensation Committee of the Board is responsible for administering this Policy, including but not limited to, full authority to enforce and interpret this Policy.

Adopted: October 12, 2023



December 12, 2023

Mr. Sanjay Mehrotra

Re: Change to your Amended and Restated Executive Agreement

Dear Sanjay:

This letter confirms your agreement to a change in your Amended and Restated Executive Agreement dated January 1, 2022 with Micron Technology, Inc. (your "Agreement").

Micron recently adopted the Executive Officer Cash Severance Policy (the "Severance Policy"), which limits the cash severance benefits that Micron may pay to its executive officers. You and Micron agree that the Severance Policy, as in effect on the date of this letter, applies to your Agreement. Thus, if you terminate employment and qualify for severance benefits under your Agreement, your cash severance benefits will be reduced if and to the extent required by the Severance Policy as in effect on the date of this letter. Your Agreement otherwise remains in full force and effect and the terms of your Agreement are unchanged by this letter except as provided above.

The Company thanks you for your willingness to accept this change to your Agreement.

Sincerely,

April Arnzen
Senior Vice President and Chief People Officer

I agree to all of the terms described above.

Dated: December 19, 2023

/s/ Sanjay Mehrotra

Sanjay Mehrotra

AMENDED AND RESTATED SEVERANCE AGREEMENT

This Amended and Restated Severance Agreement (the "Agreement") is made and entered into by and between Micron Technology, Inc., a Delaware corporation (the "Company"), and Scott J. DeBoer, an individual and Officer of the Company, (the "Officer"), and is effective as of the Effective Date (as defined below).

WHEREAS, the Company and the Officer previously entered into a Severance Agreement effective as of November 27, 2007, which was amended by Amendment 1 thereto effective as of November 10, 2015 and by Amendment 2 thereto effective as of October 24, 2017 (as amended, the "Original Agreement") and desire to amend and restate the Original Agreement in its entirety;

WHEREAS, the Company desires to provide the Officer with benefits in consideration for his or her execution of this Agreement, the Release (as defined below) and the Agreement Not to Compete or Solicit entered into by and between the parties, effective as of November 27, 2007 (the "Noncompete Agreement");

NOW THEREFORE, the parties agree to amend and restate the Original Agreement in its entirety as follows:

1(a). **TERMINATION OF THE OFFICER.** The Company or the Officer may at any time terminate the Officer's active employment with the Company for any reason, voluntary or involuntary, with or without Cause, by providing notice to that effect in writing. Subject to the Officer signing and not revoking the release required in Section 7, upon the Officer's Qualifying Termination of Employment, the Officer shall be entitled to the compensation and benefits described in Section 5(a). Except as provided in Section 5(a), upon the Officer's Separation from Service, the Officer shall only be entitled to (i) those payments and benefits required by law, (ii) unpaid base salary, (iii) reimbursement of unreimbursed business expenses and (iv) such employee benefits (including equity compensation and paid time off), if any, to which the Officer may be entitled under the Company's employee benefit plans ("Accrued Amounts"). To the extent there is any conflict between the terms and benefits provided under any bonus or incentive program of the Company and this Agreement, the terms of this Agreement shall prevail. The Accrued Amounts shall be paid in accordance with the applicable plan or reimbursement policy, provided that the Officer's final pay check will be paid as soon as administratively practicable following the Officer's termination of employment.

1(b). **QUALIFYING TERMINATION OF EMPLOYMENT.** For purposes of this Agreement, Officer experiences a "Qualifying Termination of Employment" if the Officer's employment is terminated by the Company for a reason other than for Cause, death or Disability or is terminated by the Officer with Good Reason. Further, for purposes of this Agreement, the Officer experiences a "Change of Control Qualifying Termination of Employment" if the Officer experiences a Qualifying Termination of Employment upon or within twelve (12) months following a Change of Control. For purposes of this Agreement, "Cause," "Change of Control," "Disability" and "Good Reason" shall have the meanings set forth on Exhibit 1(b), attached hereto and incorporated herein by this reference.

1(c). **QUALIFYING RETIREMENT.** If the Officer's employment is terminated by the Officer due to the Officer's bona fide retirement from all business activity and service as an employee and consultant, without intent to return to service for the Officer's remaining life (other than service on one or more boards of directors or other insubstantial business activities that are consistent with the Officer's obligations under the Noncompete Agreement) ("Retirement"), and such termination does not amount to a Qualifying Termination of

Employment, then the Company will offer Officer a consulting agreement for the duration of the Transition Period described below, providing for compensation consistent with the compensation set forth in Exhibit 5(a), subject to the Officer's continued maintenance of such Retirement (and not engaging in any substantial business, consulting or employment without the written approval of the Company) for the duration of the Transition Period.

2. **LOSS OF OFFICER STATUS.** Upon receipt by the Officer of a notice of termination from the Company, or at any other time upon the Company's request, the Officer automatically shall be deemed to have resigned immediately from all positions the Officer then holds as an officer and/or director of the Company. The Officer will cooperate with the Company in documenting such resignation(s) and will promptly complete and return to the Company all documents reasonably specified by the Company for such purpose.

3. **SEPARATION FROM SERVICE.** The date of the Officer's "Separation from Service" shall be the earliest of: (i) the date of the Officer's death; or (ii) the date after which the Company and the Officer reasonably anticipate that the level of bona fide services the Officer will perform, whether as an employee or consultant, will permanently decrease to 20 percent or less of the average level of bona fide services performed (whether as an employee or contractor) over the immediately preceding 36-month period (or the full period of services to the Company if the Officer provided services to the Company for less than 36 months).

4. **TRANSITION PERIOD.** For purposes of this agreement, the "Transition Period" shall be a one year period immediately following the date of the Officer's Separation from Service due to a Qualifying Termination of Employment.

5(a). **COMPENSATION DURING THE TRANSITION PERIOD.** Upon the Officer's Qualifying Termination of Employment, and provided the Officer complies with the terms of this Agreement (including the requirements of Section 7) and the terms of the Noncompete Agreement, the Officer, or the Officer's estate in the event of the Officer's death, will receive during the Transition Period compensation and cash in lieu of employee benefits as provided on Exhibit 5(a), attached hereto and incorporated herein by this reference.

5(b). **EXECUTIVE BONUS AFTER LOSS OF OFFICER STATUS.** An Officer who ceases to be an Officer but does not cease to be an employee of the Company, and who has not yet incurred a Separation from Service (referred to herein as a "Non-Officer Employee"), shall receive, in lieu of an executive bonus pursuant to Section 5(a)(ii) of Exhibit 5(a), an executive bonus, if at all, subject to the following terms and conditions:

If as of the date of the Officer's loss of officer status the Non-Officer Employee was a designated participant for an executive bonus plan performance period but the Company's board of directors (the "Board") or a committee thereof has not yet taken action on any required goal achievement certification for such performance period, the Non-Officer Employee will be entitled to receive his or her executive bonus based on the performance so certified, at the same time and in the same manner as the continuing officers of the Company receive payment of their executive bonuses for such performance period, if and only if (A) the specified goals are achieved, as certified by the Board or a committee thereof, (B) payment is made for such achievement pursuant to the terms and conditions of the bonus program to the other participating officers, (C) the Non-Officer Employee is an employee of the Company at the time of payment and (D) the Non-Officer Employee complies with the terms of this Agreement and the terms of the Noncompete Agreement; provided that any bonus payable pursuant to this subsection shall be calculated by multiplying (x) the Officer's annual bonus eligible salary for the Company's fiscal 2023 determined without regard to the temporary

reduction of base salary for fiscal 2023 (“Unreduced 2023 Bonus Eligible Salary”) by (y) the Officer’s target percentage for the Company’s fiscal 2023 under the executive bonus plan by (z) the Company’s performance attainment for the applicable performance period as certified by the Board or a committee thereof.

A Non-Officer Employee that receives a bonus pursuant to the terms of this Section 5(b) shall not be entitled to receive an additional bonus pursuant to Section 5(a)(ii) of Exhibit 5(a) during his or her Transition Period. Any amount payable under this Section 5(b) shall be payable at the time and form provided in the applicable bonus plan.

5(c). FURTHER CLARIFICATIONS. It is understood that the Officer, during the period of time in which he or she is a Non-Officer Employee and at any time during the Transition Period, is not entitled pursuant to this Agreement to renew his or her participation in any executive bonus program, receive any new grants of stock options or restricted stock, or to the accrual of TOP time (however, Non-Officer Employees would participate in the Company’s Time Off Plan). It is further understood that the Officer is not entitled to payment of any compensation that is deferred past the Transition Period due to payment criteria of an incentive program, as those criteria existed as of the date of the Officer’s Separation from Service. For the avoidance of doubt, the Officer shall not be entitled to any payment which is earned and payable after the Transition Period pursuant to the terms of the applicable plan or program. No action by the Company or the Board may affect the Officer’s receipt of the benefits set forth above, other than as provided herein.

6. CONFIDENTIALITY. The reasons for, and circumstances of, an Officer’s termination of employment or change in officer status shall be kept confidential and shall not be disclosed; provided that the Company may disclose such information as the Company determines, in its sole discretion, is either required by law to be disclosed or necessary to be disclosed to serve a valid business purpose.

7. RELEASE. No amount shall be payable to the Officer under Section 5(a) until the Officer signs, and does not revoke within any applicable revocation period, a release of claims in favor of the Company, its affiliates and their respective officers and directors in substantially the form attached hereto as Appendix A (the “Release”) during the Release Execution Period; provided that the Company has the right at the time of Officer’s Separation from Service to modify the form of Release as may be necessary or appropriate for changes in applicable law; provided, further, that no such modifications will impose any new obligations on the Officer to which the Officer has not already agreed in writing. For purposes of this Agreement, the “Release Execution Period” shall be the 60-day period commencing on the date of the Officer’s Separation from Service.

8. ENTIRE AGREEMENT. Except as otherwise specifically provided herein, this Agreement sets forth the entire agreement and understanding between the Company and the Officer relating to the subject matter hereof and supersedes all prior understandings and agreements with respect thereto, including, without limitation, the Original Agreement. No modification of or amendment to this Agreement, or any waiver of any rights under this Agreement, will be effective unless contained in a writing signed by both of the parties hereto in accordance with Section 11. Any subsequent change or changes in Officer’s duties, salary or compensation will not affect the validity or scope of this Agreement. This Agreement is in addition to, and does not supersede or modify in any fashion, the provisions of the Noncompete Agreement, or the provisions of any confidentiality and intellectual property agreements previously entered into by the parties hereto (collectively, “Additional Agreements”) (and all documents and forms referenced therein). The obligations contained in the Additional Agreements shall continue independent of the obligations of one another and of this Agreement.

For avoidance of doubt, the “Period of Restriction” as defined in the Noncompete Agreement shall continue in full force and effect in accordance with the terms of the Noncompete Agreement.

9(a). SECTION 409A COMPLIANCE. This Agreement is intended to comply with Internal Revenue Code (“Code”) Section 409A and the applicable Treasury Regulations (together, “Section 409A”) or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. Any payments to be made under this Agreement upon a termination of employment shall only be made upon a “separation from service” under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest, or other expenses that may be incurred by the Officer on account of non-compliance with Section 409A. In the event an amount payable under this Agreement is contingent upon the Officer signing a Release during a Release Execution Period and such Release Execution Period begins in one tax year and ends in the next tax year, such amount shall be paid on the later of (i) the last day of the Release Execution Period, (ii) if applicable, the date specified in Section 9(b), or (iii) the payment date otherwise set forth in this Agreement.

9(b). SPECIFIED EMPLOYEE PAYMENTS, TIMING: Notwithstanding anything in this Agreement to the contrary, if any amount or benefit that would constitute non-exempt “deferred compensation” for purposes of Section 409A would otherwise be payable or distributable under this Agreement by reason of the Officer’s Separation from Service during a period in which the Officer is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Company under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes):

- (i) if the payment or distribution is payable in a lump sum, the Officer’s right to receive payment or distribution of such non-exempt deferred compensation will be delayed until the earlier of the Officer’s death or the first day of the seventh month following the Officer’s Separation from Service; and
- (ii) if the payment or distribution is payable over time, the amount of such nonexempt deferred compensation that would otherwise be payable during the six-month period immediately following the Officer’s Separation from Service will be accumulated and the Officer’s right to receive payment or distribution of such accumulated amount will be delayed until the earlier of the Officer’s death or the first day of the seventh month following the Officer’s Separation from Service, whereupon the accumulated amount will be paid or distributed to the Officer and the normal payment or distribution schedule for any remaining payments or distributions will resume.

For purposes of this Agreement, the term “Specified Employee” has the meaning given such term in Section 409A, provided, however, that, as permitted in Treas. Reg. §1.409A-1(i), the Company’s Specified Employees and its application of the six-month delay rule of Code Section 409A(a)(2)(B)(i) shall be determined in accordance with rules adopted by the Compensation Committee of the Board, which shall be applied consistently with respect to all nonqualified deferred compensation arrangements of the Company, including this Agreement.

9(c). SECTION 280G. This section will be construed in accordance with Code Sections 280G and 4999, or any successor provisions thereto, and the guidance issued thereunder (collectively, “Section 280G”), and the terms “parachute payment” and “excess parachute payment” as used herein have the meanings ascribed to them under Section 280G.

(i) If it is determined that the aggregate payments and benefits constituting parachute payments which, but for the operation of this provision, would become payable or distributable by the Company to or for the benefit of Officer, pursuant to this Agreement, any other agreement, or any benefit plan (collectively, the “Total Payments”), would result in any excess parachute payments becoming subject to the excise tax imposed by Code Section 4999, or any successor provision thereto, or any interest or penalties with respect to such excise tax (such excise tax, together with such interest and penalties, collectively, the “Excise Tax”), then the Total Payments shall be reduced to an amount equal to One Dollar (\$1) less than the maximum amount that could be paid to Officer without giving rise to any Excise Tax (the “Safe Harbor Cap”); provided, however, that this reduction shall be applied only if the net after-tax benefit to Officer after such reduction would be greater than the net after-tax benefit to Officer without such reduction (notwithstanding the application of the Excise Tax on the unreduced Total Payments). For the avoidance of doubt, Officer shall be responsible for the payment of any Excise Tax arising from the Total Payments and there shall be no tax gross up on any amounts paid under this Agreement.

(ii) Any reduction in Total Payments required by this provision shall be applied in the following order and, to the extent applicable, in accordance with the rules under Section 409A: (i) first, reduction of cash payments and benefits, in reverse order of the date of payment; (ii) second, cancellation of vesting acceleration of equity awards, in reverse order of the date of grant; and (iii) third, reduction of other non-cash payments and benefits, in reverse order of the date the payment or benefit is to be provided. If the same payment or award date applies to more than one payment or benefit within any of the foregoing categories, the reduction will apply to each such payment or benefit on a pro-rata basis. Subject to the foregoing, the Total Payments shall be reduced so that the reduction of compensation to be provided to Officer is otherwise minimized.

(iii) Unless the Company and Officer otherwise agree in writing, all calculations and determinations necessary to effectuate this provision, including without limitation determinations as to whether a reduction in payments or benefits is required and the amount thereof, whether any item of compensation constitutes a parachute payment, the amount, if any, subject to the Excise Tax (including determinations as to whether any portion of the excess parachute payments constitutes reasonable compensation for services actually rendered, within the meaning of Code Section 280G(b)(4)(B)), and the present value of any parachute payment, shall be made, consistent with Section 280G, by a public

accounting firm and/or tax counsel selected by the Company (which may be the Company's independent public accounting firm or outside tax counsel) (the "Advisors"). For this purpose, the Advisors may make reasonable assumptions and approximations; may rely on reasonable, good faith interpretations concerning the application of Section 280G; and may rely upon such other tax, legal, valuation or other specialists as they deem appropriate. Officer's applicable federal, state, and local income taxes shall be computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes. The Company and Officer agree to furnish the Advisors with such information and documents as the Advisors reasonably request to make such calculations and determinations as soon as practicable upon such request. The Company shall direct the Advisors to provide Officer with a written statement of its conclusions, setting forth the basis therefor, including detailed supporting calculations and copies of any written opinions or advice upon which such conclusions rely (the "Report"), within ten (10) business days after their receipt of all required information and documents. Officer shall have five (5) business days thereafter to notify the Advisors and the Company in writing of any reasonable and substantive objections to the Report. The Company shall direct the Advisors to promptly consider in good faith and respond to such objections, and provide Officer a revised Report reflecting appropriate adjustments (unless the Advisors determine that no adjustments are necessary). The Advisors' final calculations and determinations (as adjusted, if applicable) shall be conclusive and binding on all parties for all purposes. The Company shall bear all costs the Advisors may reasonably incur in connection with the process contemplated by this paragraph.

10. **COMPENSATION RECOUPMENT.** All amounts payable to the Officer as described or referenced in this Agreement will be subject to recoupment pursuant to the Company's current compensation clawback or recoupment policy (if any) and any additional compensation clawback or recoupment policy or amendments to the current policy adopted by the Board that applies on substantially the same terms to all other U.S. based officers of the Company or as required by law, regulation or an exchange listing requirement applicable to the Company.

11. **GOVERNING LAW.** This Agreement, for all purposes, shall be construed in accordance with the laws of Idaho without regard to conflicts of law principles. Any action or proceeding by either of the parties to enforce this Agreement shall be brought only in a state or federal court located in the state of Idaho. The parties hereby irrevocably submit to the jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

12. **MODIFICATION.** No provision of this Agreement may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Officer and by an authorized officer of the Company as directed by the Board. No waiver by either of the parties of any breach by the other party hereto of any condition or provision of this Agreement to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the parties in exercising any right, power, or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power, or privilege.

13. CAPTIONS. Captions and headings of the sections and paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the caption or heading of any section or paragraph.

14. SEVERABILITY. Should any provision of this Agreement be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Agreement shall be held as unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Agreement, the balance of which shall continue to be binding upon the parties with any such modification to become a part hereof and treated as though originally set forth in this Agreement.

The parties further agree that any such court is expressly authorized to modify any such unenforceable provision of this Agreement in lieu of severing such unenforceable provision from this Agreement in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Agreement, or by making such other modifications as it deems warranted to carry out the intent and agreement of the parties as embodied herein to the maximum extent permitted by law.

The parties expressly agree that this Agreement as so modified by the court shall be binding upon and enforceable against each of them. In any event, should one or more of the provisions of this Agreement be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and if such provision or provisions are not modified as provided above, this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had not been set forth herein.

15. REPRESENTATION BY COUNSEL. Officer acknowledges that he has been represented by independent counsel in the negotiation and execution of this Agreement, specifically including but not limited to its choice of law, jurisdiction, and venue provisions.

(remainder of page intentionally left blank)

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the date of later signature below (the “Effective Date”).

MICRON TECHNOLOGY, INC.

/s/ Sanjay Mehrotra

By: Sanjay Mehrotra
President and CEO

November 30, 2023

Date

OFFICER

/s/ Scott J. DeBoer

Scott J. DeBoer

November 30, 2023

Date

Exhibit 1(b)

Special Defined Terms

For purposes of this Agreement, the following terms shall have the meaning set forth below:

- (a) “Cause” means any of the following acts by the Officer, as determined by the Board:
- (i) the commission by the Officer of, or the Officer’s pleading guilty or nolo contendere to, a felony or a crime involving moral turpitude (including pleading guilty or nolo contendere to a felony or lesser charge which results from plea bargaining), whether or not such felony, crime or lesser offense is connected with the business of the Company or any of its affiliates;
 - (ii) the Officer’s engaging in any other act of dishonesty, fraud, intentional misrepresentation, moral turpitude, illegality or harassment, whether or not such act was committed in connection with the business of the Company or any of its affiliates;
 - (iii) the willful and repeated failure by the Officer to follow the valid and lawful directives of the Board;
 - (iv) any material violation of the Company’s written policies;
 - (v) any intentional misconduct by the Officer in connection with the Company and any of its affiliates’ businesses or relating to the Officer’s duties, or any willful violation of any laws, rules or regulations; or
 - (vi) the Officer’s material breach of any employment, severance, non- competition, non-solicitation, confidential information, or restrictive covenant agreement, or similar agreement, with the Company or an affiliate.

The determination of the Board as to the existence of “Cause” shall be conclusive on the Officer and the Company.

- (b) “Change in Control” means and includes the occurrence of any one of the following events:
- (i) individuals who, as of the effective date of the Agreement (the “Effective Date”), constitute the Board of the Company (the “Incumbent Directors”) cease for any reason to constitute at least a majority of such Board, provided that any person becoming a director after the Effective Date and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors (“Election Contest”) or other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board (“Proxy Contest”), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director; or
 - (ii) any person is or becomes a “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934 (the “1934 Act”)), directly or indirectly, of either (A) 35% or more of the then-outstanding shares of common stock of the Company

("Company Common Stock") or (B) securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of directors (the "Company Voting Securities"); provided, however, that for purposes of this subsection (b), the following acquisitions shall not constitute a Change in Control: (w) an acquisition directly from the Company, (x) an acquisition by the Company or a Subsidiary of the Company, (y) an acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary of the Company, or (z) an acquisition pursuant to a Non-Qualifying Transaction (as defined in subsection (ii) below); or

(iii) the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a Subsidiary (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Reorganization, Sale or Acquisition (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Corporation") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Common Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any Subsidiary of the Company, (y) the Surviving Corporation or its ultimate parent corporation, or (z) any employee benefit plan or related trust) sponsored or maintained by any of the foregoing is the beneficial owner, directly or indirectly, of 35% or more of the total common stock or 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Corporation, and (C) at least a majority of the members of the board of directors of the Surviving Corporation were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Reorganization, Sale or Acquisition (any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company

For purposes of the foregoing Change in Control definition, (i) "Subsidiary" means any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company and (ii) "Person" means any individual, entity or group, within the meaning of Section 3(a) (9) of the 1934 Act and as used in Section 13(d)(3) or 14(d)(2) of the 1934 Act.

(c) "Disability" means the Separation from Service of the Officer after the applicable authorized party under the long-term disability plan (the "LTD Plan") maintained by the Company or its affiliate has provided written notification to the Human Resources Department that the Officer qualifies for disability benefits under the LTD Plan (a "Disability Notice"). If the Officer is not eligible for disability benefits under any applicable LTD Plan, then the Officer

shall not be able to incur a Disability termination under this Agreement. For purposes of the foregoing, the Officer shall be treated as terminating for Disability under this Agreement only if the Human Resources Department has received a copy of the Disability Notice before processing the Officer's termination.

(d) "Good Reason" means any of the following, without the Officer's consent: (i) a material diminution in Officer's base salary (other than an across-the-board reduction in base salary that affects all peer employees); (ii) a material diminution in Officer's authority, duties, or responsibilities; or Company's failure to nominate the Officer for election to the Board and to use its best efforts to have him elected or re-elected to the Board, as applicable; (iii) the relocation of Officer's principal office to a location that is more than twenty-five (25) miles from the location of Officer's principal office on the effective date of the Agreement; provided, however, that Good Reason shall not include (A) any relocation of Officer's principal office which is proposed or initiated by Officer, (B) any relocation that results in Officer's principal place office being closer to Officer's then-current principal residence, or (C) any relocation as may be required or recommended governmental authorities, such as a stay-at-home order) or (iv) a material breach by Company of this Agreement or other written material obligation of the Company to the Officer.

A termination by Officer shall not constitute termination for Good Reason unless Officer shall first have delivered to the Company written notice setting forth with specificity the occurrence deemed to give rise to a right to terminate for Good Reason (which notice must be given no later than ninety (90) days after the initial occurrence of such event) (the "Good Reason Notice"), and the Company has not taken action to correct, rescind or otherwise substantially reverse the occurrence supporting termination for Good Reason as identified by Officer within thirty (30) days following its receipt of such Good Reason Notice. Officer's date of termination for Good Reason must occur within a period of three hundred and sixty five (365) days after the initial occurrence of an event of Good Reason.

Exhibit 5(a)
Compensation During the Transition Period

- (i) Base salary as of the date of the Officer's Separation from Service paid bi-weekly on the Company's normal payroll cycle as if the Officer had worked during the Transition Period, provided, however:
- (A) if the Officer or the Company terminated the Officer's status as an officer of the Company but not as an employee prior to the date of the Officer's Separation from Service, then the base salary payable pursuant to this subsection during the Transition Period shall be the greater of (1) the Officer's base salary in effect immediately prior to the Officer's loss of officer status or (2) the Officer's base salary as of the date of the Officer's Separation from Service; and
 - (B) if as of the date of the Separation from Service the Officer's base salary is subject to a temporary reduction in an effort to save costs, then the base salary payable pursuant to this subsection during the Transition Period shall be the Officer's base salary immediately prior to such reduction.
 - (C) notwithstanding the foregoing, for a Qualifying Termination of Employment after the Company's fiscal 2023 that is not a Change of Control Qualifying Termination of Employment, the base salary payable pursuant to this subsection during the Transition Period will not be greater than the Officer's base salary in effect for the Company's fiscal, 2023 (determined without regard to the temporary reduction of base salary that occurred in fiscal 2023).

- (ii) an executive bonus, subject to the following terms and conditions:

If as of the date of the Officer's Separation from Service the Officer was a designated participant for an executive bonus plan performance period but the Board or a committee thereof has not yet taken action on any required goal achievement certification for such performance period, the Officer will be entitled to receive his or her executive bonus based on the performance so certified, at the same time and in the same manner as the continuing officers of the Company receive payment of their executive bonuses for such performance period, if and only if (A) any required certification thereof by the Board or a committee thereof occurs during the Transition Period, (B) the specified goals are achieved, as certified by the Board or a committee thereof, and (C) payment is made for such achievement pursuant to the terms and conditions of the bonus program to the other participating officers during the Transition Period; provided that, for a Qualifying Termination of Employment after the Company's fiscal year 2023 that is not a Change of Control Qualifying Termination of Employment, any bonus payable pursuant to this subsection shall be calculated by multiplying (x) the Officer's Unreduced 2023 Bonus Eligible Salary by (y) the Officer's target percentage for the Company's fiscal 2023 under the executive bonus plan by (z) the Company's performance attainment for the applicable performance period as certified by the Board or a committee thereof.

An Officer that receives a bonus pursuant to the terms of Section 5(b) shall not be entitled to receive an additional bonus pursuant to this Section 5(a)(ii).

- (iii) an additional executive bonus for the Transition Period, subject to the following terms and conditions:

If as of the date of the Officer's Separation from Service the Officer was a designated participant for an executive bonus plan, and the Board or a committee thereof designates a new performance period under an executive bonus plan covering similarly situated officers of the Company that begins after the Officer's Separation from Service and coincides (in whole or in part) with the Transition Period, then the Officer will be entitled to receive an executive bonus for such performance period based on performance certified by the Board or a committee thereof, with the resulting amount prorated, if applicable, to reflect the total number of days in the performance period that fall within the Transition Period (relative to total days in the performance period), at the same time and in the same manner as the continuing officers of the Company receive payment of their executive bonuses for such performance period, if and only if (A) the specified goals are achieved, as certified by the Board or a committee thereof, and (B) payment is made for such achievement pursuant to the terms and conditions of the bonus program to the other participating officers; provided that, for a Qualifying Termination of Employment after the Company's fiscal year 2023 that is not a Change of Control Qualifying Termination of Employment, any bonus payable pursuant to this subsection shall be calculated by multiplying (w) the Officer's Unreduced 2023 Bonus Eligible Salary by (x) the Officer's target percentage for the Company's fiscal 2023 under the executive bonus plan by (y) the Company's performance attainment for the applicable performance period as certified by the Board or a committee thereof by (z) a fraction equal to the total number of days in the performance period that fall within the Transition Period, divided by total days in the performance period.

- (iv) With respect to "time-based" and/or "performance-based" options that have not previously become vested, the continued vesting and exercisability of any granted stock options in accordance with the terms of the applicable stock plan as if the Officer's employment as an officer had continued during the Transition Period, provided, however, and for purposes of clarification, the parties agree that the Officer shall be entitled to vesting for the completion of "performance-based" goals hereunder if and only if the specified performance goal was achieved prior to or during the Transition Period and any required goal achievement certification for such performance goal has been made by the Board or a committee thereof, thereafter; provided that, if the Officer has experienced a Change of Control Qualifying Termination, all of such options will become fully vested (with any performance condition for which the performance period has not closed prior to such termination deemed achieved at target) effective upon the Release Date.
- (v) with respect to restricted stock awards, the lapse of any "time-based" and/or "performance-based" restrictions at the same time and in the same amounts such restrictions would have lapsed, if at all, in accordance with the terms of the applicable stock plan if the Officer's employment as an officer had continued during the Transition Period, provided, however, and for purposes of clarification, the parties agree that the Officer shall be entitled to the lapse of "performance-based" restrictions hereunder if and only if the specified performance goal was achieved prior to or during the Transition Period and any required goal achievement certification for such performance goal has been made by the Board or a committee thereof, thereafter; provided that, if the Officer has experienced a Change of Control Qualifying Termination, all such time-based restrictions shall lapse (with any performance-based restrictions for which the performance period has not closed prior to such termination lapsing as if achieved at target) effective upon the Release Date.
- (vi) Participation and vesting in the Company's RAM 401(k) Plan (or a successor or replacement plan) (the "401(k) Plan") will cease pursuant to the terms of the 401(k) Plan

(generally, the date of the Officer's termination of employment) and' standard termination options under the 401(k) Plan will apply.

If the Officer is contributing to the 401(k) Plan at the date of the Officer's Separation from Service and has not reached the maximum matching contribution for the 401(k) Plan year(s) covered by the Transition Period, then an amount equal to the difference between the Officer's actual matching contribution and the amount of matching that the Officer would have received if the Officer had continued to defer his or her income into the 401(k) Plan for the Transition Period at the same rate as was in effect on the date of the Officer's Separation from Service will be paid to the Officer. The payment, if any, will be calculated as though the Officer were 100% vested in such contribution, and will be paid within 60 days after the date of the Officer's Separation from Service (or such later date as may be required by Section 9 of the Agreement); and

- (vii) The Officer's participation, if applicable, will cease in the Company's non-cash benefit plans (medical, dental, life, etc.) pursuant to the terms of the applicable plan (generally, the end of the calendar month which includes the date of the Officer's termination of employment) unless the Officer properly elects to continue participation pursuant to any applicable COBRA continuation or conversion rights. The Officer may also be able to secure individual coverage with similar terms and conditions. It is the Officer's responsibility to make any timely elections required and for the payment of premiums.

Regardless of the Officer's election, to the extent the Officer was participating in the Company's non-cash benefit plans on the date of the Officer's Separation from Service, the Company will pay the Officer an amount equal to the difference in premiums between what the Officer would have paid as an employee during the Transition Period and what the Officer would have to pay during the Transition Period to continue coverage, based on rates in effect at the time of calculation for the region listed by the Company as the Officer's work address. If COBRA rates are available, those rates will be used in the calculation, followed by any applicable conversion rate, and finally, in the absence of COBRA or conversion rates, by the cost of individual coverage with similar terms and conditions. The payment, if any, and will be paid within 60 days after the date of the Officer's Separation from Service (or such later date as may be required by Section 9 of the Agreement).

Notwithstanding anything herein to the contrary, no compensation will be paid for the loss of any applicable short-term disability coverage.

Appendix A
FORM OF RELEASE AGREEMENT
(attached)

SEVERANCE AGREEMENT - 15

RELEASE

This Release (the "Release") is made and given by Scott J. DeBoer, an individual and Officer of the Company (the "Officer"), to Micron Technology, Inc., a Delaware corporation (the "Company").

WHEREAS, the Officer accepted that certain Amended and Restated Severance Agreement from the Company effective October 10, 2023 ("Severance Agreement");

WHEREAS, the Officer and the Company have agreed to severance benefits under certain terms of separation as set forth in the Severance Agreement;

WHEREAS, this Release is prepared to effectuate the release contemplated in the Severance Agreement;

NOW THEREFORE, the Officer agrees to the following Release:

1. **General Release of Claims.** In consideration of the Officer's receipt of the consideration set forth in the Severance Agreement, the Officer releases, waives and forever discharges the Company and its subsidiaries, affiliates, affiliated organizations, related companies, benefit plans and their fiduciaries and administrators, insurers, parent entities, predecessors, insurers, successors, assigns, directors, Board of Directors, managers, officers, employees, representatives, affiliates and agents (collectively "Releasees") of and from all claims, demands, liabilities, suits, and causes of action Officer has or may have against any of the Releasees, on and before the date Officer signs this Release. This broad release of claims by the Officer includes, but is not limited to, any and all claims arising out of the Officer's employment with and separation of employment from the Company as well as any and all allegations that the Company or any of the Releasees:

- a. have discriminated against, harassed, retaliated against, or otherwise violated any law with respect to the Officer on the basis of race, color, sex, gender, national origin, age (including any claim under the Age Discrimination in Employment Act, "ADEA", the Older Workers' Benefit Protection Act ("OWBPA"), 29 U.S.C. §§ 621 et. seq., and any state, country, local or other acts prohibiting discrimination), ancestry, disability, religion, pregnancy, sexual orientation, marital status, parental status, familial status, veteran status, source of income, entitlement to benefits, union activities, or any other status protected by local, state or federal laws, code sections, constitutions, regulations, ordinances, administrative determinations or rulings, or executive orders;
- b. have otherwise violated any local, state or federal law, code section, constitution, regulation, ordinance, administrative determination or ruling, or executive order, including but not limited to Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1866, 42 U.S.C. Section 1981, the Occupational Safety and Health Act, the Family and Medical Leave Act of 1993, the Americans with Disabilities Act, the Equal Pay Act, the False Claims Act, any waivable claims under the Fair Labor Standards Act, the Age Discrimination in Employment Act, the Older Worker Benefit Protection Act, the Employee Retirement Income Security Act of 1974, as amended, the Worker Adjustment and Retraining Notification Act (and any state law counterpart), Genetic Information Nondisclosure Act of 2008, 42 U.S.C. Sec. 2000ff et seq., any state, county, local or other acts prohibiting discrimination (including on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, medical

condition, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave, any other category or status protected by law, and/or retaliation for protesting illegal discrimination related to one of these categories), the Idaho Equal Pay Law, the Idaho Jury Duty Law, the Idaho Drug Testing Act, the Idaho Human Rights Act, the Idaho Wage Claim Act, and all other similar provisions from any other applicable states;

- c. have violated or breached personnel policies, handbooks, codes of conduct, any covenant of good faith and fair dealing, any contracts of employment, and/or any contracts;
- d. have violated public policy or common law, including claims for personal injury; wrongful termination; invasion of privacy; constructive discharge; retaliatory discharge; negligent hiring, retention or supervision; defamation; intentional or negligent infliction of emotional distress and/or mental anguish or suffering; intentional interference with contract, negligence; detrimental reliance; loss of consortium to the Officer or to any member of the Officer's family, and/or promissory estoppel; and
- e. are in any way obligated for any reason to pay the Officer damages, expenses, litigation costs, attorneys' fees, wages, front pay, back pay, fringe benefits, compensation, bonuses, commissions, severance pay, disability or other benefits, vacation pay and sick pay, compensatory damages, punitive damages, and/or interest.

This is a General Release and releases all claims of any kind, including claims the Officer may not know about. The Officer understands and agrees that the Officer is hereby releasing all claims the Officer has or may have against the Company or any of the Releasees on or before the date the Officer signs this Release.

2. **Release of Unknown Claims.** For the purpose of implementing a full and complete release, the Officer expressly acknowledges and agrees that this Release resolves all legal claims the Officer may have against the Company or any of the Releasees as of the date of this Release, including but not limited to claims that Officer did not know or suspect to exist in the Officer's favor at the time of the effective date of this Release.

The Officer further acknowledges that the Officer is aware facts may later be discovered which are in addition to, or different from, those which the Officer now knows or believes to be true with respect to the subject matter of this Release. However, the Officer understands and acknowledges that it is the Officer's intention to fully, finally and forever to release all claims against the Company or any of the Releasees which now exist, or may have existed before, or may hereafter exist, regardless of whether such claims are known or unknown, or suspected or unsuspected, and without regard to the later discovery or existence of such different additional facts.

Additionally, if any claim is not subject to release, to the extent permitted by law, the Officer waives any right or ability to bring or join a class or collective action, to serve as class or collective representative, or to otherwise participate in any putative or certified class, collective or multi-party action. In other words, this is intended to be a general release of all claims, which shall be read as broadly as permitted by law.

3. **Exclusions from General Release.** Matters excluded from the General Release of Claims in Section 1 above are (i) any claims or rights which cannot be waived by law, (ii) any vested pension or retirement benefits or other benefits under employee benefit plans in which the

Officer participated and has a right to benefit, (iii) rights to enforce the Company's obligations under the Severance Agreement, (iv) rights as a shareholder of the Company, and (v) the Officer's rights to indemnification and D&O insurance coverage. Also excluded from the General Release is the Officer's right to file a charge with an administrative agency or participate in an agency investigation, and nothing in this Release limits the Officer's right to receive money for providing information to a government agency as set forth in Section 4 below. However, except for any claim or charge filed with the Securities Exchange Commission, Federal Trade Commission, or as otherwise prohibited by law, the Officer is waiving the right to receive individual relief (including without limitation back pay, front pay, reinstatement or other legal or equitable relief) based on claims asserted in any such charge or complaint of employment discrimination, harassment, and/or retaliation filed by the Officer or any other individual with the Equal Employment Opportunity Commission, National Labor Relations Board, Department of Labor, Idaho Human Rights Commission, or other similar state agencies responsible for enforcement of employment laws, or by any of these agencies on Officer's behalf involving the Company. Further, nothing in this Agreement prohibits the disclosure of factual information relating to claims of sexual assault, sexual harassment, harassment or discrimination based on sex, or retaliation for filing a claim of sexual harassment.

4. **Governmental Reporting/Testimony.** The Officer understands that nothing in this Release is intended to interfere with or discourage Officer's good faith disclosure to any governmental entity related to a suspected violation of the law. Further, nothing in this Agreement waives your right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or sexual harassment, when you have been required or requested to attend the proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature. The Officer understands that Officer cannot and will not be held criminally or civilly liable under any federal or state trade secret law for disclosing otherwise protected trade secrets and/or confidential or proprietary information so long as the disclosure is made in: (1) confidence to a federal, state, or local government official, directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law; or (2) a complaint or other document filed in a lawsuit or other proceeding, so long as such filing is made under seal. The Officer further understands that the Company will not retaliate against Officer in any way for a disclosure made pursuant to this Section 4. Further, in the event the Office makes such a disclosure, and files a lawsuit against the Company alleging that the Company retaliated against Officer because of Officer's disclosure, the Officer understands that Officer may disclose the relevant trade secret or confidential information to Officer's attorney, and may use the same in the court proceeding only if: (1) Officer ensures that any court filing that includes the trade secret or confidential information at issue is made under seal; and (2) Officer does not otherwise disclose the trade secret or confidential information except as required by court order.

5. **Charges and Complaints.** The Officer represents and warrants that the Officer has not filed any complaints or charges against the Company or any other Releasee with any local, state or federal agency or court and is currently unaware of any set of facts that would give rise to such a complaint or charge. The Officer agrees to indemnify and hold the Company harmless from any breach of the representation and warranty contained in this Section 5 of this Agreement. This Section 5 does not apply to any claim or charge filed with the Securities Exchange Commission, Federal Trade Commission, or as otherwise prohibited by law.

6. **Taxes.** The Officer agrees to pay any local, state or federal taxes due in connection with the payments or compensation paid to Officer pursuant to the Severance Agreement, and agrees to indemnify and hold the Company and its subsidiaries and affiliates harmless from any tax, interest, penalty or other sum sought, imposed or assessed against the Company and its subsidiaries and affiliates by any taxing authority in connection with the payment of any amounts pursuant to the Severance Agreement.

7. **Return of the Company Property.** The Officer represents and warrants that Officer has delivered to the Company all devices, documents and data of any nature containing, or pertaining to, any confidential, proprietary information or trade secrets (including all of the Company's confidential information, technical information, business information, customer lists, tax, financial or proprietary knowledge and any such information Officer obtained while employed by the Company) and that neither Officer nor any of Officer's agents or representatives have taken or retained any such documents or data or any reproduction thereof. The Officer further agrees that Officer will not, at any time, disclose or use any such information, except as may be required by court order or subpoena. The Officer also acknowledges the Company's right to enforce this Section 7 of this Release in any court of competent jurisdiction.

8. **Nondisparagement.** The parties agree that the Officer, on the one hand, and the Company and its directors and executive officers, on the other, will not disparage, volunteer or provide information, make statements, or news or press releases about (i) any alleged improper or unlawful acts or omissions of either party or any of the Releasees concerning Officer's employment, the end or termination of Officer's employment, or other matters arising before, during or after Officer's employment with the Company; nor (ii) will the Officer disparage the Company or its products, services, vendors, parents, subsidiaries, divisions, successors or assigns, or any person acting by, through, under or in concert with any of them, and any of their current and former shareholders, officers, directors, agents, attorneys or employees, with any written or oral statement. For avoidance of doubt, nothing in this Agreement shall be construed to deny Officer's right to disclose information about unlawful acts in the workplace, including but not limited to sexual harassment. In addition, nothing contained herein shall be construed to prevent Officer from providing truthful testimony to any court or administrative agency pursuant to subpoena or other compulsory legal process (other than as part of a proceeding initiated by Officer in violation of this Agreement), or from notifying the proper law enforcement authorities if Officer reasonably and in good faith concludes that the Company is violating laws enacted for the protection of corporate shareholders, investors, employees, or the general public.

9. **Additional Acknowledgments by the Officer.** The Officer also acknowledges and agrees that:
- a. Officer is entering into this Release knowingly and voluntarily;
 - b. the Company is hereby advising the Officer in writing to consult with an attorney before signing this Release and has had a reasonable opportunity to do so prior to executing this Release;
 - c. Officer understands Officer may take up to twenty-one (21) days (or up to forty-five (45) days, if the Release is executed in conjunction with a group termination or an exit incentive program) to consider this Release before signing it;
 - d. this Release contains the entire understanding of the Officer and the Company concerning the subjects it covers and it supersedes all prior understandings and representations, provided, however, nothing in this Release affects any post-employment restrictive covenants (including, but not limited to, non-disclosure, non-solicitation, and non-compete) or intellectual property assignment agreements the Officer may have signed, which shall remain in full force and effect;
 - e. this Release may not be modified or supplemented except by a subsequent written agreement signed by the Officer and the Company's Senior Vice President of Human Resources and Chief People Officer (or other authorized officer of Micron);

- f. the Officer has not assigned any rights or claims being released by this Release to any other person or entity; and
- g. the Officer is giving up the right to file a claim for age discrimination under the Age Discrimination in Employment Act, "ADEA" and the Older Workers' Benefit Protection Act ("OWBPA"), 29 U.S.C. §§ 621 et. seq., based on events and actions (or inactions) pre-dating the execution of this Agreement (claims arising after the execution of this Agreement are not waived).

10. **Expiration and Return.** If the Officer fails to sign this Release within twenty-one (21) days after a separation of the Company contemplated under the Severance Agreement (the "Separation Date") (or forty-five (45) days in the case of a group termination or an exit incentive program) or revokes the Release as set forth in Section 11, the Company reserves the right to cease all payments and benefits owed to the Officer under the Severance Agreement and to further seek recovery of the consideration, if any, previously paid to the Officer under the Severance Agreement. The Company will require that the Officer not sign or return this Release earlier than the Separation Date. If the Officer does so, the Company reserves the right to delay the effective date of this Release until on or after the Separation Date (as may be applicable), and may also require the Officer to sign a written reaffirmation of this Release in order to receive or retain any payments or benefits owing to the Officer under the Separation Agreement. If the Officer signs this Release, Officer may email a copy to the Company's Employee Relations department at [***]@micron.com or return the signed original to the attention of the office of the Senior Vice President and Chief People Officer at Micron Technology, Inc., 8000 South Federal Way, Boise, Idaho 83716.

11. **Signature and Revocation Period.** After the Officer signs this Release, Officer will have seven (7) days to revoke it if the Officer has a change of mind. If the Officer wants to revoke this Release, the Officer should either email the written revocation to the Company's Employee Relations department at [***]@micron.com, or otherwise deliver a copy to the attention of the office of the Senior Vice President and Chief People Officer at Micron Technology, Inc., 8000 South Federal Way, Boise, Idaho 83716, within seven (7) calendar days after the Officer signed it. If the Officer does not revoke this Release within this seven (7) day revocation period, the Release will become effective immediately, subject to the requirements set forth in Section 10 above.

12. **Governing Law, and Venue.** This Release shall be construed in accordance with the laws of Idaho without regard to conflicts of law principles. The Officer hereby irrevocably submits to the jurisdiction of the state courts of Ada County, State of Idaho or the United States District Court for the District of Idaho, for any action arising out of or in any way related to the interpretation and enforcement of this Agreement and waives the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

13. **Severability.** If for any reason any provision of this Release is determined to be invalid, unenforceable or contrary to any existing or future law to any extent, such provision shall be enforced to the extent permissible under the law and such invalidity, unenforceability or illegality shall not impair the operation of or otherwise affect those portions of this Release which are valid, enforceable and legal.

14. **Opportunity for Representation by Counsel.** The Officer acknowledges that Officer has been advised to, and had an opportunity to be, or has actually been represented by, independent counsel in the negotiation and execution of this Release, specifically including but not limited to its choice of law, jurisdiction, and venue provisions.

- * **THIS RELEASE CONTAINS A GENERAL RELEASE AND WAIVER OF IMPORTANT RIGHTS AND EXTENDS TO ALL KNOWN AND UNKNOWN CLAIMS.**
- * **DO NOT SIGN THIS RELEASE UNLESS YOU HAVE FIRST CAREFULLY READ IT AND YOU FULLY UNDERSTAND IT.**
- * **BY SIGNING THIS RELEASE, YOU REPRESENT YOU HAVE CAREFULLY READ IT, FULLY UNDERSTAND IT AND ACKNOWLEDGE THE RIGHTS YOU ARE GIVING UP.**

Officer

Date Signed



**MICRON TECHNOLOGY, INC.
2008 DIRECTOR COMPENSATION PLAN
AMENDED AND RESTATED
EFFECTIVE AS OF OCTOBER 12, 2023**



**MICRON TECHNOLOGY, INC.
2008 DIRECTOR COMPENSATION PLAN**

TABLE OF CONTENTS

<u>ARTICLE 1 PURPOSE</u>	1
<u>1.1. Background</u>	1
<u>1.2. Purpose</u>	1
<u>1.3. Eligibility</u>	1
<u>ARTICLE 2 DEFINITIONS</u>	1
<u>2.1. Definitions</u>	1
<u>ARTICLE 3 ADMINISTRATION</u>	3
<u>3.1. Administration</u>	3
<u>3.2. Reliance</u>	3
<u>3.3. Indemnification</u>	3
<u>ARTICLE 4 SOURCE OF SHARES</u>	4
<u>4.1. Source of Shares for the Plan</u>	4
<u>ARTICLE 5 ANNUAL RETAINER AND EXPENSE REIMBURSEMENT</u>	4
<u>5.1. Basic Annual Retainer</u>	4
<u>5.2. Supplemental Annual Retainer</u>	4
<u>5.3. Travel Expense Reimbursement</u>	5
<u>ARTICLE 6 TIME AND FORM OF PAYMENT OF ANNUAL RETAINER</u>	5
<u>6.1. Election to Receive Total Annual Retainer Currently in Cash or Stock</u>	5
<u>6.2. Election to Defer Annual Retainer</u>	6
<u>ARTICLE 7 ANNUAL EQUITY COMPENSATION</u>	7



7.1. Equity Awards	7
ARTICLE 8 AMENDMENT, MODIFICATION AND TERMINATION	9
8.1. Amendment, Modification and Termination	9
ARTICLE 9 GENERAL PROVISIONS	9
9.1. Tax Matters	9
9.2. Adjustments	9
9.3. Duration of the Plan	10
9.4. Expenses of the Plan	10
SCHEDULE I DIRECTOR COMPENSATION SCHEDULE	11



**MICRON TECHNOLOGY, INC.
2008 DIRECTOR COMPENSATION PLAN**

**Article 1
PURPOSE**

1.1. **BACKGROUND.** This Plan is adopted to formalize the compensation for non-employee directors of the Company. The Board adopted the Micron Technology, Inc. 2008 Director Compensation Plan effective as of January 14, 2009, amended and restated the Plan effective as of December 1, 2021, and hereby further amends and restates the Plan effective as of October 12, 2023. The Plan operates as a subplan of the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan, and any subsequent equity compensation plan approved by the Board and designated as the Equity Incentive Plan for purposes of this Plan.

1.2. **PURPOSE.** The purpose of the Plan is to attract, retain and compensate highly-qualified individuals who are not employees of the Company or any of its Subsidiaries or Affiliates for service as members of the Board by providing them with competitive compensation and an equity interest in the Stock of the Company. The Company intends that the Plan will benefit the Company and its stockholders by allowing Non-Employee Directors to have a personal financial stake in the Company through an ownership interest in the Stock and will closely associate the interests of Non-Employee Directors with that of the Company's stockholders.

1.3. **ELIGIBILITY.** Non-Employee Directors of the Company who are Eligible Participants, as defined below, shall automatically be participants in the Plan.

**Article 2
DEFINITIONS**

2.1. **DEFINITIONS.** Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan. Unless the context clearly indicates otherwise, the following terms shall have the following meanings:

“Annual Equity Award Amount” means with respect to all Non-Employee Directors for each Plan Year, the amount determined by the Board from time to time and set forth on Schedule I hereto.

“Annual Grant Date” means (i) the date during each Plan Year in which annual Equity Awards are granted to directors of the Company, or (ii) such other date(s) as may be established by the Committee for the grant of Annual Equity Awards hereunder. The Committee may establish different Annual Grant Dates for different directors (for example, but not by way of limitation, for a Non-Employee Director for the Plan Year in which the Non-Employee Director first joins the Board).

“Basic Annual Retainer” means the annual retainer (excluding expenses and perquisites) payable by the Company to a Non-Employee Director pursuant to Section 5.1 hereof for service as a director of the Company (i.e., excluding any Supplemental Annual Retainer), as such amount may be determined by the Board from time to time and set forth on Schedule I hereto.



“Committee” means the Governance and Sustainability Committee of the Board or any other duly authorized committee of the Board that the Board has designated to administer the Plan.

“DSU Equivalent Amount” means the portion (in 25% increments) of an Eligible Participant’s Total Annual Retainer and Annual Equity Award Amount for a Plan Year that he or she has elected to receive in the form of Deferred Stock Units, pursuant to Section 6.2.

“Effective Date” of the Plan means January 14, 2009.

“Election Form” means the form by which an Eligible Participant elects the form and timing of payment of his or her Total Annual Retainer and/or elects the timing of payment of any Deferred Stock Units in lieu of his or her Annual Equity Award, as provided in Article 6.

“Eligible Participant” means any person who is a Non-Employee Director on the Effective Date or becomes a Non-Employee Director while this Plan is in effect.

“Equity Award” means an award of Options, Restricted Stock, Restricted Stock Units, Deferred Stock Units or any other type of Award based on or derived from the Stock and which is authorized under the Equity Incentive Plan for award to Non-Employee Directors.

“Equity Incentive Plan” means the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan, and any subsequent equity compensation plan approved by the Board and designated as the Equity Incentive Plan for purposes of this Plan.

“Non-Employee Director” means a director of the Company who is not an employee of the Company or any of its Subsidiaries or Affiliates.

“Plan” means this Micron Technology, Inc. 2008 Director Compensation Plan, as amended from time to time.

“Plan Year(s)” means the twelve-month period ending on December 31 of each year which, for purposes of the Plan, is the period for which the Annual Retainer is earned.

“Quarterly Grant Date” has the meaning set forth in Section 6.1(a) of the Plan.

“Quarterly Service Period” has the meaning set forth in Section 6.1(a) of the Plan.

“Separation from Service” means separation from service from the Company and its Affiliates in all capacities, within the meaning of Section 409A of the Code.

“Stock Equivalent Amount” means the portion (in 25% increments) of an Eligible Participant’s Total Annual Retainer for a Plan Year that he or she has elected to receive in the form of current Stock awards, pursuant to Section 6.1.

“Supplemental Annual Retainer” means the annual retainer (excluding expenses and perquisites) payable by the Company to a Non-Employee Director pursuant to Section 5.2 hereof, as such amount may be determined by the Board from time to time.

“Total Annual Retainer” for any given Non-Employee Director means the Basic Annual Retainer and any Supplemental Annual Retainer to which he or she is entitled under the Plan.



Article 3 ADMINISTRATION

3.1. **ADMINISTRATION.** The Plan shall be administered by the Committee. Subject to the provisions of the Plan, the Committee shall be authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan (for example, but not by way of limitation, the form, time and manner of elections under the Plan). The Committee's interpretation of the Plan, and all actions taken and determinations made by the Committee pursuant to the powers vested in it hereunder, shall be conclusive and binding upon all parties concerned including the Company, its stockholders and persons granted awards under the Plan. The Committee may appoint a plan administrator to carry out the ministerial functions of the Plan, but the administrator shall have no other authority or powers of the Committee. Any powers that are reserved under the Plan to the Committee may be exercised by the Board to the extent determined in the discretion of the Board.

3.2. **RELIANCE.** In administering the Plan, the Committee may rely upon any information furnished by the Company, its public accountants and other experts. No individual will have personal liability by reason of anything done or omitted to be done by the Company or the Committee in connection with the Plan. This limitation of liability shall not be exclusive of any other limitation of liability to which any such person may be entitled under the Company's certificate of incorporation or otherwise.

3.3. **INDEMNIFICATION.** Each person who is or has been a member of the Committee or who otherwise participates in the administration or operation of the Plan shall be indemnified by the Company against, and held harmless from, any loss, cost, liability or expense that may be imposed upon or incurred by him or her in connection with or resulting from any claim, action, suit or proceeding in which such person may be involved by reason of any action taken or failure to act under the Plan and shall be fully reimbursed by the Company for any and all amounts paid by such person in satisfaction of judgment against him or her in any such action, suit or proceeding, provided he or she will give the Company an opportunity, by written notice to the Board, to defend the same at the Company's own expense before he or she undertakes to defend it on his or her own behalf. This right of indemnification shall not be exclusive of any other rights of indemnification to which any such person may be entitled under the Company's certificate of incorporation, bylaws, contract or Delaware law.

Article 4 SOURCE OF SHARES

4.1. **SOURCE OF SHARES FOR THE PLAN.** Equity Awards that may be issued pursuant to the Plan shall be issued under the Equity Incentive Plan, subject to all of the terms and conditions of the Equity Incentive Plan. The terms contained in the Equity Incentive Plan are incorporated into and made a part of this Plan with respect to Equity Awards granted pursuant hereto, and any such awards shall be governed by and construed in accordance with the Equity Incentive Plan. In the event of any actual or alleged conflict between the provisions of the Equity Incentive Plan and the provisions of this Plan, the provisions of the Equity Incentive Plan shall be controlling and determinative. This Plan does not constitute a separate source of shares for the grant of the Equity Awards described herein.



Article 5
ANNUAL RETAINER AND EXPENSE REIMBURSEMENT

5.1. BASIC ANNUAL RETAINER. Each Eligible Participant shall be paid a Basic Annual Retainer for service as a director during each Plan Year, payable in monthly installments at the end of each month of service (unless a different payment date is elected in accordance with Article 6). The amount of the Basic Annual Retainer shall be established from time to time by the Board upon recommendation of the Committee, and shall be set forth in Schedule I hereto, as amended from time to time. Each person who first becomes an Eligible Participant shall be entitled to a retainer equal to the monthly installment of the Basic Annual Retainer for each full month served during such Plan Year and a pro rata amount to reflect the actual number of days served in a partial month of service, in both cases payable in monthly installments at the end of the applicable month of service (unless a different payment date is elected in accordance with Article 6). If an Eligible Participant ceases to be such during a month, that person shall be entitled to a pro rata portion of the installment of the Basic Annual Retainer otherwise payable for that month, which pro rata portion reflects the actual number of days served in such month of partial service, payable at the end of such month (unless a different payment date is elected in accordance with Article 6).

5.2. SUPPLEMENTAL ANNUAL RETAINER. The chairs or members of the Audit, Compensation and Governance Committees of the Board may be entitled to a Supplemental Annual Retainer during a Plan Year, payable at the same times as installments of the Basic Annual Retainer are paid. The amount of the Supplemental Annual Retainers shall be established from time to time by the Board, upon recommendation of the Committee, and shall be set forth in Schedule I hereto, as amended from time to time. A pro rata Supplemental Annual Retainer will be payable to any Eligible Participant who is elected by the Board to a position eligible for a Supplemental Annual Retainer on a date other than the beginning of a Plan Year, for each full month served during such Plan Year in such position and a pro rata amount to reflect the actual number of days served in such month of partial service. If a person ceases to be a chair or member of the Audit, Compensation or Governance Committees of the Board on other than the last day of a month, that person shall be entitled to a pro rata portion of the installment of the Supplemental Annual Retainer otherwise payable for that month, which pro rata portion reflects the actual number of days served in the partial month of service, payable at the end of such month (unless a different payment date is elected in accordance with Article 6).

5.3. TRAVEL EXPENSE REIMBURSEMENT. All Eligible Participants shall be reimbursed for reasonable travel expenses (including spouse's expenses to attend events to which spouses are invited) in connection with attendance at meetings of the Board and its committees, or other Company functions at which the Chief Executive Officer or the Board requests the Director to participate.

Article 6
TIME AND FORM OF PAYMENT OF ANNUAL RETAINER

6.1. ELECTION TO RECEIVE TOTAL ANNUAL RETAINER CURRENTLY IN CASH OR STOCK.

(a) Each Non-Employee Director may elect to receive some or all (in 25% increments) of the Total Annual Retainer to be earned during a Plan Year by such Non-Employee Director either (i) in cash, payable on the dates on which the Total Annual Retainer are normally paid, or (ii) subject to share availability under the Equity Incentive Plan, in shares of Stock delivered on each of March 31, June 30, September 30 and December 31 of each Plan



Year (the "Quarterly Grant Date"). The number of shares of Stock to be granted on each Quarterly Grant Date shall be determined by dividing the Stock Equivalent Amount earned by the Non-Employee Director under Section 5 during the three-month period ending with (and inclusive of) the month in which the Quarterly Grant Date occurs (the "Quarterly Service Period") by the Fair Market Value per share of Stock on the Quarterly Grant Date (rounded to the nearest whole share). Any Stock granted under this Section 6.1 will be 100% vested and nonforfeitable as of the Quarterly Grant Date, and the Non-Employee Director receiving such Stock (or his or her custodian, if any) will have immediate rights of ownership in the Stock, including the right to vote the Stock and the right to receive any dividends or other distributions thereon. If a Non-Employee Director ceases to be such on other than a Quarterly Grant Date, the grant date for any shares of Stock earned for that calendar quarter shall be the last day of the Non-Employee Director's service as such.

(b) Each Non-Employee Director shall elect the form of payment desired for his or her Total Annual Retainer for a Plan Year by delivering a valid Election Form in such form as the Board shall prescribe to the Board prior to the beginning of such Plan Year or within thirty (30) days after a Non-Employee Director first joins the Board (and subject in all cases to any earlier deadline established for purposes of regulatory compliance or administration). The Election Form will be effective as of the first day of the Plan Year beginning after the Board receives the Non-Employee Director's Election Form (or as of the next Plan quarter in the case of a Non-Employee Director making such election after first joining the Board) and in all cases only with respect to compensation that has not been earned as of the date the election is made. The Election Form elected by the Non-Employee Director prior to the Plan Year will be irrevocable for the coming Plan Year (or coming Plan quarter, if applicable). However, prior to the commencement of the following Plan Year (and subject in all cases to any earlier deadline established for purposes of regulatory compliance or administration), a Non-Employee Director may change his or her election for future Plan Years by delivering a new Election Form indicating a different choice. If a Non-Employee Director fails to deliver a new Election Form prior to the commencement of the new Plan Year, his or her Election Form in effect during the previous Plan Year shall continue in effect during the new Plan Year. If no Election Form is filed or effective, or if there are insufficient shares of Stock in the Equity Incentive Plan, the Total Annual Retainer will be paid in cash.

6.2. ELECTION TO DEFER ANNUAL RETAINER AND ANNUAL EQUITY AWARD AMOUNT.

(a) Timing and Manner of Deferral Election. A Non-Employee Director may elect to defer some or all of his or her Total Annual Retainer and Annual Equity Award Amount (each in 25% increments) by conversion to Deferred Stock Units in accordance with this Section 6.2, subject to share availability under the Equity Incentive Plan. A Non-Employee Director who wishes to receive some or all of the Total Annual Retainer and/or Annual Equity Award Amount for a Plan Year in the form of Deferred Stock Units must irrevocably elect to do so by delivering a valid Election Form to the Board prior to the later of (i) the beginning of such Plan Year or (ii) thirty (30) days after he or she first joins the Board, subject in all cases to any earlier deadline established for purposes of regulatory compliance or administration. A Non-Employee Director's participation in this Section 6.2 of the Plan will be effective as of the first day of the Plan Year beginning after the Board receives the Non-Employee Director's Election Form (or as of the next Plan quarter in the case of a Non-Employee Director making such election within thirty (30) days after first joining the Board). The deferral Election Form delivered by the Non-Employee Director will be irrevocable for the coming Plan Year (or coming Plan quarter, if applicable). However, prior to the commencement of the following Plan Year (and subject in all cases to any earlier deadline established for purposes of regulatory compliance or



administration), a Non-Employee Director may change his or her election for future Plan Years by delivering a new Election Form indicating a different choice. If a Non-Employee Director fails to deliver a new Election Form prior to the commencement of the new Plan Year, his or her Election Form in effect during the previous Plan Year shall continue in effect during the new Plan Year.

(b) Crediting and Settlement of Deferred Stock Units. The number of Deferred Stock Units to be granted to an Eligible Participant on each Quarterly Grant Date shall be determined by dividing (i) the DSU Equivalent Amount attributable to the Total Annual Retainer earned (but deferred) by the Non-Employee Director during the Quarterly Service Period by (ii) the Fair Market Value per share of Stock on the Quarterly Grant Date (rounded to the nearest whole share). If a Non-Employee Director ceases to be such on other than a Quarterly Grant Date, the grant date for any Deferred Stock Units attributable to the Non-Employee Director's Total Annual Retainer earned for that calendar quarter shall be the last day of the Non-Employee Director's service as such. The number of Deferred Stock Units to be granted to an Eligible Participant on the applicable Annual Grant Date shall be determined by dividing (i) the DSU Equivalent Amount attributable to the Annual Equity Award Amount that otherwise would have been granted (but for the valid deferral election) to the Non-Employee Director during the Plan Year by (ii) the Fair Market Value per share of Stock on the Annual Grant Date (rounded to the nearest whole share). Deferred Stock Units shall be credited to a bookkeeping account maintained by the Company on behalf of the Non-Employee Director. The Deferred Stock Units shall be settled in (converted to) shares of Stock in a single sum on the date of the Non-Employee Director's Separation from Service (and in all events no later than fifteen (15) days thereafter, as determined by the Company for administrative convenience), provided that Deferred Stock Units in respect of the Annual Equity Award Amount will be settled only to the extent vested (and otherwise will be forfeited upon the Director's Separation from Service). (For the avoidance of doubt, valid elections by Non-Employee Directors for the 2023 Plan Year and earlier to receive payment in up to five equal annual installments still shall be paid in accordance with such elections to the extent provided by the Plan as in effect prior to this amendment and restatement.) No shares of Stock will be issued under this Section 6.2(b) until the applicable settlement date, at which time shares of Stock will be registered on the books of the Company in the Non-Employee Director's (at the conversion rate of one share of Stock for each Deferred Stock Unit). Such Shares of Stock will remain in uncertificated, book-entry form unless the Non-Employee Director requests a stock certificate or certificates for the Shares.

(c) Restrictions on Transfer. Deferred Stock Units may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered to or in favor of any party other than the Company, or be subjected to any lien, obligation or liability of the grantee to any other party other than the Company.

(d) Rights as a Stockholder. A Non-Employee Director shall not have voting, dividend or any other rights as a stockholder of the Company with respect to the Deferred Stock Units. Upon conversion of the Deferred Stock Units into shares of Stock, the Non-Employee Director will obtain full voting, dividend and other rights as a stockholder of the Company.

(e) Award Certificates. All Deferred Stock Units shall be evidenced by a written Award Certificate between the Company and the Non-Employee Director, which shall include such provisions, not inconsistent with the Plan or the Equity Incentive Plan, as may be specified by the Board.



Article 7
ANNUAL EQUITY COMPENSATION

7.1. EQUITY AWARDS.

(a) Annual Grant of Equity Awards. Subject to share availability under the Equity Incentive Plan, each Eligible Participant in service on the Annual Grant Date will receive an Equity Award, in the form of Restricted Stock, Restricted Stock Units, Options or any other type of Award based on or derived from the Stock and which is authorized under the Equity Incentive Plan for award to Non-Employee Directors unless the Eligible Participant has elected to receive Deferred Stock Units in lieu of such Equity Award (in which case such Eligible Participant will not receive an Equity Award under this Section 7.1(a) and instead will receive Deferred Stock Units to the extent provided in Section 6.2 of the Plan and the Eligible Participant's valid election). The form of Equity Awards to be granted in any Plan Year shall be established from time to time by the Board upon recommendation of the Committee, and shall be set forth in Schedule I, as amended from time to time. Until otherwise determined by the Board, the annual Equity Awards shall be in the form of Restricted Stock for Eligible Participants who are U.S. taxpayers and Restricted Stock Units ("RSUs") for Eligible Participants who are non-U.S. taxpayers.

(b) Restricted Stock. Any Restricted Stock awards shall have the following terms and conditions:

(i) Number of Shares. The number of Shares of Restricted Stock to be granted to an Eligible Participant shall be determined by (A) dividing the Annual Equity Award Amount for that Plan Year by the Fair Market Value of the Stock on the Annual Grant Date, and (B) rounding to the nearest whole number.

(ii) Vesting. The Restricted Stock Awards shall vest on the date or dates specified in the Award Certificate. Any Shares subject to a Restricted Stock Award that fail to vest will be forfeited as of the Eligible Participant's Separation from Service.

(iii) Other Plan Conditions. To the extent not specified herein, the Restricted Stock Awards granted hereunder shall be subject to the terms and conditions of the Equity Incentive Plan.

(c) Restricted Stock Units. If RSUs are to be granted to an Eligible Participant in lieu of an award of Restricted Stock, such RSUs shall have the following terms and conditions:

(i) Number of RSUs. The number of RSUs to be granted to the Eligible Participant shall be determined by (A) dividing the Annual Equity Award Amount for that Plan Year by the Fair Market Value of the Stock on the Annual Grant Date, and (B) rounding to the nearest whole number.

(ii) Vesting. The RSUs shall be credited to a bookkeeping account on behalf of the grantee and shall vest on the date or dates specified in the Award Certificate. Any RSUs that fail to vest will be forfeited as of the Eligible Participant's Separation from Service.

(iii) Conversion to Stock. Each Annual RSU represents the right to receive one share of Stock on the vesting date. Shares of Stock will be registered on the books of the Company in the Non-Employee Director's name as of the vesting date. Such Shares of Stock



will remain in uncertificated, book-entry form unless the Non-Employee Director requests a stock certificate or certificates for the Shares.

(iv) Other Plan Conditions. To the extent not specified herein, the RSUs granted hereunder shall be subject to the terms and conditions of the Equity Incentive Plan.

Article 8 AMENDMENT, MODIFICATION AND TERMINATION

8.1. AMENDMENT, MODIFICATION AND TERMINATION. The Board may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board, require stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of a securities exchange on which the Stock is listed or traded, then such amendment shall be subject to stockholder approval; and provided further, that the Board may condition any other amendment or modification on the approval of stockholders of the Company for any reason. Modification of Equity Awards granted under this Plan shall be subject to the provisions of the Equity Incentive Plan.

Article 9 GENERAL PROVISIONS

9.1. TAX MATTERS. An Eligible Participant shall have the status of a general unsecured creditor of the Company with respect to his or her right to receive Stock or other payment upon settlement of the Equity Award granted under the Plan. None of the benefits, payments, proceeds or distributions under Plan shall be subject to the claim of any creditor of any Eligible Participant or beneficiary, or to any legal process by any creditor of such Eligible Participant or beneficiary, and none of them shall have any right to alienate, commute, anticipate or assign any of the benefits, payments, proceeds or distributions under the Plan except to the extent expressly provided herein to the contrary.

9.2. ADJUSTMENTS. The adjustment provisions of the Equity Incentive Plan shall apply with respect to awards of Equity Awards granted pursuant to this Plan.

9.3. DURATION OF THE PLAN. The Plan shall remain in effect until terminated by the Board; provided, however, that the Plan shall terminate automatically upon termination of the Equity Incentive Plan, including any successor to the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan.

9.4. EXPENSES OF THE PLAN. The expenses of administering the Plan shall be borne by the Company.



SCHEDULE I

DIRECTOR COMPENSATION SCHEDULE

Basic Annual Retainer (all Directors): \$125,000

Supplemental Annual Retainers:

Board of Directors Chair: \$150,000

Audit Committee Chair: \$35,000

Compensation Committee Chair: \$30,000

Finance Committee Chair: \$20,000

Governance and Sustainability Committee Chair: \$20,000

Security Committee Chair: \$20,000

Annual Equity Award Amount: \$250,000

Form of Annual Equity Award: Restricted Stock and Restricted Stock Units (vesting in full 1 year after grant assuming continued service on the Board through the vesting date, with earlier vesting in full upon a qualified retirement from the Board after at least 3 years of service on the Board, or termination from the Board due to death or disability, all as provided in in the applicable award agreement)

**RULE 13a-14(a) CERTIFICATION OF
CHIEF EXECUTIVE OFFICER**

I, Sanjay Mehrotra, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Micron Technology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 21, 2023

/s/ Sanjay Mehrotra

Sanjay Mehrotra
President and Chief Executive Officer and Director

**RULE 13a-14(a) CERTIFICATION OF
CHIEF FINANCIAL OFFICER**

I, Mark Murphy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Micron Technology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 21, 2023

/s/ Mark Murphy

Mark Murphy
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. 1350**

I, Sanjay Mehrotra, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Micron Technology, Inc. on Form 10-Q for the period ended November 30, 2023, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Micron Technology, Inc.

Date: December 21, 2023

/s/ Sanjay Mehrotra

Sanjay Mehrotra

President and Chief Executive Officer and Director

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. 1350**

I, Mark Murphy, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Micron Technology, Inc. on Form 10-Q for the period ended November 30, 2023, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Micron Technology, Inc.

Date: December 21, 2023

/s/ Mark Murphy

Mark Murphy
Executive Vice President and Chief Financial Officer