

The background of the image is a wide-angle aerial shot of a large, calm lake. The water is a deep blue in the foreground, transitioning to a lighter, more reflective surface towards the horizon. A dense forest of green and yellowish trees lines the right side of the lake. In the center-left, a small, bright yellow boat with two people in it is visible, providing a sense of scale to the vast water. The sky above is a mix of bright blue and white, with scattered clouds.

Creating a brighter future

2023 CORPORATE SUSTAINABILITY REPORT

The logo for Lumentum, featuring a stylized 'L' shape composed of three colored segments: blue, green, and orange.

LUMENTUM

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About This Report

This is the third corporate sustainability report for Lumentum, covering activities for fiscal year 2023 (FY23) ending July 1, 2023. This year, we transitioned the name of this report from "Corporate Social Responsibility" to "Corporate Sustainability Report", which reflects the evolution of our program, better aligns with terminology used in standards and emerging legislation, and more fully captures the scope of our environmental, social, and governance efforts. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards for sustainability impacts, applies the standards of the Sustainability Accounting Standards Board (SASB) and references the United Nations Sustainable Development Goals (UN SDGs). We have not sought external assurance of this entire report; however, an independent third-party has verified energy and emissions data.



A Message from the CEO

Welcome to the third annual **Lumentum Corporate Sustainability Report**. During FY23, our talented teams around the world worked together to accelerate the design and development of cutting-edge processes and innovative products that improve lives and contribute to a more sustainable world. I'm honored to share that our efforts over the past year have been recognized by EcoVadis—a leading sustainability ratings agency—with their top-level Platinum award for 2023; and by our customer NEC, who honored us with their 2022 Partner of the Year award in the Sustainability category. These awards are a testament to the enormous progress we have made over the last several years to elevate sustainability as a key pillar of our long-term growth strategy.

While we finished the fiscal year strong financially, global macroeconomic challenges and customer inventory corrections created headwinds for our business. Despite these market fluctuations, **sustainability remained one of our top corporate priorities**. As such, we continued to invest in technologies to mitigate the impacts of climate change, we increased the number of programs we offer in support of employees and local communities, and we led by example in our governance practices.

In August 2022, we completed our acquisitions of NeoPhotonics Corporation and IPG Photonics' Telecom Transmission product lines. As part of our integration efforts, we are collaborating closely with our new colleagues to **deploy proven sustainability initiatives across these acquired sites** to bring them up to our robust standards. We have already seen remarkable progress on this front, and I look forward to advancing our sustainability journey with our expanded team.

Even with significant growth in our manufacturing operations as a result of acquisitions, I am thrilled to announce that in FY23, **our Scope 1 and Scope 2 emissions decreased by 25%**, compared to FY22. We also **doubled our sourcing of renewable electricity** and completed solar panel installations on two buildings at our manufacturing facility in Navanakorn, Thailand. Solar panel installation is also underway at our San Jose, California corporate headquarters, with an estimated completion date in early FY24.

This year, the world saw the unprecedented rise of new generative Artificial Intelligence (AI) tools and advanced Large Language Models (LLMs). The bandwidth required by these applications is already

straining cloud data center infrastructures, driving significantly increased server density and computing power needs. At Lumentum, we are leveraging our leading-edge product portfolio to address these needs today, while partnering with industry leaders **on innovative, next-generation solutions for the AI data centers of the future**. Case in point, our 200G PAM4 externally modulated lasers (EMLs), which were recognized with a 2023 Lightwave Innovation Award, **reduce electrical power per Gbps of optical bandwidth by 50%** versus prior EML generations. This is a revolutionary step for the industry, as EMLs are a critical component that connect servers within data centers to support the explosion in AI-generated traffic.

Our incredible global workforce continues to be the cornerstone of success at Lumentum. Our leaders and broader employee base have embraced our extensive Diversity, Inclusion, and Belonging (DIB) initiatives, including training courses, webinars, and employee resource groups (ERGs). We remain committed to **creating a diverse and supportive working environment**, where everyone is treated fairly, with respect, and with equal access to career growth and development opportunities.

As part of our sustainability strategy related to governance, in February we increased our Board of Directors to nine members. As the former Chief Sustainability Officer at Delta Airlines and former Vice President of Global Innovation at General Motors, Pamela Fletcher brings extensive industry knowledge, expertise, and a fresh perspective to expanding our sustainability and innovation practices. I am delighted to have Ms. Fletcher on our Board and look forward to her insights and contributions.



Please join me in celebrating the many ways that sustainability is embedded into Lumentum business, culture, and operations, as we continue to drive breakthrough advancements and innovative solutions that transform how people connect, create, and interact, and work towards *creating a brighter future for the world we live in*.

Sincerely,

A handwritten signature in blue ink that reads "Alan S. Lowe".

Alan S. Lowe,
President and Chief Executive Officer

FY23 Highlights



Planet

Reduced Scope 1 and Scope 2 emissions by **25%** compared to FY22

Transitioned three additional sites—Navanakorn, Thailand; San Jose and Dallas, U.S.—to **100%** renewable electricity

Procured **61%** of electricity from renewable sources

Completed our **FIRST** Life Cycle Assessment for multiple products

Received a **B-RATING** on our 2022 CDP Climate Change Disclosure



People

Hosted over **330** mentors and mentees in our employee mentorship program

Supported nearly **100** early career professionals around the world who participated in the inaugural Aspire Certificate Program certified by Duke University

Started **FOUR** new employee resource groups

Awarded **21** scholarships to underrepresented minority student interns in the U.S. and Canada

Launched **FIVE** leadership certificate programs available to employees at all sites



Innovation

Conducted **KAIZEN WORKSHOPS** focused on identifying and implementing improvements to reduce energy consumption at our facility in Navanakorn, Thailand

Filed approximately **200** new patent applications in FY23

Reduced electrical power consumption of 200G PAM4 EMLs (externally modulated lasers) by **50% per Gbps** of optical bandwidth vs. prior generations

FY23 Recognition and Awards



Earned the Platinum medal for the first time, the highest recognition level at EcoVadis for sustainability performance



Earned the Prime rating for the second consecutive year



Our 200G PAM4 externally-modulated lasers (EMLs) received the Data Center Innovation/Best Product category award



U.S. and Canada Region 2023 Top Rated ESG Company



Lumentum Ottawa was recognized as one of the National Capital Region's Top Employers for the 7th consecutive year



Lumentum rankings improved significantly from 2022 to 2023, moving to 3rd place in Software and Telecommunications and 31st overall



Lumentum Slovenia ranked in the top seven medium-size companies as the best place to work



Our 200G PAM4 EMLs were recognized as a high-scoring honoree with a score of 4.5 out of 5



Lumentum received the Silver award for the high power FemtoBlade™ laser which enables faster processing and improved throughput



Lumentum received the Excellent Core Partner Award, the highest honor given by FiberHome selected for our outstanding business performance



In June 2023, Lumentum received the NEC Partner of the Year 2022 award. The award recognizes Lumentum as NEC's top partner in the Sustainability category due to the company's significant contributions to reducing CO2 emissions in the NEC supply chain. Lumentum was selected from over 200 partners.



About Lumentum

Lumentum (NASDAQ: LITE) is a market and technology leading designer and manufacturer of innovative optical and photonic products enabling optical networking and laser applications worldwide. Lumentum optical components and subsystems are part of virtually every type of telecom, enterprise, and data center network. Lumentum lasers enable advanced manufacturing techniques and diverse applications, including next-generation 3D sensing capabilities. Lumentum is headquartered in San Jose, U.S., with R&D, manufacturing, and sales offices worldwide.

Our History

Spun off from JDS Uniphase to become an independent, publicly traded company

Established our Navanakorn, Thailand factory

Achieved an EcoVadis Silver sustainability rating

Formed our Diversity, Inclusion, and Belonging (DIB) Council

Joined Responsible Business Alliance (RBA)

Published our inaugural corporate sustainability report (CSR)

Set a target of net-zero Scope 1 & 2 emissions by 2030

Achieved EcoVadis Platinum sustainability rating

Achieved a B score in CDP Climate Change Disclosure

Acquired NeoPhotonics Corporation and IPG Photonics' Telecom Transmission product lines

Achieved full member status with the Responsible Business Alliance

2015

2016

2017

2018

2019

2020

2021

2022

2023

Submitted first response to EcoVadis

Submitted first responses to CDP's Climate Change and Water Security questionnaires

Acquired Oclaro, Inc.

Included on Barron's Top 100 Most Sustainable Companies List

Opened our factory in Škofljica, Slovenia

Achieved EcoVadis Gold sustainability rating

Achieved Institutional Shareholder Services (ISS) Prime ESG rating

FY23 by the Numbers

\$1.77 Billion
revenue

>7,500
employees

~2,100
patents

Global Operations

- Lumentum headquarters

- San Jose, USA

- Lumentum presence

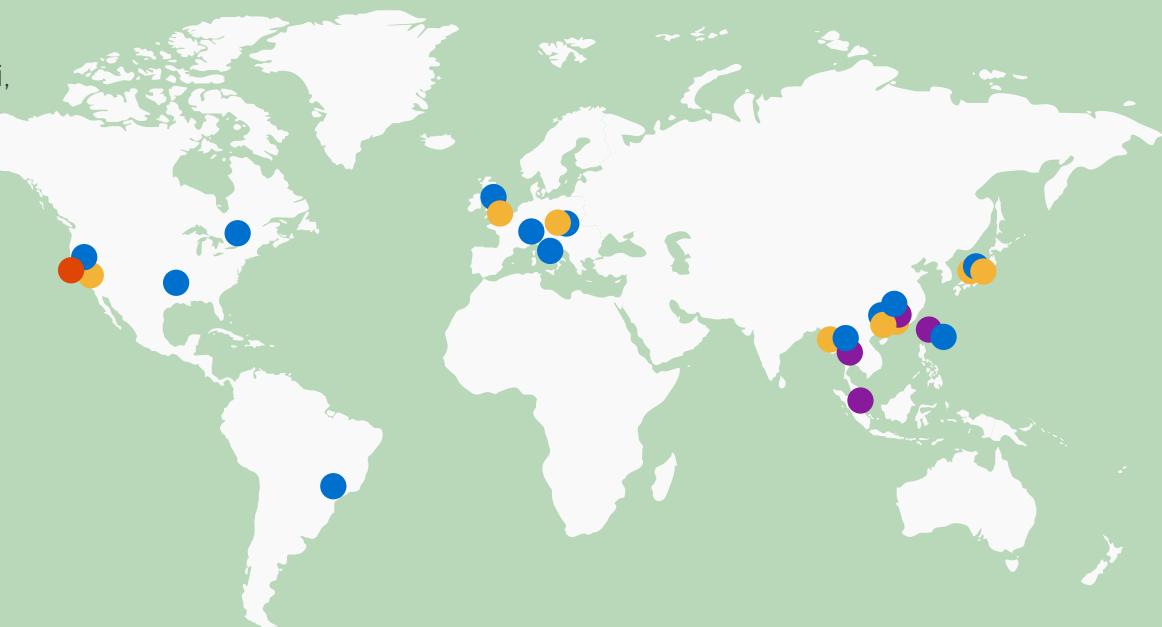
- Campinas, Brazil
- Dallas, USA
- Milan, Italy
- Ottawa, Canada
- Paignton, UK
- Seongnam, South Korea
- Shenzhen, China
- Taipei City, Taiwan
- Tokyo, Japan
- Wuhan, China
- Zug, Switzerland
- Zurich, Switzerland

- Lumentum manufacturing

- (Navanakorn) Pathumthani, Thailand
- (Takao) Hachioji, Japan
- San Jose, USA
- Sagamihara, Japan
- Dongguan, China
- Shenzhen, China
- Škofljica, Slovenia
- (Caswell) Towcester, UK

- Contract manufacturing

- Pathumthani, Thailand
- Penang, Malaysia
- Taipei City, Taiwan
- Jiangmen City, China



Our Corporate Purpose, Mission, Vision, and Values

Our employees, customers, and suppliers shape who we are as a business and fuel our exceptional growth and bright future. In 2022, Lumentum launched the Illuminating Our Culture project. We asked employees, managers, suppliers, customers, and investors to co-create our Purpose statement to reveal the behaviors and beliefs that can lead to the most significant positive impact for Lumentum and our communities.

Over 900 global participants contributed their ideas about how Lumentum makes the world a better place. Their responses revealed the far-reaching impacts, opportunities, and ways we can make positive, impactful societal changes. We're proud to announce our new Purpose, Mission, and Vision statements.

- During the COVID-19 pandemic, Lumentum optical networking solutions rose to meet rapid challenges in demand for higher-speed connectivity and internet bandwidth. We created a brighter world by helping people stay connected during difficult times.
- The power, efficiency, and precision of Lumentum laser solutions enable companies to manufacture products with less energy and waste, and accelerate the adoption of clean energy solutions. We are creating a brighter future by helping our customers reduce their carbon footprint.
- Lumentum partners with industry leaders across our ecosystem to deliver breakthrough technology at scale, allowing more people around the globe to participate in the digital economy. As the pace of innovation increases, so does the way Lumentum operates. Together, we unleash the power of photonics and create a brighter future for the world we live in.



PURPOSE

Lumentum creates a brighter future for the world we live in.



MISSION

Lumentum partners with our customers to deliver game-changing photonics innovation.



VISION

Lumentum creates breakthrough technological advancements that transform how we connect, create, and interact.

Values

At Lumentum, “Creating a Brighter Future” is our daily work and our higher calling. From engineers designing the next generation of products, to HR partners connecting employees to inspiring mentors; from marketing professionals reaching new customers, to IT specialists advancing our capabilities; from leaders driving suppliers to gain efficiencies, to machine operators finding better ways to deliver higher quality – every day, through many small actions, we provide exceptional results.

Lumentum creates a brighter future when we CARE, TRUST, OWN, DISCOVER and DELIVER. Within these critical drivers are behaviors that reflect our employees', customers', and suppliers' beliefs about the actions that can lead to success. When we live our values, we WIN for each other, our customers, and our communities.



Our Sustainability Vision



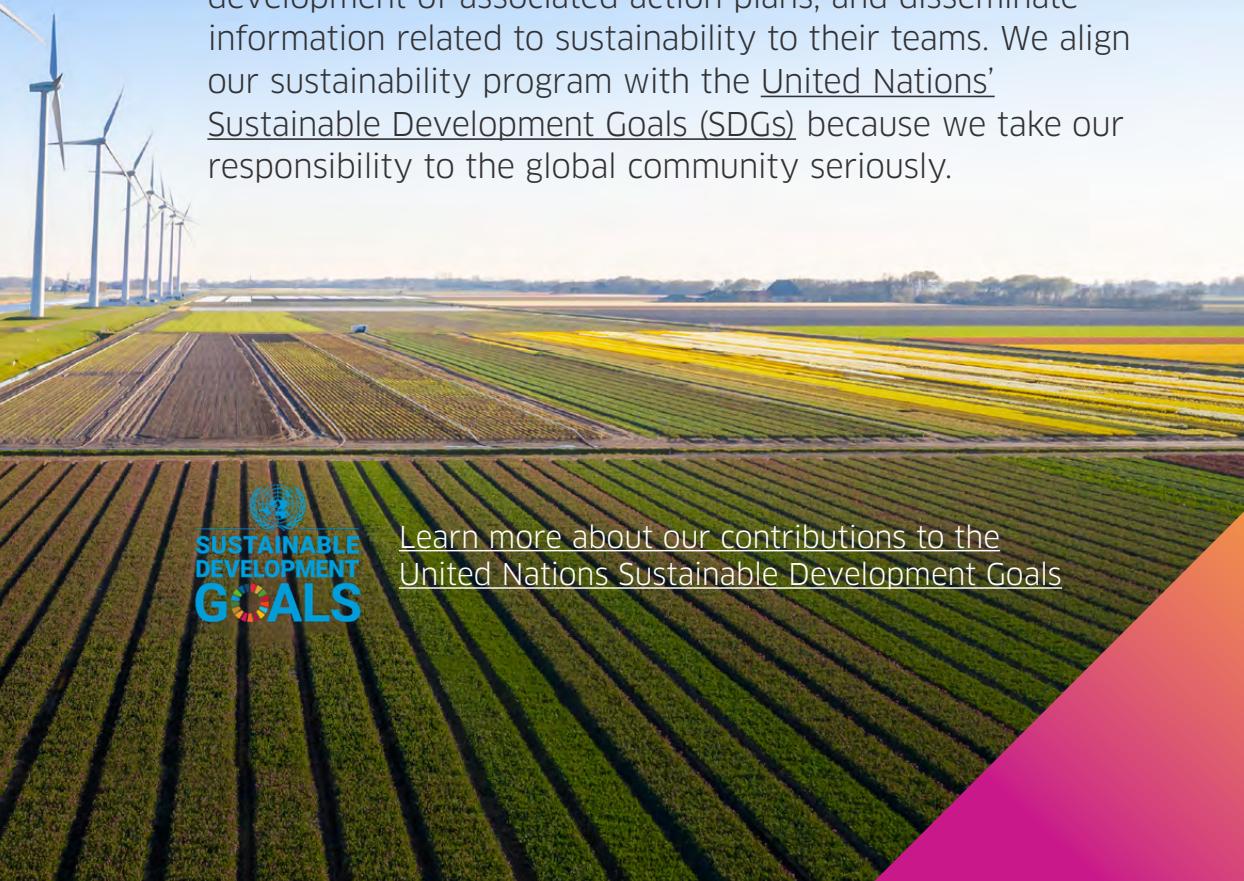
Light enables human connection and allows systems to thrive. We aim to emulate the properties of light, as it lies at the core of all our innovations. Our solutions enable a broad range of end-user applications across the cloud and networking and industrial tech markets. All are shaping the way people connect, create, and interact.

To create a brighter future, we:

- Harness the power of light to connect people and keep them safe and secure, while enabling businesses to operate faster and more efficiently
- Support and develop our people, partners, and communities so that they can shine their brightest
- Create products and manufacturing processes that improve lives with the lightest impact on the environment

Approach to Sustainability

Our goal is to illuminate the path to a more sustainable future, as our direct and indirect actions affect the people and communities where we live and work. Our robust sustainability governance drives our efforts and underpins our achievements. Through a continuous feedback loop between the Board of Directors and the Sustainability Council, representatives from all business departments determine the relevance of emerging topics, support the development of associated action plans, and disseminate information related to sustainability to their teams. We align our sustainability program with the United Nations' Sustainable Development Goals (SDGs) because we take our responsibility to the global community seriously.



Our corporate sustainability program is based on three pillars:



Planet: Lighter Impact

Lighten our environmental footprint by reducing our energy consumption, greenhouse gas (GHG) emissions, water consumption, and waste generation

Commit to the procurement or generation of renewable energy at all sites



People: Positive Impact

Invest in career and professional development for all employees

Operate at the highest social, ethical, and safety standards within our facilities and propagate that model across our value chain

Create a diverse and inclusive culture that values differences and inspires creativity

Contribute to communities in which we live and operate



Innovation: Breakthrough Impact

Push the boundaries to design products and processes that deliver value and delight our customers

Improve our products and processes continuously to create the safest and most efficient products with the highest standards

Stakeholder Engagement and Materiality

A collaborative multi-stakeholder approach is crucial to addressing complex, interconnected societal and environmental challenges. Our stakeholder engagement is based on transparency, equality, non-discrimination and open dialogue. These principles align with our Corporate Social Responsibility (CSR) Policy, Code of Business Conduct, Supplier Code of Conduct, and Responsible Business Alliance (RBA) Code of Conduct.

We have assessed our organization's operating context and determined that where we have direct control is in our manufacturing operations and global support services. Our areas of influence include the operations of our suppliers, contract manufacturers (CMs), and customers. We work closely with suppliers and CMs, as these relationships are critical to ensure product quality and promote ethical and responsible sourcing throughout our supply chain. Our customers integrate our products into larger systems before delivery to end users, where we aim to influence accountable use and treatment.

In FY20, we completed our first materiality assessment to identify topics that are material to our business. Our assessment involved internal and external reviews followed by identification, evaluation, and prioritization of impacts.

In FY23, we completed our second stakeholder-informed materiality assessment. This assessment considered financial and impact materiality to determine our sustainability topics for disclosure. Two new issues—energy and air quality—were introduced due to subdividing existing topics to improve management of our efforts. While some topics shifted in prioritization, the outcome of the renewed assessment validated the results of our initial materiality assessment.

OPERATIONS WHERE LUMENTUM HAS DIRECT CONTROL

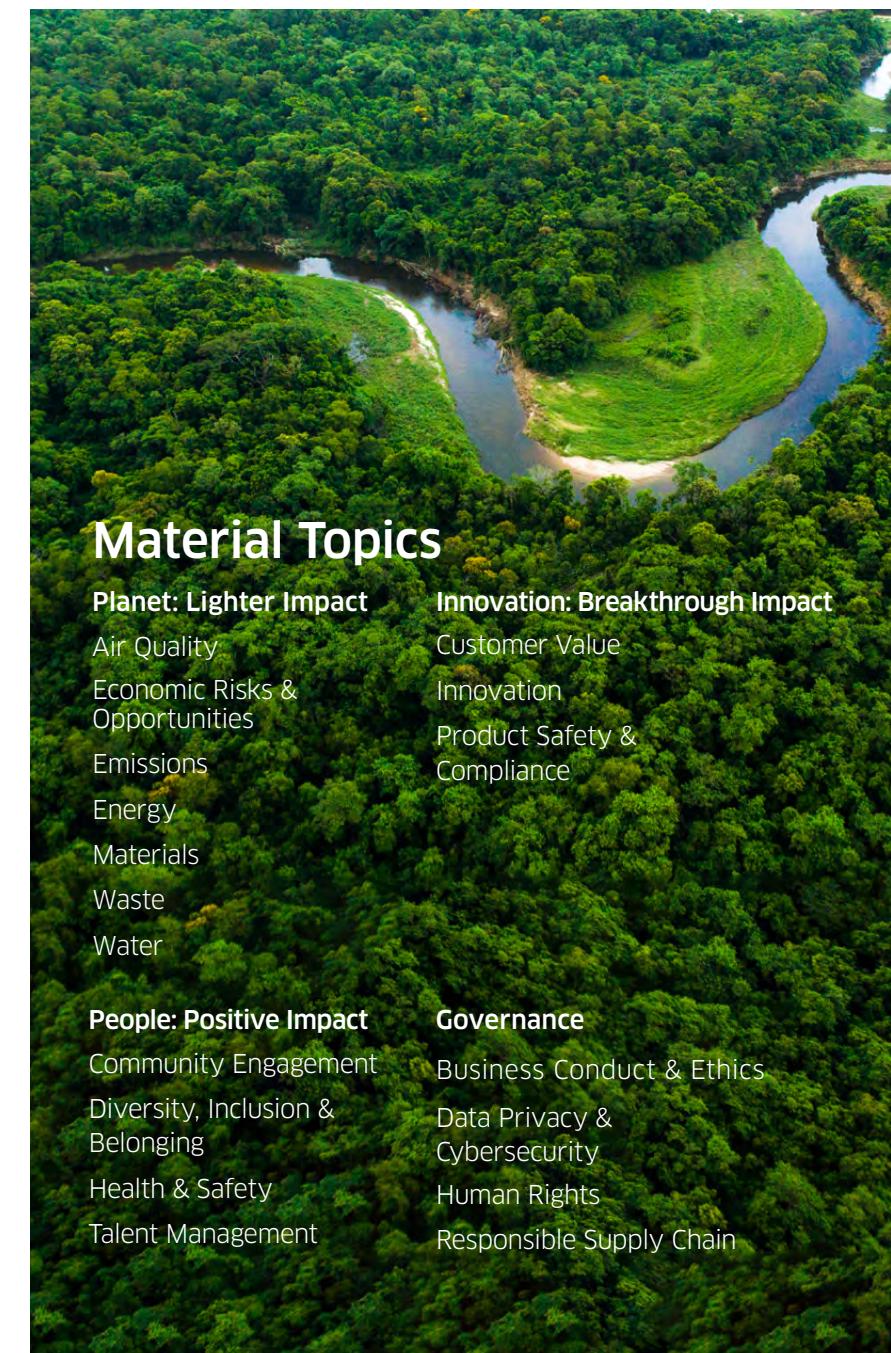


Our approach to materiality considered the updated Global Reporting Initiative Sustainability Reporting Standards (GRI Standards 2021) and the draft European Sustainability Reporting Standards, as per the EU Corporate Sustainability Reporting Directive (CSRD).

To identify and assess our impacts, topics were derived from:

- GRI Standards 2021
- Sustainability Accounting Standards Board (SASB) standards
- Task Force on Climate-related Financial Disclosure (TCFD) recommendations
- United Nations Global Compact (UNGC)
- Responsible Business Alliance (RBA)
- Investor surveys and rating agencies
- Customer surveys
- Peer, industry, and customer reporting

The topics deemed relevant for reporting were identified based on feedback from a stakeholder survey. We engaged our key stakeholder groups of customers, employees, board members, and supply chain partners directly and measured investor sentiment by proxy. Results were reviewed and validated by our Sustainability Council.



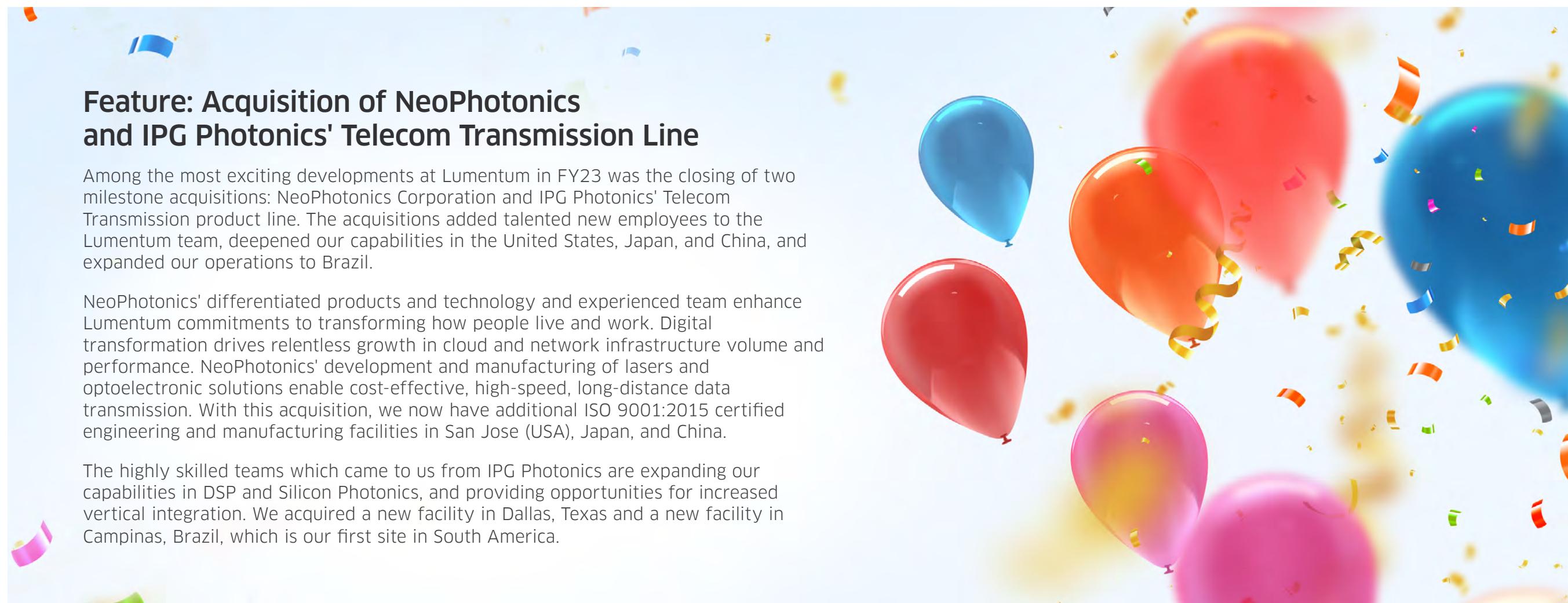
How We Engage

We maintain an ongoing dialogue with our stakeholders that extends past the materiality assessment process that is conducted every few years. We ensure regular substantive engagement between management and employees to facilitate open discussion regarding topics including, but not limited to, working conditions, benefits, and health and safety.



How we engage with stakeholders

STAKEHOLDERS	HOW WE ENGAGE
Employees, staff representatives	<ul style="list-style-type: none">- Quarterly all-hands meetings with leadership- Executive roundtables- Global and site-level committee meetings- Regular thematic employee resource group (ERG) outreach and updates- Regular training (Code of Business Conduct, Responsible Business Alliance, EHS, IT security, Anti-harassment)- Annual employee engagement surveys
Customers, sales channel partners	<ul style="list-style-type: none">- Periodic business reviews with top customers- Annual customer satisfaction surveys- Supplier surveys completed by Lumentum- Data sharing via RBA Online, EcoVadis, CDP, and other platforms- Meetings and other events as required
Suppliers, contract manufacturers	<ul style="list-style-type: none">- Periodic supplier business reviews with major suppliers- Environmental and social assessments- Biennial third-party RBA audits of contract manufacturers- Supplier surveys- Meetings and other events as required
Shareholders, investors	<ul style="list-style-type: none">- Quarterly financial disclosures and conference calls- Annual general shareholder meetings- Regular engagement with shareholders to solicit their feedback- Investor meetings as required- Annual corporate sustainability report
Government, regulatory and ESG agencies	<ul style="list-style-type: none">- Regulatory inspections- Permits and reporting- Active participation in ESG rating process
Local communities, academia, industry associations, NGOs	<ul style="list-style-type: none">- Membership: Responsible Business Alliance, Responsible Labor Initiative, Responsible Minerals Initiative, Automotive Industry Action Group, Silicon Valley Leadership Group, CEO Action for Diversity & Inclusion- Student internships and scholarships- Environmental and social projects in local communities
Common engagement methods for all stakeholders	<ul style="list-style-type: none">- Ongoing review of grievances via third-party EthicsPoint hotline to guarantee confidentiality and non-retaliation- Materiality assessment survey





Planet

In a world grappling with the acute risks of climate change, we measure success by our ability to create exceptional products and value for our customers while reducing energy intensity, emissions, water use, and waste.

Goals

Net-zero GHG emissions from our global operations (Scope 1 and 2) by 2030

Progress: In FY23, our Scope 1 and 2 GHG emissions decreased by 25% (13,586MT CO2-e), compared to FY22.

Increase the percentage of renewable electricity for our global operations year over year

Progress: In FY23, we increased procurement of renewable electricity from 31% to 61%.

Reduce GHG intensity by 25% by FY24 from an FY21 baseline*

Progress: In FY23, our Scope 1, 2, and 3 GHG intensity** decreased by 23%, compared to FY21.

*The FY21 baseline has been recalculated to incorporate the acquisition of NeoPhotonics.

**Emissions intensity is MT CO2-e per million U.S. dollars of revenue. Scope 3 includes CMs, business travel, upstream fuel, and energy.

Reduce our emissions from air travel by 20% annually

Progress: In FY23, our air travel emissions increased from FY22 but decreased by 45% compared to FY20.***

*** Air travel is less than 1% of emissions. This target is retired in favor of new targets that will be validated by SBTi in FY24.

Reduce our annual water withdrawal by 5% by FY23, compared to FY20 levels.

Progress: In FY23, water withdrawal exceeded FY20 levels by 25%. This is a result of substantially expanding our operations in FY23 through the acquisitions of NeoPhotonics and IPG's Telecom Transmission line, as well as expanded operations at established sites. We created a new goal of 5% reduction of water withdrawal by FY26.

Divert 90% of non-hazardous waste by FY27

Progress: In FY23, 70% of non-hazardous waste was diverted from landfill.

Environmental Management

Growing demand for data and communications infrastructure calls for innovative solutions to address market needs while reducing energy consumption, greenhouse gas (GHG) emissions, water use, and waste. Over 60% of our manufacturing sites have ISO 14001-certified environmental management systems: Sagamihara in Japan; Caswell in the UK; Futian, Shenzhen and Dongguan in China; and Navanakorn in Thailand. We continue expanding this coverage to pursue a global ISO-certified environmental management system.

In addition, all our manufacturing sites have environmental risk assessments in place to ensure compliance with environmental requirements applicable to the site. In FY23, we recorded zero significant environmental fines and non-monetary sanctions for non-compliance with environmental laws and regulations, reinforcing the efficacy of our environmental management systems. Aligning with a best-in-class environmental management framework allows us to go beyond compliance and proactively manage our environmental impacts while understanding our environmental risks and opportunities. Finally, we apply principles from our ISO 9001-certified quality program and culture of continuous improvement to strengthen our environmental management practices.

ENVIRONMENTAL MANAGEMENT	FY23*	FY22	FY21
Percentage ISO 14001 certified sites	60%	67%	67%
Total number of manufacturing sites	10	6	6

* FY23 performance reflects certification status of acquired sites.

Air Quality

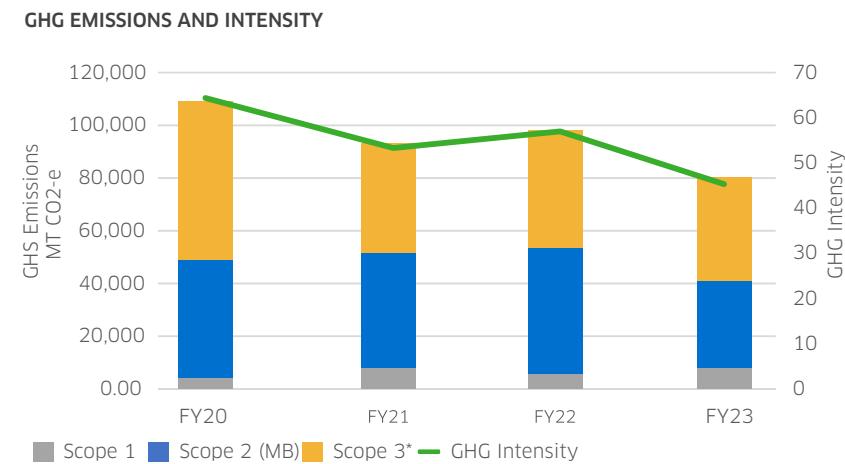
Lumentum sites meet local permitting requirements for air pollution and are within admissible threshold limits. Where required, gas abatement systems are in place, and we regularly monitor air emissions. Our manufacturing sites routinely track and report data about relevant emissions to local regulating authorities.

Energy and Emissions

The impact of climate change is increasing hardships on ecosystems and the people, communities, and businesses that depend on them. Lumentum recognizes the global effort needed to mitigate the worst impacts of climate change and believes we have a responsibility to act prudently and quickly.

Our stakeholders prioritize the environmental impact management of our operations on climate change. We realize the risk that climate change has on our business in the short, medium, and long term and have begun incorporating climate change mitigation into our business objectives and strategy.

In FY23, Scope 1 and 2 GHG emissions decreased by 25% compared to FY22.



We have consistently maintained our energy consumption and intensity by consolidating our global footprint and improving efficiency. In FY23, our global energy consumption increased 35% due to the acquisition of NeoPhotonics and former IPG sites. However, we have worked hard to mitigate the significant initial increase in our

GHG emissions and achieved a 25% reduction in Scope 1 and 2 GHG emissions over the fiscal year through the purchase of renewable energy.

ENERGY	FY23	FY22	FY21
Total energy consumption (MWh)	201,633	148,967	148,730
Energy intensity (MWh/\$MM)*	114	87	85

*Energy intensity is energy consumed per million U.S. dollars in revenue

We track the progress of our climate initiatives by targeting the GHG intensity (metric tons of CO₂-e per U.S. dollar in revenue) of our Scope 1 and 2 emissions and Scope 3 emissions that encompasses purchased goods and services, fuel- and energy-related activities that are not included in Scope 1 or 2, and business travel.

We are on-track to reduce our GHG intensity by 25% by FY24 from a FY21 baseline.*

* The FY21 baseline has been adjusted to incorporate NeoPhotonics sites. The adjusted FY21 baseline GHG intensity changed from 54.4 TCO₂-e/\$MM revenue to 59.8 TCO₂-e/\$MM.

We have reduced our GHG intensity despite acquisitions in countries with higher grid emissions factors by sourcing renewable energy. As we increase our coverage of Scope 3 emission categories to include upstream and downstream transportation and distribution and the use of sold products, we will ensure our targets are in alignment with the Science Based Targets initiative (SBTi).

CDP Climate Change Disclosure

Lumentum has reported to CDP's Climate Change questionnaire for five years. We received a B rating for our 2022 response. The B score indicates that Lumentum has addressed its environmental impacts and ensures good environmental management. The score is above average for the North American region and the electrical and electronic equipment sector, reflecting progress in our approach and dedication to transparency. Lumentum is committed to achieving an A rating in future years.



Climate Initiatives

Solar Power Generation

We completed our first on-site solar project in Škofljica, Slovenia, in FY22. Two new on-site solar projects are underway at our San Jose, U.S. headquarters and our Navanakorn, Thailand facility, with scheduled completion dates in FY24. These three solar installations are projected to avoid 4,700 Mt CO₂-e annually and account for 6% of Lumentum electricity. Feasibility studies for additional solar projects are in development at other Lumentum sites.

In FY23, Lumentum sourced 61% renewable electricity for our global operations.

We have focused our efforts on increasing our global renewable electricity sourcing and doubled the percentage of renewable electricity sourced in FY23. We transitioned our newly acquired sites in the U.S. to renewable electricity and continue maintaining all our European and U.S. sites on 100% renewable electricity. Our largest

site, located in Navanakorn, Thailand, transitioned to 100% renewable electricity this year by using solar and wind from local Thai projects.

In FY23, we signed our first renewable electricity agreement with a critical customer committing to source renewable electricity when delivering their products. Additionally, we anticipate engaging with our major suppliers and contract manufacturers to develop further on-site solar and renewable electricity procurement in our supply chain. We ensure we make high-quality choices when procuring energy, sourcing renewable electricity from projects that operate in the country of use, and adding new capacity to the grid.

Energy Efficiency

Our sites target energy efficiency improvements based on site-specific needs and capacities. In FY23, 6,374 MWh of energy savings projects were implemented totaling 4% of Lumentum's electricity consumption. These projects included HVAC optimization and chiller improvements, lighting efficiency projects, compressed air efficiency, and testing power supply improvements and included savings from the Navanakorn Kaizen Project.

100% Renewable Electricity

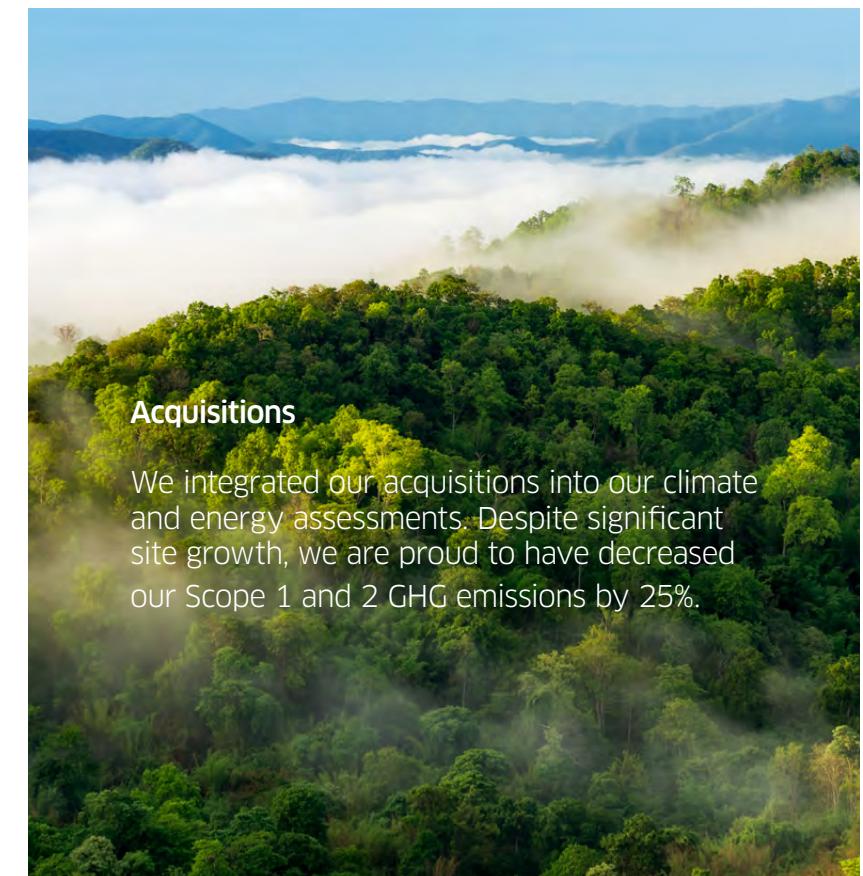
Caswell | Dallas | Milan | Navanakorn | Ottawa | Paignton | Škofljica | Zurich |
San Jose Corporate HQ | San Jose (two facilities)

Solar panels on our Navanakorn, Thailand site's rooftop.



Science Based Targets Initiative

The [Science Based Targets initiative \(SBTi\)](#) defines and promotes best practices for setting ambitious science-based targets necessary to limit global temperature increases to 1.5°C, compared to pre-industrial levels, by 2050. In FY21, Lumentum committed to achieving net-zero Scope 1 and 2 GHG emissions targets by 2030. In FY22, we formally committed to setting a science-based emissions reduction target in line with the SBTi. This year, we focused on quantifying our emissions to form a comprehensive baseline, adding several additional Scope 3 categories to our inventory. This baseline will inform our reduction targets and enable us to obtain approval of our targets through the SBTi validation process.



Acquisitions

We integrated our acquisitions into our climate and energy assessments. Despite significant site growth, we are proud to have decreased our Scope 1 and 2 GHG emissions by 25%.

Climate Performance

Lumentum has made substantial progress in quantifying our GHG emissions and setting targets. In FY23, we significantly improved our data collection protocols, providing greater visibility into our global Scope 3 emissions.

Our previous GHG inventory included accounting for Scope 1 and 2 emissions associated with our facilities' energy consumption and Scope 3 emissions from purchased goods and services (our upstream CMS), business travel, and upstream energy-related activities. This year, we extended our GHG inventory to cover upstream and downstream transportation and emissions from the use of products sold (by customers). We increased the coverage of upstream suppliers to 67% of direct spend to enable us to define our best roadmap toward our SBTi targets.

In 2022, we hired a dedicated global GHG program manager to oversee our GHG emissions reporting, reduction, and target setting.

The most significant proportion of our GHG footprint is electricity used over the product's lifetime. In FY23, this electricity use has added about 700,000 MT CO₂-e to our reported Scope 3 emissions and will continue to grow as our sales increase. Therefore, improving product energy efficiency is the greatest impact we can have on climate change. By addressing product energy efficiency, we accelerate the decarbonization of our value chain and help our customers achieve their own sustainability goals.

Additionally, we continue to increase our inclusion of emissions through the complete life cycle of our products and continue to increase the coverage of upstream suppliers (goods and services). The introduction of life cycle assessments (LCA) is helping us understand the emissions across the life cycle of our products. LCA will allow us to incorporate the LCA study results into our emissions assessments and target future reductions in Scope 3 emissions.

Product Sustainability

Lumentum's market-leading products and technologies contribute to sustainable development by expanding digitization and technological advancements across end-use applications. Although our products enable a more connected society and efficient world, the number of products sold as well as the energy consumption generated by a product's life cycle drive the generation of Scope 3 emissions.

In FY23, Lumentum focused its efforts on many aspects related to product sustainability:

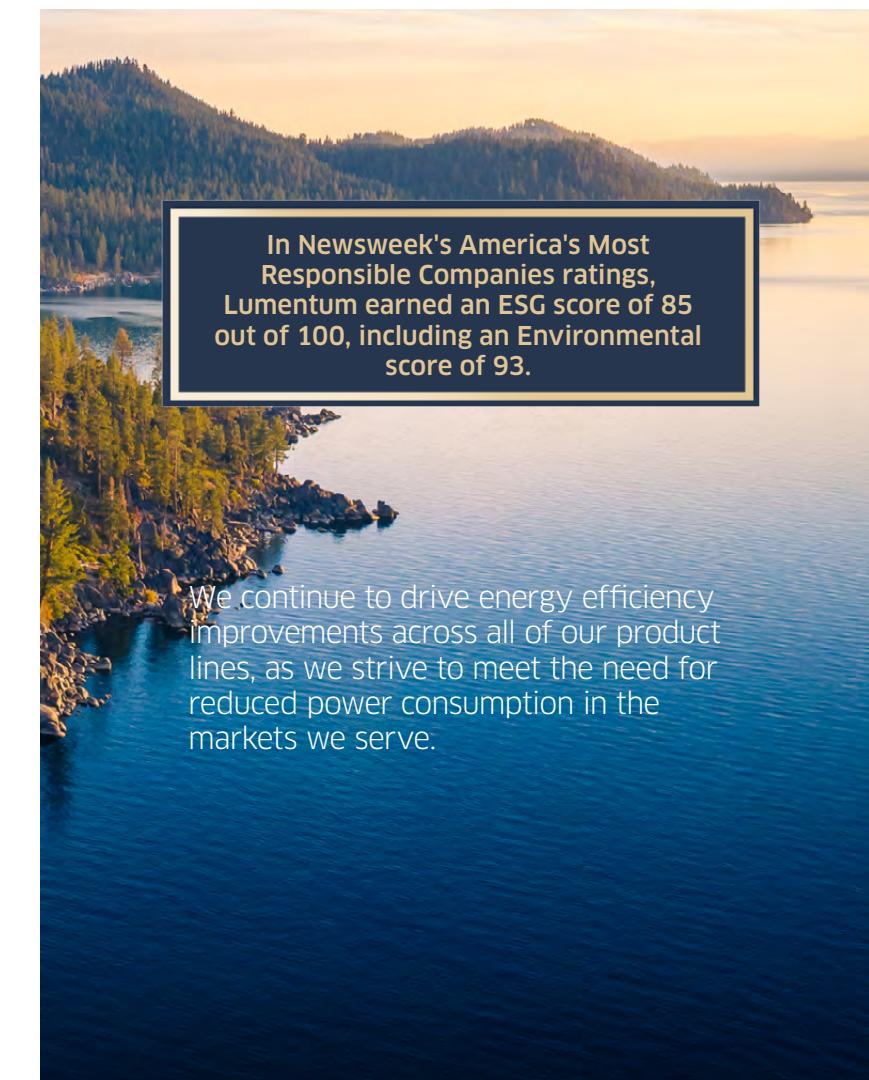
- Integrated climate assessments into new product development process
- Developed new products with improved energy efficiency
- Reduced packaging and identified environmental sustainability gains from logistics
- Drove down scrap and waste generation
- Reduced use of hazardous substances

We work with customers to optically refurbish most of their commercial laser products, including ultrafast, kilowatt, and most solid-state lasers. This extends products' useful life, reduces new material consumption, and helps customers avoid new product purchases.

A significant proportion of our GHG footprint comes from the electricity used by our end customers to power our products. The most meaningful way we can accelerate the decarbonization of our value chain and help customers achieve their own sustainability goals is by continuing our efforts to drive ongoing energy efficiency improvements that reduce the power consumption of our products.

To further expand our reach as we address the climate impacts of our products, we integrated climate and energy assessments into our

Global Product Development Process (PDP) for all new Lumentum products. The PDP requires engineers to calculate and measure the energy and GHG emissions related to the manufacture and use of Lumentum products when establishing a new production line. PDP will assist engineers in identifying energy and GHG savings opportunities early in the design cycle.



Life Cycle Assessment

This year, Lumentum conducted two remarkable life cycle assessments (LCAs). The first LCA was a comparative cradle-to-grave LCA of transmission products. The second was a single-product LCA of a transport module. The products were analyzed according to ISO 14040 and ISO 14044 to quantify their environmental impacts with a particular focus on the climate change impact category. The assessments included aspects related to manufacturing, transportation to customers, use phase, and end of life.

The first comparative LCA covered CFP2 coherent optical transceivers that evolved from analog to digital host interfaces. To allow for comparability, an external line card was included in the scope of the LCA of the analog product. The LCA revealed that during use, the digital CFP2-DCO 100G/200G consumes four times less energy than the analog CFP2-ACO 100G/200G and achieves close to an 80% reduction in GHG emissions in both the use phase and over its entire lifecycle. An additional comparison between the CFP2-DCO 200G and the higher transmission speed CFP2-DCO 400G transceiver showed a reduction of GHG emissions by 30% per bit of data transmitted, even though absolute climate change impact increased by 6% due to higher energy consumption.

The comparative LCA clearly illustrated that the greatest GHG emission reduction is achieved when transmission technology is migrated from analog to digital. Our continued design improvements within digital modules are still meaningful when normalized in relation to GHG emissions per bit.

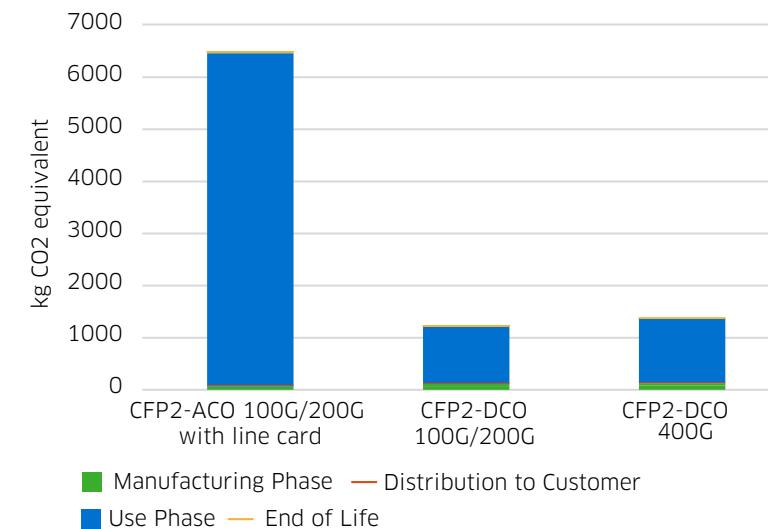
CFP2-DCO 100G/200G (digital) vs.
CFP2-ACO 100G/200G* (analog)

- 4x less energy
- ~80% reduction in GHG emissions

*with external line card



CLIMATE CHANGE IMPACT OF CFP2-ACO AND CFP2-DCO PRODUCTS

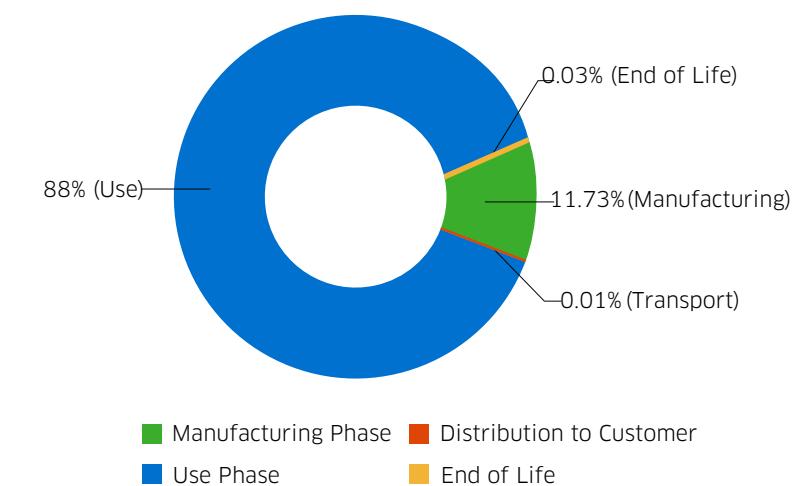


Climate change impact of CFP2-ACO and CFP2-DCO products over product life cycle

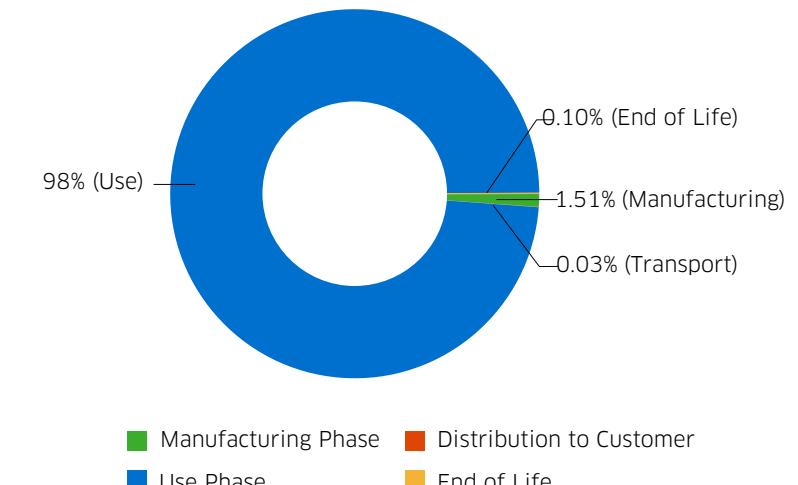
The second LCA was conducted on the new MicroTwin 2x34 TrueFlex® Wavelength Selective Switch (Twin 2x34 WSS), a transport product, released in 2023. Both studies showed that about 88% to 95% of overall product lifecycle GHG emissions result from product use when they are manufactured and deployed with an average energy mix. For the Twin 2x34 WSS, this percentage increases to 98% because it is primarily manufactured in Lumentum's Navanakorn, Thailand facility, which is powered by 100% renewable electricity.

The LCAs of our products highlight that Lumentum's greatest impact related to mitigating climate change can be addressed: through our continued efforts in product innovation and ongoing improvement of product energy efficiency.

CFP2-DCO 400G LIFE CYCLE PHASES



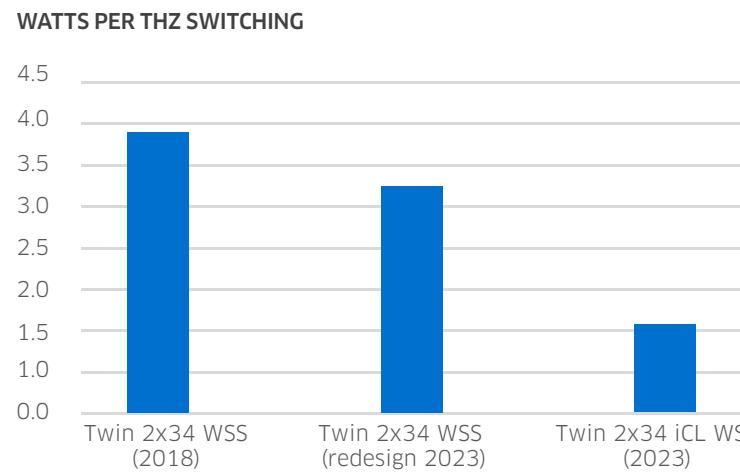
TWIN 2X34 WSS 2023 LIFE CYCLE PHASES



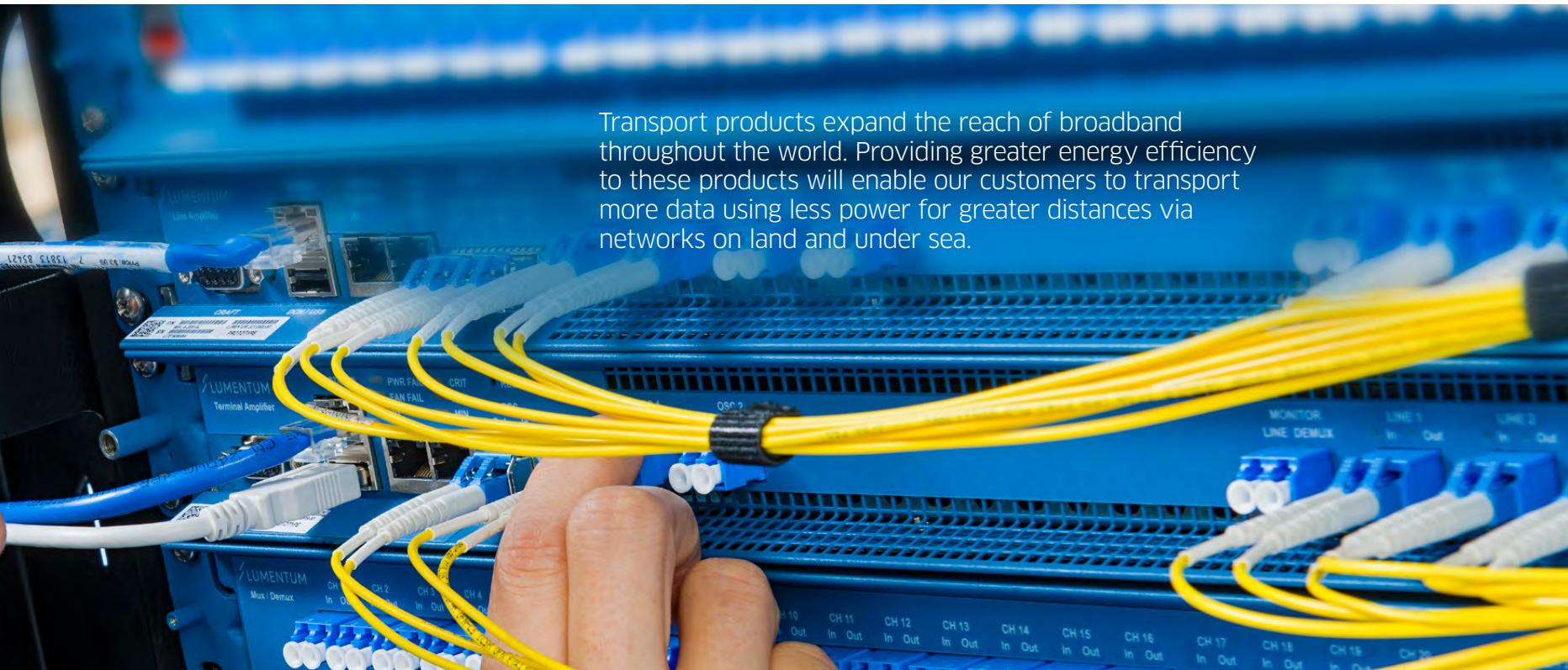
Climate change impact of different life cycle phases of CFP2-DCO 400 and the Twin 2x34 WSS 2023 by percentage

Transport Products

Lumentum designs telecom transport products that are critical to maintaining the Internet's high-capacity fiber optical network backbone. For our wavelength selective switch (WSS) products, designed for backbone optical network traffic switching, we continue to reduce power consumption per switching capacity through design improvements and functional integration. Our newly redesigned **WSS TrueFlex Micro Twin 2x34**, introduced in 2022, achieved approximately 20% power savings through design improvements compared to the previous version. By doubling the switch capacity by operating over a wider spectrum, we will be able to achieve another 50% power/THz reduction for the **TrueFlex Micro Twin 2x34 iCL (integrated C and L) WSS**. Each design iteration will continue to reduce power consumption in the WSS product line.



At the Optical Fiber Communication Conference and Exhibition (OFC) 2023, Lumentum launched ROADM node-on-a-blade. Compared to a conventional two-blade configuration, its upgraded architecture **reduces power consumption by 37%**. By combining a full ROADM node onto a single line card, it can use a more power-efficient twin wavelength selective switch, and share control electronics and other high-power components. This integration offers additional benefits of reduced cost and space and simplified installation and configuration.



Transport products expand the reach of broadband throughout the world. Providing greater energy efficiency to these products will enable our customers to transport more data using less power for greater distances via networks on land and under sea.



High-reliability submarine (HRS) pump lasers and their components are critical enablers of intercontinental data transport, where almost 100% of data travels via cables along the seabed. The latest 5200 generation of HRS pump lasers has a higher efficiency pump chip that offers **more than a 35% increase in power efficiency** compared to the previous 5100 series HRS pump laser.

Transmission Products

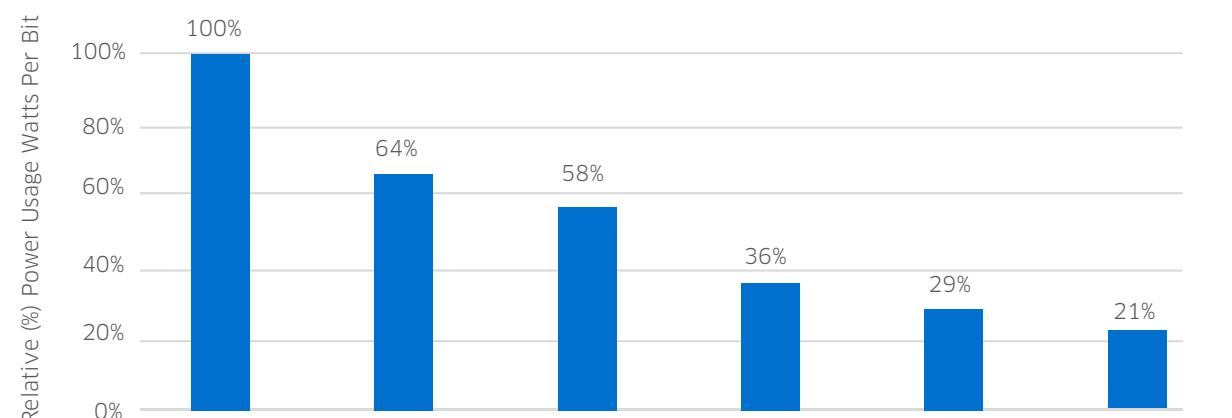
Our transmission products are deployed globally in telecommunications networks and data centers. Sustainability benefits of transmission products include reduced cost of high-speed connectivity and greater penetration of global digitization. This is particularly important for developing countries, as nations strive to connect populations that have experienced little or disrupted access to information and/or technology.

Lumentum transmission technology advancements are a crucial enabler for downstream sustainability improvements of our customers. Benefits include:

- Improved central data storage and prevention of IT waste generation
- Increased remote work accessibility
- Expanded efficiency gains in education

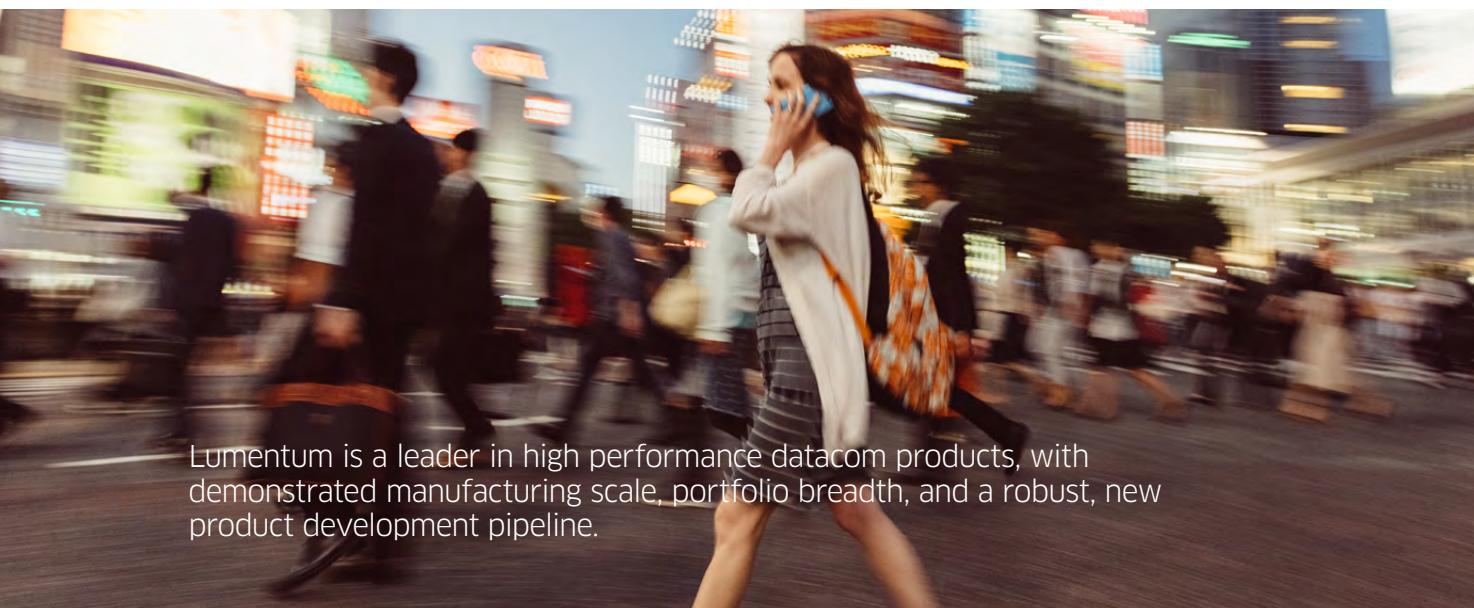
Our high-speed digital coherent optical data transmission modules (used in internet backbone applications) have achieved a 79% reduction in relative power (W/Gb) usage (Gen 3 800G vs 100G).

POWER USAGE IMPROVEMENTS OF COHERENT TRANSMISSION MODULES



Lumentum Module Product Progression Over time





Lumentum is a leader in high performance datacom products, with demonstrated manufacturing scale, portfolio breadth, and a robust, new product development pipeline.

Datacom Products

Our chips are widely deployed in data center modules, enabling connectivity and data storage with high performance. By expanding capacities worldwide, we focus on higher bit rates and lower power consumption.

- Customers can achieve a 50% reduction in electrical power per Gbps of optical bandwidth with Lumentum 100G PAM4 direct modulated lasers (DMLs) vs. prior generation 50G DMLs
- The latest Lumentum 50G vertical cavity surface emitting lasers (VCSELs) achieves a 50% reduction in electrical power consumed per Gbps of optical bandwidth versus 25G VCSELs

Lumentum was recognized by the 2023 Lightwave Innovation Reviews as a high-scoring honoree with a score of 4.5 out of 5. The award from Lightwave marks the second industry win for the Lumentum 200G PAM4 externally modulated lasers (EMLs), following last year's award from the European Conference on Optical Communication (ECOC) for Data Center Innovation/Best Product of 2022. The 200G EML operates at a 50% reduction in electrical power per Gbps of optical bandwidth versus prior generation 100G EMLs in networking applications. Lightwave's recognition reinforces how Lumentum continues to be a leading provider of innovative and cost-effective solutions that lower power consumption for the industry

Commercial Laser Products

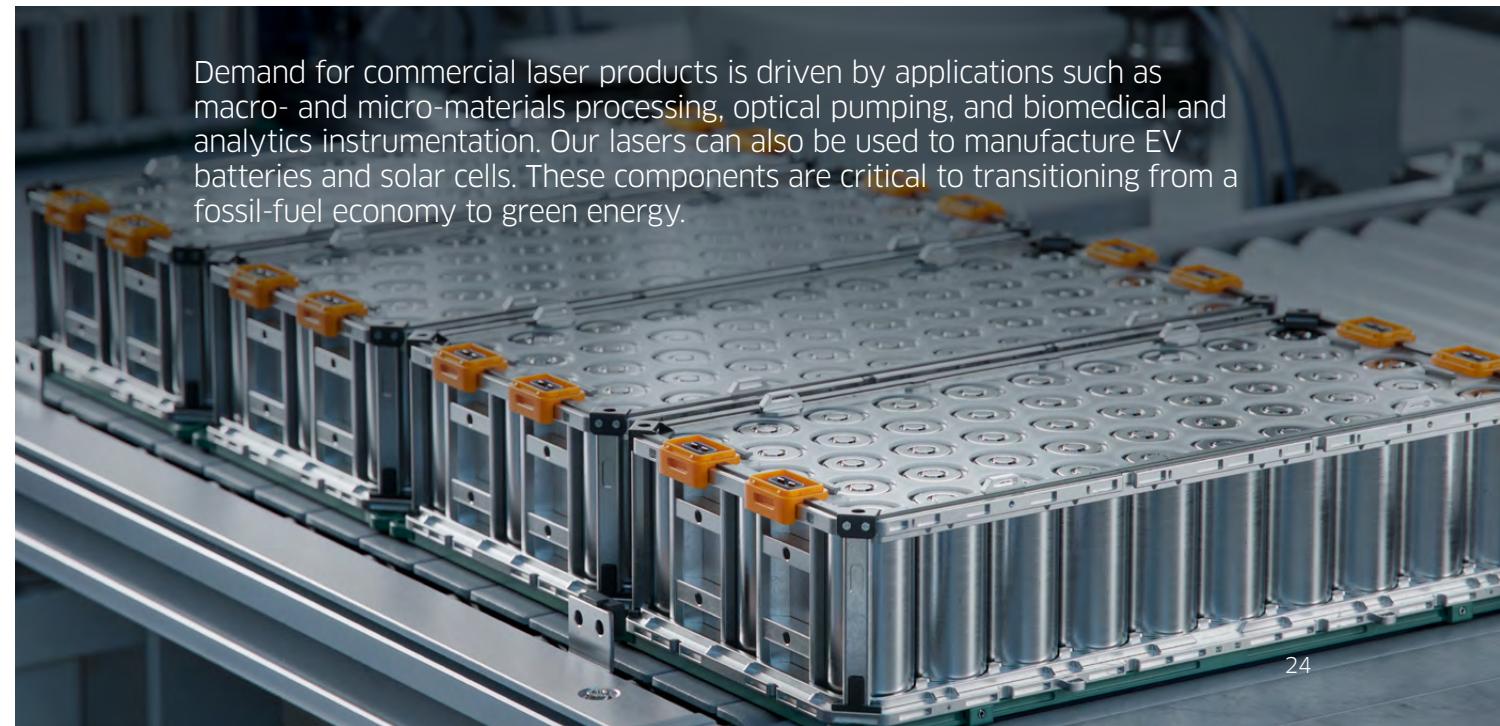
Lumentum has strong positions in the kilowatt fiber and ultrafast laser market segments. Our continuous improvements achieve top performance, quality, and efficiency. Our products are deployed in multiple sectors, from industrial macro- and micro-materials processing to e-vehicle battery manufacturing and biomedical instrumentation and more.

In FY23, Lumentum released a new kilowatt (kW) fiber laser product line. The evolution of our higher-power kW laser systems delivers many sustainability improvements to our customers:

- Improved quality and reliability by reducing design test requirements, resulting in more than 245,000 kWh savings per year
- Optimized new single module configuration that delivers a 1.5x increase in optical output power with no change in size

- Decreased scrap and waste by up to 86.5% through our laser refurbishment programs
- Reduced greenhouse gas emissions related to kW laser products transportation by up to 80%, an achievement in the value chain we share with our customers

We help our customers achieve their goals by replacing carbon and mechanical tools with more precise, efficient, and flexible fiber lasers. Advances in Lumentum commercial laser development unlock energy efficiency across multiple applications.



Demand for commercial laser products is driven by applications such as macro- and micro-materials processing, optical pumping, and biomedical and analytics instrumentation. Our lasers can also be used to manufacture EV batteries and solar cells. These components are critical to transitioning from a fossil-fuel economy to green energy.

Economic Risks and Opportunities

We recognize that climate change may present substantive impacts on our business. The changing business landscape, due to its long-term effects, represents an opportunity to continue innovating our products and further lead the industry as we enable the transition to a low-carbon future.

We regularly evaluate climate-related risks and opportunities within our operations and value chain. We have ongoing mechanisms to analyze potential risks to our business, consider options to mitigate threats, and assess and innovate how we work together. CDP's alignment with the Task Force for Climate-related Financial Disclosures (TCFD) recommendations helps us refine our governance structure and consider the risks and opportunities associated with climate change.

Quarterly business reviews with our CMs unlock opportunities for collaboration and assess supplier responsiveness to climate-related objectives, such as energy efficiency and GHG emissions reductions and reporting. Our development and monitoring of annual action plans against facility-level and corporate-level climate-related objectives ensure we can meet our goals. The results of the reviews, in turn, strengthen our alignment with customers seeking to reduce the impacts from their respective supply chain partners. Additional information on our approach to climate-related risks and opportunities can be found in our annual [CDP Climate Change response](#).

Materials

Lumentum continuously monitors environmental laws, regulations, and emerging customer requirements to anticipate changes across jurisdictions. We assess and implement actions to ensure we comply with long-term disclosures.

In FY23, additional regulations were proposed or implemented in several countries and regions, including the European Union (EU) and Canada.

In response to the European Commission's proposal in 2022 to restrict two additional substances, medium-chain chlorinated paraffins (MCCP) and tetrabromobisphenol A (TBBP-A), under EU RoHS Directive (Restriction of Hazardous Substances), in FY23 Lumentum proactively eliminated MCCP from its products and initiated elimination of parts with TBBP-A.

Similarly, in anticipation of possible expiry of RoHS exemptions 6b-I and 6b-II for lead as an alloying element in aluminum, Lumentum transitioned most of its impacted parts to lead-free aluminum. For the remaining four parts, we are working closely with our suppliers and engineering teams to identify new parts without these exemptions.

EU's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation continues to expand its Candidate List of Substances of Very High Concern (SVHC). Lumentum consistently monitors new entries and communicates findings to customers through REACH Compliance Certificates and a [REACH statement](#) on our website. We verified and ensured that our products comply with a new restriction on LC-PFCAs (Long-chain Perfluoro Carboxylic Acids containing 9 to 14 carbon atoms in the chain), which came into force under REACH Annex XVII in February 2023.

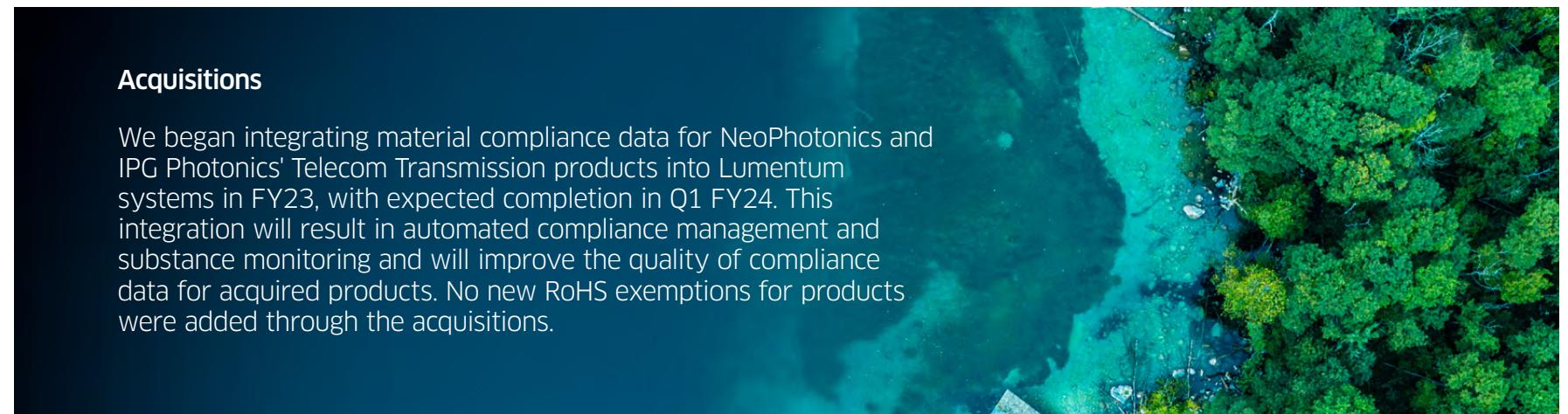
The Canadian Environmental Protection Agency (CEPA) proposed an update to the Prohibition of Certain Toxic Substances Regulations (PCTS) in Canada. Our supply chain and product teams are collaborating to identify alternative parts and materials free of any potentially restricted substances before Canada's proposed law is implemented.

We actively assess and investigate the risk of perfluoroalkyl and poly-fluoroalkyl substances (PFAS) in our products in anticipation of upcoming worldwide restrictions and reporting obligations.

In FY23, 66.9% of revenue came from products that contain IEC 62474 declarable substances, an increase from 54% of revenue received in FY22. Most of these products contain lead, which is covered by RoHS exemptions.

Acquisitions

We began integrating material compliance data for NeoPhotonics and IPG Photonics' Telecom Transmission products into Lumentum systems in FY23, with expected completion in Q1 FY24. This integration will result in automated compliance management and substance monitoring and will improve the quality of compliance data for acquired products. No new RoHS exemptions for products were added through the acquisitions.



Feature: Navanakorn, Thailand

Overview

The Lumentum Navanakorn facility, located in the industrial section of Bangkok, Thailand, is the heart of our manufacturing operations and crucial to our strategic advancement toward supply chain localization and Scope 3 emissions reduction. Building the surrounding infrastructure to support Navanakorn is core to this strategy, and we believe it will bring significant economic benefits to Lumentum and the local economy.

Localization

In FY23, we identified a local vendor to supply specialized heavy wooden crates—weighing between 20 and 50 kg each—to pack our kilowatt fiber lasers. Previously, crates were purchased from a vendor in Malaysia and shipped to Navanakorn. By purchasing crates from a local vendor and reducing the shipping distance, we expect a 96% reduction of Scope 3 GHG emissions associated with transporting empty crates to the site.

We are actively seeking a local source for wire harnesses used in commercial lasers. Since these are heavy components purchased from vendors in the U.S., we expect significant GHG emissions reduction from transport of these components after switching to a local supplier.

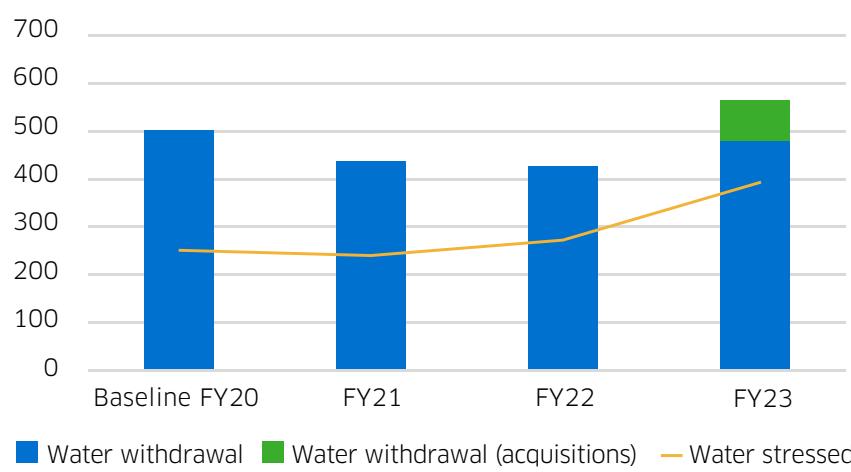
We continue to prioritize the sourcing of new materials, including all necessary shipping materials, from local vendors or through our local supply chains.



Water

Access to water is a fundamental human right. Climate change has created high or medium water stress in some regions where we operate, including offices and manufacturing sites in Japan and Thailand. We recognize that responsible water management, reduced withdrawal and consumption of water resources, effective treatment of wastewater, and closed-loop use minimize negative impacts on the planet and ensure people have the water they need to live and thrive. Lumentum uses water for product manufacturing, heating, cooling, facility maintenance, and domestic use at all facilities.

WATER WITHDRAWAL (ML)



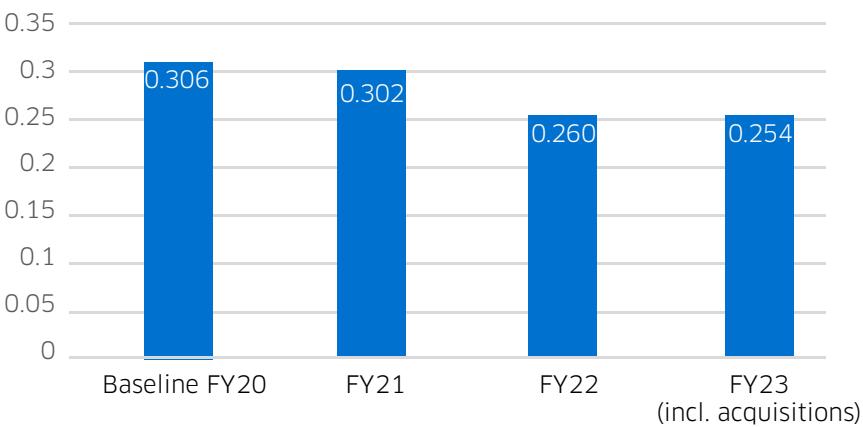
*For FY23, "water stressed" includes water stressed acquisition sites

We expanded from 16 sites in FY22 to 24 sites in FY23 and increased operations at existing sites. The addition of acquired sites accounted for a 23% increase in overall water withdrawal in FY23 compared to FY22. We did not meet our target of achieving a 5% reduction in water withdrawal by FY23; excluding acquisitions, we achieved a 4% reduction in water withdrawal since FY20*.

Despite the increase in water withdrawal due to acquisitions, our overall water intensity decreased by 17% from FY20 to FY23. We continue to focus on initiatives related to water use efficiency, water withdrawal reduction, and an improved water data inventory.

*The FY20 baseline has not been recalculated to include acquisitions.

WATER INTENSITY (WITHDRAWAL/SQ.FT)



In FY23, we revised our approach to water metrics to improve water data completeness and quality. We recalculated water withdrawal from FY20 to include all sites' water withdrawal by source. We also engaged each of our manufacturing sites to set new site-level water reduction targets and established a new corporate goal to reduce our annual water withdrawal by 5% by FY26, compared to FY23. In the coming years, we will continue improving our data quality and further streamlining data collection to enhance our understanding and management of water use.

In FY23, we established a new corporate water goal to reduce water withdrawal by 5% by FY26, from FY23 levels.

Since 2018, we have disclosed our water data through the [CDP Water Security assessment](#) and received a C score, which indicates our water management is at awareness-level engagement. We strive to improve our score as we strengthen our water governance, perform required water risk assessments, and collaborate among our sites to implement best practices to achieve our water targets.

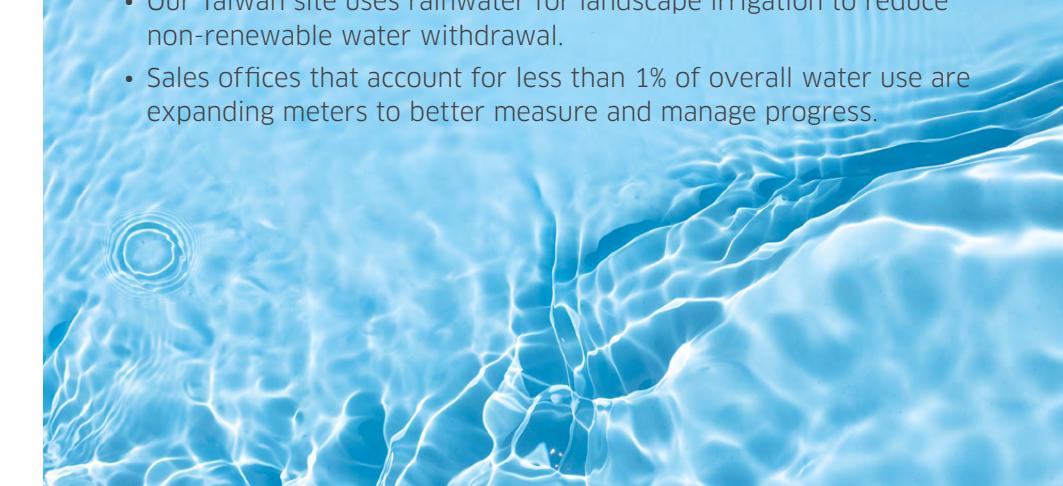
Water Reduction Highlights

Manufacturing sites account for more than 90% of water use.

- Lumentum sites in Japan and Thailand are in medium to high-water-stressed areas. We identified the most water-intensive processes and focused reduction efforts on monitoring leakage, maximizing closed-loop water use, and expanding meters to track progress.
- The newly acquired manufacturing site in San Jose, U.S. reduced water use two-fold between 2018 and 2022 by optimizing the wafer water system and maximizing the reuse of water associated with cooling and wafer fabrication.
- Lumentum UK and Slovenia sites both neared maximum reduction of domestic water use through the installation of efficient taps and reducers, and production process-related savings.

R&D and office sites account for less than 10% of water use.

- Most sites have achieved a maximum reduction of domestic use through efficient water equipment and continuous leak monitoring.
- Lumentum sites in Canada and Brazil are assessing lab processes to identify additional potential water use savings.
- Our Taiwan site uses rainwater for landscape irrigation to reduce non-renewable water withdrawal.
- Sales offices that account for less than 1% of overall water use are expanding meters to better measure and manage progress.



Wastewater Treatment

Our manufacturing sites treat and dispose of wastewater and production wastewater sludge that may contain heavy metals before processing by local certified operators. R&D and office sites discharge their domestic wastewater to the municipal sewer system.



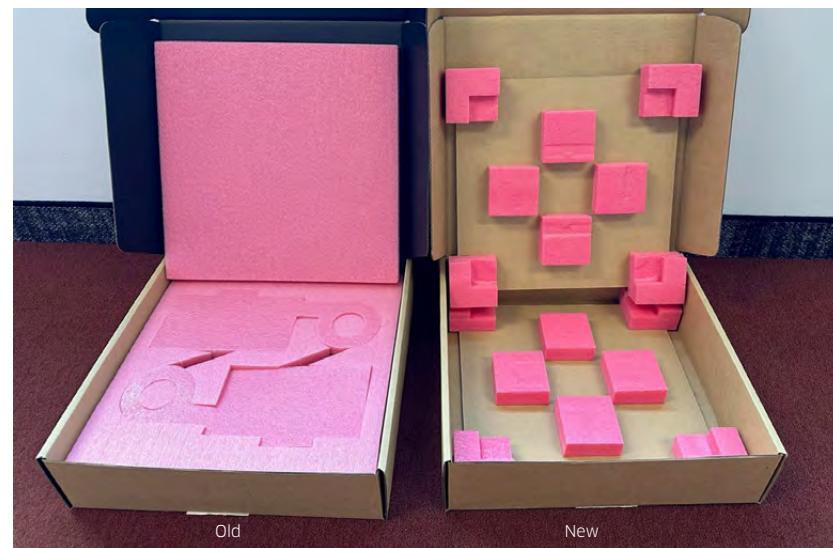
Our Lumentum Caswell (UK) site treats domestic and production wastewater on site. Water treatments include pH adjustment, removal of suspended solids and ammonia via settlement tanks and percolating filters, treatment of oxides ammonia to convert them into nitrates, and reduction of biochemical oxygen demand in the water.

Waste

Lumentum recognizes that responsible waste management includes recycling, recovery, and safe disposal of hazardous and non-hazardous materials, which minimizes negative impacts on the planet and human health. We are committed to reducing our waste generation and promoting the transition to a more circular economy. We ensure strict compliance with all local laws concerning generating, treating, storing, and transporting hazardous waste, and are working with certified third-party vendors to properly manage waste across all our regions.

Workforce training and education are critical to waste mitigation and compliance. We conduct regular training on proper handling and disposal of general, industrial, and hazardous waste; preparing waste onsite; and working with third-party vendors to manage waste.

Lumentum achieved a 30% reduction in packaging material for one of our wavelength selective switch (WSS) products by using a more compact approach to packing.



In FY23, our total weight of waste generated increased, and our diversion rate decreased due to the acquisitions. In the coming years, we plan to further improve the completeness and quality of our waste data. The resulting information will help us to identify additional opportunities to minimize waste generation and maximize reuse and recycling in line with achieving our corporate target of 90% diversion rate for non-hazardous waste by FY27.

Lumentum sites track non-hazardous waste and measure overall generation, diversion, and disposal. Sites work with third-party providers to separate and manage manufacturing and general (non-hazardous) waste streams. Non-hazardous waste is divided by type: plastic, metal, paper/cardboard, glass, biomass, or textile. Employees across all locations are encouraged to minimize operational waste generation and waste generated in common employee areas such as the cafeteria and breakrooms. Some Environment, Health, and Safety (EHS) and facilities teams have implemented initiatives to reduce and reuse packaging.

Facilities and IT teams manage e-waste for recycling and recovery off-site. Third-party companies ensure the extraction of metals from e-waste.

WASTE (MT)	FY23	FY22	FY21
Total weight of waste generated	1,885	1,449	1,212
Non-hazardous	1,517	1,022	874
Hazardous	367	424	339
Diversion rate non-hazardous	70%	75%	77%
Total diversion rate	68%	63%	57%



People

At Lumentum, we believe that investing in people—employees, community, supply chain, and beyond—is our duty, privilege, and responsibility. We are committed to the professional development of our employees, creating a diverse and inclusive culture where all people feel welcomed and supported, and engaging in the global community in ways that help all of us.

Goals

Talent Management:

All employees complete a quarterly career discussion known as a “BrightPath” discussion with their manager

Progress: Achieved. Completed by 100% employees and managers.

Improve talent readiness and increase internal mobility from FY22 levels

Progress: Achieved. In FY23, 47% of roles for director and above positions, and 26% of roles below the director level, were filled internally providing existing employees with growth opportunities.

Diversity, Inclusion, and Belonging (Global):

Increase the representation of women in management roles from FY22 levels

Progress: Achieved. In FY23, women held 28% of our manager and above leadership roles globally.

Increase the percentage of early career new hires from FY22 levels

Progress: Achieved. In FY23, 34% of our global new hires were early career hires.

Maintain gender pay parity to less than 2%

Progress: Achieved. We continued to maintain gender pay parity with less than a 2% gap.

Diversity, Inclusion and Belonging (U.S.)*

Increase the representation of underrepresented groups in our employee population from FY22 levels.**

Progress: In FY23, we maintained our U.S. employee population from an underrepresented group at 11%.

Increase the representation of underrepresented groups at director and above levels from FY22 levels.***

Progress: Achieved. In FY23, 58% of our directors and senior directors, and 53% of our vice presidents and above levels in the U.S. were from an underrepresented group.

Maintain pay parity for underrepresented groups to less than 2%***

Progress: Achieved. We continued to maintain pay parity for underrepresented groups with less than a 2% gap.

* We are legally required to track and report data regarding race/ethnicity for our U.S. population, and while we want to increase diversity and inclusion at all sites, the data is only available in the U.S. and thus based on U.S. headcount population.

** Black or African American; Hispanic or Latinx; Native Hawaiian or other Pacific Islander; American Indian or Alaska Native; two or more races

***Asian; Black or African American; Hispanic or Latinx; Native Hawaiian or other Pacific Islander; American Indian or Alaska Native; two or more races

Health and Safety:

Maintain a Total Recordable Incident Rate (TRIR) of less than 0.2

Progress: Achieved. In FY23, our TRIR was 0.13

Maintain a Lost Time Incident Rate (LTIR) of less than 0.1

Progress: Achieved. In FY23, our LTIR was 0.04

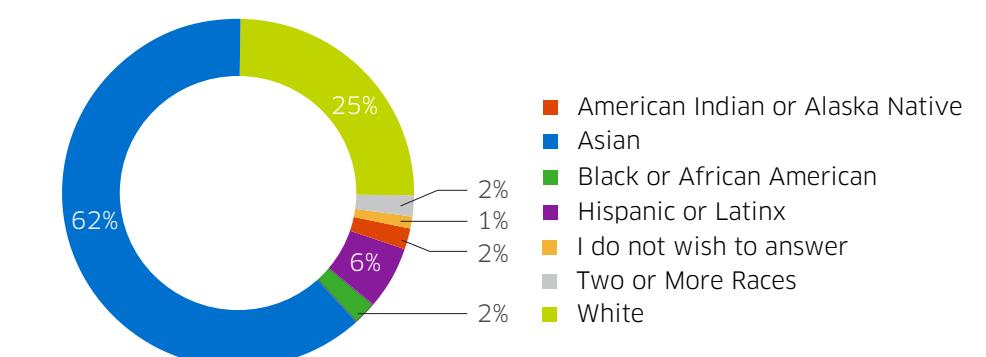
Diversity, Inclusion, and Belonging

In pursuing our goal to illuminate the path forward to a more sustainable future, Lumentum is committed to Diversity, Inclusion, and Belonging (DIB). Our mission is to create a culture in which all employees feel included and are enabled to do their best work while being their authentic selves. We continue to promote an environment where differences are valued and maximized without bias and where everyone can contribute and achieve success that has positive outcomes for our people, their families, and our communities. Our CEO, Alan Lowe, remains active on the Board of Directors of the Silicon Valley Leadership Group. He is steadfast in furthering our DIB culture in alignment with the CEO Action for Diversity & Inclusion pledge we made last year.

In FY23, DIB remained among our top priorities. We continued to build a diverse and inclusive culture for our employees, leading long-term change on behalf of everyone regardless of gender, gender identity, sexual orientation, ethnicity, race, country of origin, nationality, age, seen and unseen disabilities, religion or spiritual beliefs, veteran status, socio-economic status, geographical background, linguistic background, career history, and experience.

Our DIB Council guides these efforts and comprises employees from various levels, corporate functions, and geographies, co-chaired by the Chief Human Resources and Diversity Officer and Chief Executive Officer. The monthly DIB Council meeting guides and directs our global DIB initiatives, strategic plan, policies, procedures, and metrics. Our DIB objectives and progress toward achieving them are assessed quarterly to ensure alignment with strategic business objectives.

EMPLOYEE DIVERSITY IN THE U.S.



Employee Resource Groups

Employee resource groups (ERGs) are voluntary, employee-led groups of people with shared characteristics or life experiences. ERGs are vital to achieving our DIB goals and are an essential pipeline for increasing diversity in leadership positions. Joining an ERG offers an additional opportunity for inclusion and a greater sense of belonging.

In FY23, we formed four new ERGs, bringing our total number of Lumentum ERGs to nine. We're proud that each ERG has multiple chapters across the globe. Both our new LGBTQIA+ and Working Parents ERGs have designated leadership and membership that is working to set the strategic roadmap for the ERGs.



Our Next-Gen Luminaries at our San Jose location hold regular social events for the group.



The Asians@Lumentum ERG in Ottawa, Canada enjoying a volunteer day supporting a local farm.



The UK chapter of the Women@Lumentum ERG hosted an event with Board of Director member, Janet Wong.



Our new Pride@Lumentum organized several educational events across the company during Pride month.

New ERG groups formed in FY23



Ability ERG

The Ability ERG is a community space for employees with visible and invisible disabilities and their allies to find support and thrive at Lumentum. Through this ERG, employees and supporters are raising awareness of workplace issues that affect people with disabilities.



Pride ERG

The Pride ERG brings together LGBTQIA+ employees and allies in a safe global community with the mission to empower and advocate for the well-being of the LGBTQIA+ community.



Veterans ERG

The Veterans ERG encourages veterans and allies to support and encourage each other through shared experiences, veteran recruitment, career development, outward engagement, professional growth, and retention. The ERG aims to identify and address emerging issues or challenges and increase the visibility and value of veterans' skills in the workplace.



Working Parents ERG

For those raising children or acting as caregivers or allies for elderly parents or other family members, the Working Parents ERG raises awareness about balancing work and family life. The ERG provides resources to working parents or caregivers related to all facets of family life, from being a new parent to caring for aging parents.

Feature: Diversity Impact Awards

Each quarter, Lumentum recognizes an individual or group for their outstanding work in Diversity, Inclusion, and Belonging. The Diversity Impact Award is given quarterly at the all-hands meeting. Criteria for the award include:

- **Engagement in projects** that promote diversity, inclusion, and belonging on a local, regional, or global level within Lumentum

- **Demonstrated impact** in addressing critical areas of diversity and inclusion such as recruiting, mentoring, retention, training, leadership development, or community partnerships
- **Proven leadership** in increasing awareness, understanding, or promotion of diversity at Lumentum
- **Program implementation** within a business unit, ERG, or the DIB Council to support and elevate diversity at Lumentum



FY23 Q1 Diversity Impact Award Recipient

David M., Ottawa, Canada

David's leadership in DIB efforts for the Ottawa site and excellence in highlighting DIB in forums such as quarterly business reviews, all-hands meetings, and Ottawa universities have positively impacted the Canada team. David has shared the Canada team's insights and learnings with other groups, fostering employee engagement and belonging worldwide.

FY23 Q2 Diversity Impact Award Recipient

Selina F., Caswell, UK

Selina is a tireless advocate for women. She leads by example with energy, passion, courage, and initiative for the group in the UK and Italy and has achieved international exposure to women-specific ERG activities. Her efforts have resulted in Caswell's highest Engagement Survey diversity index score and have influenced others to be their best.

FY23 Q3 Diversity Impact Award Recipient

Olga K., Zug, Switzerland

Olga is passionate about sustainability and business that delivers both profit and purpose. She was recognized for her leadership in developing the Lumentum Pride ERG, a milestone in driving the inclusion of members and allies of the Lumentum global LGBTQIA+ community.

FY23 Q4 Diversity Impact Award Recipient

Mia B., Remote, Canada

Mia has played an integral role in the creation and development of the Lumentum Pride ERG. Under her leadership, the ERG hosted a successful launch series that prompted meaningful discussions surrounding LBGTQIA+ and inclusion in the workplace. The ERG also hosted engaging sharing sessions and extended powerful resources to employees.



Lumentum interns volunteering at a non-profit educational farm in San Jose, California.

University Relations

At Lumentum, University Relations is embedded in Talent Acquisition and connects with DIB. We continue to expand our relationships with universities and identify new partnerships. We are pleased to partner with the Black Alliance of Scientist Engineers and the Society of Women Engineers.

Outreach

We are proud to run a comprehensive university program that spans globally across Asia, Europe, North America, and Brazil, building valuable partnerships with institutions to engage underrepresented students passionate about pursuing careers in technology.

This year, our University Relations teams have embarked on a global journey, collaborating with universities across the world. Students have had the exceptional opportunity to visit our facilities, gaining firsthand insights into Lumentum's industry-leading processes such as our fiber fabrication process, during educational site visits and internships. These collaborations allow us to share our knowledge and expertise with emerging talents, creating a dynamic and diverse workforce for our organization.

The Greene Scholars Program—a nonprofit designed to increase STEM confidence and competence in youth of African ancestry in the Silicon Valley region of California in the U.S.—conducts the annual Frank S. Greene Scholars Program (GSP) Science Fair, the most prominent African American science fair in California. In January, two Lumentum Black Employee Group (LBEN) ERG members participated as judges at the science fair. Lumentum is proud to partner with the Greene Scholars Program and is investigating ways to establish an internship pipeline for interested students.

A senior engineering development manager at Lumentum, Al Y., who is an alumni board member at the University of California Santa Barbara (UCSB) in the U.S., helped develop on-campus programs at UCSB to support first-generation and underrepresented minority students to navigate their classes, research, and internship opportunities. Al's efforts to educate, train, and ally with students have strengthened Lumentum connections with UCSB and California Polytechnic State University, San Luis Obispo.

Scholarships

Lumentum launched the DIB scholarship program in the U.S. in FY22. In FY23, we expanded the program to include Canadian students as well as U.S. students and more than doubled the number of recipients. At the awards ceremony in October 2022, 21 summer

interns from North America—10 from Ottawa, Canada and 11 from San Jose, U.S.—were inducted into the second Lumentum cohort of DIB scholars. In FY24, the program will expand to include recipients outside of North America.

Our Lumentum Slovenia site collaborated with the electrical engineering department at the University of Ljubljana to award a scholarship to a student in mechanical engineering. Lumentum Slovenia employees also held an inaugural career fair to build bridges between STEM students in the local community and our Lumentum engineers.

Internships

Our Navanakorn, Thailand site hosts two semi-annual internship programs in partnership with Bangkok's Chitralada Technology Institute (CDTI), established by Her Royal Highness Princess Maha Chakri Sirindhorn. Each year, 25 students from CDTI's engineering program are awarded internships at Lumentum. Since 2019, we have hired more than 100 interns who have gone on to graduate from CDTI. Her Royal Highness Princess Maha Chakri Sirindhorn recognized Lumentum for an outstanding co-op student project with an Honor pin this year.

Short Course Photonics System Class

In FY22, Lumentum Paignton and South Devon College in the UK collaborated to create a Level 5 credited photonics course. Seven employees from Lumentum completed the course last year. The 60-hour, 15-week course is suitable for undergraduates in their final year of a formal UK degree as well as postgraduates and seasoned industry professionals. The seminar-style format allows for enriching discussions and enables participants to build relationships and support each other in professional development.

In FY23, the course was made available again to Lumentum Paignton staff and expanded to employees from another local technology company. Enrollment more than doubled, with 15 Lumentum employees and two students from the neighboring company completing the course. The course will continue to be offered in FY24.

Talent Management

We prioritize a dynamic environment that nurtures our talented and diverse employees by investing in high-impact programs that cultivate health, wellness, and quality of life; opportunities to develop, grow, and build a career at Lumentum; time and space to innovate and fuel collaboration across all departments; and ways to recognize and spotlight meaningful work across the company.

Training and Development

In FY23, our Talent and Learning team continued to hone its strategic direction for learning, career progression, and employee feedback. We aim to boost the efficiency of our talent management practices and develop a diverse and engaged workforce to maximize organizational and individual growth, capability, and innovation across Lumentum. We achieve our objective by aligning business and talent strategies to enable the growth and development of future leaders through impactful learning experiences. Participant feedback has consistently called out personal growth in communication and clarification of professional goals as positive outcomes of training and development strategies and programs.



Employee Engagement

Employee feedback is crucial to creating a workplace culture that attracts and retains top talent. Our engagement survey is a chance for employees to share their insights and perspectives, and help leadership identify areas of strengths and opportunities for growth. Each May, we distribute a comprehensive employee engagement survey to evaluate employee satisfaction. This year, Lumentum achieved a record high participation rate, with 94% of our total workforce completing the annual survey, including new employees from our most recent acquisitions. While our engagement index decreased slightly, consistent with other companies in our industry which faced similar macro-economic challenges, our scores related to taking action on the engagement survey, retention, and inclusive leadership scored above the global technology benchmarks. Targeted pulse surveys will be issued in November to gather additional feedback.

EMPLOYEE ENGAGEMENT	FY23	FY22	FY21
Overall engagement index	73	79	75
Survey participation rate	94%	89%	93%

Professional Development

At Lumentum, we provide resources and support to expand employees' professional skills and knowledge to advance their careers. Through mentorship, training opportunities, educational assistance, and leadership certifications, we continue expanding our global employee offerings.

As part of our investment in helping employees grow and develop, we provide access to e-learning opportunities as part of a "just-in-time" learning strategy and a longer-term growth strategy. Courses and resources are available through our Human Resources Workday Learning system and an external platform. Training opportunities span technically related content, soft skills, and leadership training.

Lumentum is on a journey to grow our business significantly. A key to our success is our quest to continually expand how we support our people in their professional development.

BrightPath

BrightPath is the comprehensive and continuous approach to performance management at Lumentum. Rather than a once-a-year review, managers and their direct reports hold quarterly touchpoints to discuss performance and development goals and career aspirations. In FY23, 100% of employees completed their BrightPath discussions.

Mentorship

The Lumentum mentorship program provides a platform to advance employees' overall growth while simultaneously boosting employee success, retention, and productivity. The program allows for confidential 1-on-1 guidance with a mentor to discuss career growth ideas, how to better communicate and interact with colleagues and managers, or to find out what experiences can help advance one's career.

In FY23, over 330 mentors and mentees participated in the mentorship program.

Career Development Training

Career development training focus on managerial competencies, leadership, including a targeted track for women, sustainability, specialized Human Resources (HR), and DIB.

Our global management development program was developed specifically for Lumentum and includes three online components:

- Managing at Lumentum for new managers to learn the fundamentals
- Management Essentials Series for new managers to develop skills for effective leadership at Lumentum
- Coaching for Results to gain tools, models, and practices that increase trust, motivation, and productivity

Educational Assistance

Lumentum supports learning and development opportunities through various programs to continuously encourage all employees to enhance their knowledge, skills, and competencies. Our educational assistance policy provides an education allowance that includes reimbursement for employees who expand their professional expertise and skillsets. With prior management approval, all regular Lumentum employees are eligible to enroll in courses, programs, and training outside of Lumentum to further develop work skills relevant to their position.

Technical Training: Automotive 3D Sensing

Lumentum has been an industry pioneer of advanced diode lasers for high-volume 3D sensing applications used in mobile devices as well as LiDAR and in-cabin driver monitoring solutions that improve the safety and capabilities of intelligent and autonomous vehicles. ISO 9001 and TL 9000 certification and International Automotive Task Force (IATF) 16949 Compliance are essential to support our objectives to grow, continuously improve stakeholder value, and be the best place to work.

IATF 16949 is the Automotive Industry standard, and we are working toward compliance through initiatives such as expanded training sessions. We collaborate with internal process owners and subject matter experts to develop customized eLearning courses in-house.

Leadership Certificate Programs

In FY23, Talent and Learning implemented several advanced leadership programs to address business challenges and support the leadership development and personal growth of Lumentum employees. Programs are developed to meet the specific needs of several vital demographics at Lumentum and are offered globally. Most programs are available in English, Thai, and Mandarin. Programs span 5-12 weeks and culminate in a certificate of completion issued by Duke University's Duke Continuing Studies.



Aspire Program

This program is designed for early-career hires to expand their understanding of communication styles, participants' unique value system, and how to demonstrate value as a team member.



Aspire program participants from Navanakorn, Thailand

Aspire is the first Lumentum leadership program for employees with less than five years of work experience. The program was designed to improve the leadership and communication skills of high-potential early-career professionals committed to making Lumentum the Best Place to Work. Participants are chosen based on business needs and management recommendations. In FY23, nearly 100 early-career professionals from China, Taiwan, Thailand, North America, and EMEA participated in the prestigious Aspire Certificate Program.

Influential Leadership Program

Designed for mid- to senior-level leaders honing the skills needed to continue building and leading teams in today's uncertain global marketplace, it leads participants toward increased self-awareness, mental agility, and interpersonal effectiveness while enhancing their ability to achieve sustainable business results.

Women in Leadership

This program focuses on building the mindset and skillset women need to be confident and successful in leadership roles and includes:

- Intentional communication
- Creating a culture of inclusion
- Developing leadership presence and capitalizing on inherent strengths

Innovative Leadership

This program is designed for non-technical employees who want to learn how to create a culture of innovation that fosters and encourages creativity and new ideas. The program launched in FY23.

Additional courses include various communication workshops designed for leaders who regularly conduct presentations to staff and customers. These courses enhance public speaking and presentation skills.

Emerging Leader Program

This program is designed for individuals moving to a manager or leader of people role. The program builds the mindset and skillsets needed for employees to emerge as a leader at Lumentum, focusing on building strong relationships and delivering results.

Emerging Leaders Participant Highlights

"This course transformed my thinking and instead of wanting to become a great manager, I quickly shifted my focus to wanting to become a great leader. This new thought process gave me a renewed focus. This course was very inspiring and focused on subjects crucial for emerging leaders."

"The Emerging Leaders program was an amazing opportunity to learn more about myself how my strengths and weaknesses best serve me when tackling difficult problems. I was also excited to meet other members of the broader Lumentum family and find out more about different roles within our organization."





Benefits

At Lumentum, we invest in programs that help us bring our best to work. Our benefit offerings are comprehensive because we invest in our employees' professional, personal, and financial wellbeing.

Our benefits program and wellness initiatives reflect the exceptional standards of the high-tech industry and promote healthy minds and bodies for our employees and their families. Our benefit programs differ by country to meet the needs of our diverse employee population, statutory requirements, and industry best practices.

Every year, we re-evaluate our benefit offerings at each location to ensure we continue to provide competitive benefits.

Family Formation

In FY23, we continued to expand benefit options related to family formation. In Canada and the UK, we introduced new fertility benefits and services. In the future, we plan to expand these, and other benefits, relating to family formation to our global sites.

Menopause Policy in the UK

In FY23, our UK locations adopted a Menopause Policy and added a Menopause Health Plan to private medical coverage for all UK employees. Other resources include a focal point to offer confidential support and Menopause Awareness Training. Our UK sites plan to appoint Menopause Champions in FY24.

Global Inflation Assistance

In FY23, Lumentum rolled out a unique global benefit to help counter the rising cost of living employees face. Eligible employees received two installments of a cash assistance bonus or a one-time equity award.

TRAIL Day

In FY23, we implemented a global Thinking, Reflection, Action, Innovation, and Learning (TRAIL) Day to encourage employees to avoid non-urgent meetings one day per week. This concerted effort across all Lumentum sites supports our position as an innovative market leader by increasing employee engagement, enhancing effective collaboration and productivity, and promoting a healthy work-life balance.

EV Leasing

Starting in FY23, our UK-based employees are eligible to lease an electric vehicle (EV) through a partner company. EV charging stations are being installed at our Caswell, UK location. A pilot carpooling initiative is in development to minimize the number of single-occupancy vehicle trips.

Global Mental Health Offering

In FY23, we successfully introduced well-being enhancements in some of our locations to build on our commitment to support every employee with their well-being. We are planning to rollout a comprehensive mental wellbeing solution to our global workforce, with implementation set for early 2024.

Well-being Days

Lumentum awarded our global workforce two well-being days during FY23, known as 'Thank You' days, when the whole company, worldwide, can take the day off with pay. We provide this time to recognize and appreciate our employees' significant contributions to the company, allowing them to unplug and focus on their overall health and happiness.

Community Engagement

Lumentum Gives is a company-wide program that promotes meaningful community engagement through three pillars: flexible volunteer hours, disaster relief and donation matching. Additionally, each Lumentum location can choose other ways to deepen engagement between employees and communities.

In North America, we offer our employees company-paid time to volunteer up to eight hours per calendar year at a nonprofit of the employee's choice, with advance approval from the manager. The Employee Volunteer Program (EVP) aims to enrich employees with meaningful experiences by helping those in need while being a proud and positive example of a Lumentum community leader.

During our global Giving Tuesday campaign in November, employees donated to charities of their choice and received 1:1 matching from Lumentum. Total donations on that day amounted to \$12,382 and November donations totaled over \$30,000.



On Feb. 6, 2023, Turkey and Syria were devastated by an earthquake. We established the Help Rescue and Recovery Efforts fund for employees to donate to recovery efforts. Between employee contributions and company matching contributions, we donated over \$13,000.

Lumentum Gives

FY23 Total Giving \$145,721 USD
Individual Donations \$83,553 USD | Matched Donations \$62,168

Top Cause Categories

Education \$36,264	Human Services \$36,000	Foreign Affairs \$11,212
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Between employee and company matching donations worldwide, \$145,721 was donated to selected charities in FY23. Of the funds donated this year, \$72,264 was donated to causes supporting education and human services, making them our two top cause categories.

Looking Ahead

In FY24, we will expand the Lumentum Gives program by introducing volunteering features, allowing employees to quickly locate volunteer opportunities in their area and track their volunteer hours. Employees will also be able to partner with Lumentum Gives Ambassadors to create custom volunteer opportunities for the causes that matter to them.

Malaysia Donates to Refugee Center

When Sameer, Director of Quality and Engineering, learned that a Lumentum Malaysian contract manufacturer planned to scrap over 45 laboratory benches worth \$5,500 dollars, he saw an opportunity to repurpose the benches. He worked with Rasheed, Senior Equipment Engineer, and the Malaysian team to arrange a donation of these benches to the Rohingya Education Centre (REC).

REC—established in July 2010 with support from the United Nations High Commissioner for Refugees (UNHCR)—is the first refugee learning center in Permatang Pauh, Penang. Today, REC is the largest refugee learning center in the Northern Region of Peninsular Malaysia.

Since REC was first established, there are more students than the building can accommodate. The solution has been to teach classes in two shifts: morning and afternoon shift. Students attending the second shift arrive home after 8 p.m., a situation far from ideal for children. The donated benches will be crucial in furnishing REC's much-needed second site to accommodate all students during regular school hours. The expanded learning space will enhance learning opportunities and allow children the rest they need to develop healthy minds and bodies.

Caswell: Pretty Muddy Fundraiser

On July 23, eight Women@Lumentum ERG members from the UK and Italy, participated in Cancer Research UK's Northampton "Pretty Muddy" 5k obstacle course. Cancer Research UK is the world's leading independent cancer research organization.

Many of the ERG team members have a family member or loved one who has been affected by cancer. Between direct donations and Lumentum Gives donation matching, nearly \$3,000 was donated to Cancer Research UK.

Sagamihara Leads Site Tour for Local School Children

Lumentum Sagamihara is a certified Sustainable Development Goals (SDGs) partner of Sagamihara City. As part of our journey to promote sustainability, our Sagamihara site welcomed seven students and two teachers from Keihoku Elementary School in June 2023 for a site tour.

One highlight of the tour included exploring the basement and learning how the building was built to withstand earthquakes, one of the most common natural forces that impact people and businesses in Sagamihara.

The other highlight of the tour was the cleanroom. Lumentum employees had child-sized "bunny suits" for the children to wear in order for them to visit the controlled cleanroom environment. Inside the cleanroom, the students looked through microscopes and inspected wafers firsthand. The employees at Lumentum Sagamihara thoroughly enjoyed giving the tour and look forward to hosting more school tours in the future.

Greening Our Spaces

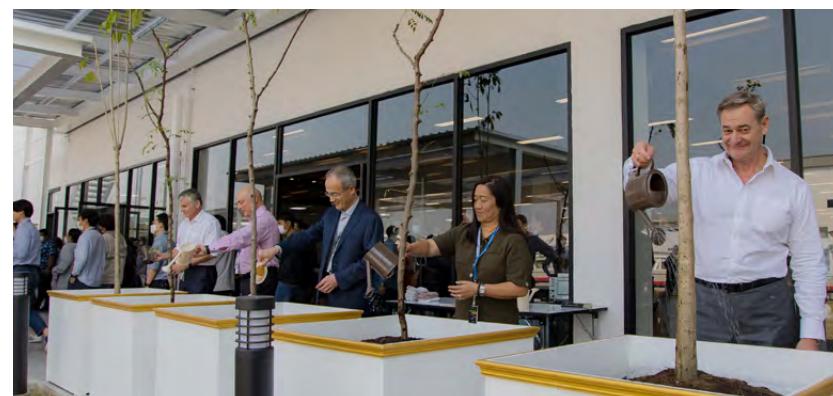
China

In March, 50 employees from Lumentum Futian, China, volunteered to plant 30 peach trees on a small island for the Huizhou community near Shenzhen. Like Huizhou, Shenzhen—a sub-provincial city that houses Futian District—is part of Guangdong Province. Lumentum teams organized the Island Tree Planting Public Welfare Action event in partnership with the Shenzhen Giving-Tree Eco Volunteer Association.



Thailand

During Princess Maha Chakri Sirindhorn's third visit to the Lumentum Navanakorn facility, executive managers planted six magnolia, cassia Javanica, and ficus trees. These trees are the foundation of a future garden that will be developed to enhance and beautify the site's expanding campus.



Japan

Lumentum Takao employees have spent years creating an expansive, on-site community garden where people can enjoy nature, foster interpersonal relationships, and grow produce.

Most years, employees and their families enjoy an annual Harvest Festival, where produce from the garden is incorporated into delicious dishes shared in a community meal. After a forced two-year hiatus due to COVID-19, this year employees once again enjoyed the garden's bounty with their colleagues and family at the Harvest Festival.



Earth Day 2023

In celebration of Earth Day in April, Lumentum sites across the globe participated in activities that protect our planet.

On April 22, Lumentum Futian employees and their families participated in a Clean the Beach on Earth Day event, collecting over 27 pounds (12.35kg) of garbage in three hours. Lumentum employees were pleased to volunteer at an event where the entire family could participate in meaningful environmental stewardship. Local volunteer associations recognized the team for their contributions.

Lumentum Ottawa offered complimentary "seed bombs" to employees in honor of Earth Day. Seed bombs are nutrient-packed balls of clay containing wildflower seeds. Wildflowers support pollinators such as bees and butterflies, which help provide food sources for wildlife and people.

At the Lumentum Headquarters in San Jose, U.S., two employees, Kripa S. and Elaine L., organized an interactive waste reduction awareness event. Many employees tested their waste-sorting skills by placing items into compost, recycling, or landfill bins and participated in a quiz on Lumentum Sustainability initiatives.

Health and Safety

At Lumentum, safety is at the core of everything we do. Our culture of safety guides our actions as we prioritize worker safety and the safety of those who visit our sites.

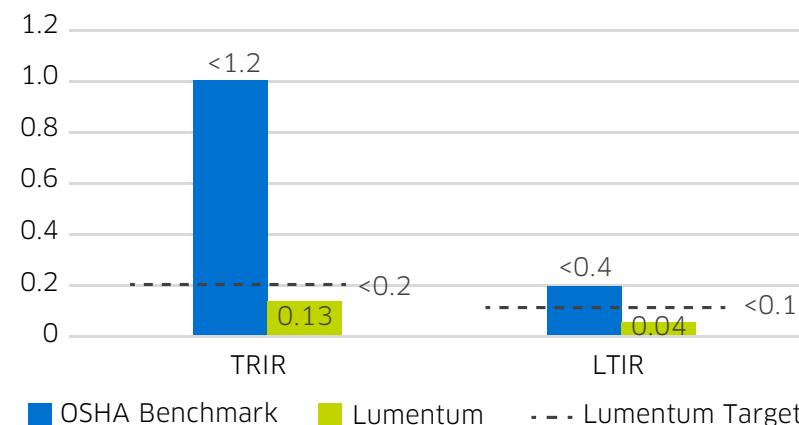
In FY23, we implemented a Safety Forum to broaden our safety culture. The forum is a monthly meeting where manufacturing site general managers, cross-functional teams, and operations executive management discuss best practices and review safety metrics, including serious incidents, to focus on prevention. Executives review all metrics. We are proud that our Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR) are well below the OSHA industry average.

SAFETY	FY23*	FY22	FY21
Near Miss Frequency Rate (NMFR)	0.98	0.58	1.69
Total Recordable Incident Rate (TRIR)	0.13	0.17	0.16
Lost Time Incident Rate (LTIR)	0.04	0.06	0.05
Hours worked	17,572,827	12,720,138	11,491,279

*The boundary was updated in FY23 to include all sites with greater than 30 headcount versus prior years' reporting boundary that included global manufacturing facilities and facilities over 50,000 square feet and/or with greater than 100 headcount.

The sites also implemented monthly Gemba walks, a Kaizen methodology that allows site leadership to observe the production floor with a focus on safety. These reviews complement site-level activities and other Environment, Health, and Safety (EHS)-related employee engagement such as Safety Months in China, Thailand, and the U.S.

FY23 HEALTH & SAFETY PERFORMANCE



*Based on 2021 OSHA Statistics for "semiconductor and other electronic component manufacturing".

In FY24, we will further reinforce reporting and prevention as part of our safety culture and scale the Safety Forum to all R&D and associated labs.

Global Environment, Health, and Safety (EHS) Management System

A new Global EHS policy was signed by our CEO in FY23 and adopted throughout the organization. The policy embeds the EHS management system into all aspects of the company and is part of our pursuit of global ISO 14001 and 45001 management system certifications by the end of FY25. By the end of FY23, we completed external regulatory compliance audits at all of our sites in preparation for ISO certification.

Our Sagamihara manufacturing site in Japan achieved ISO 45001 certification in FY23, bringing the total number of sites with a health and safety management system certification to four.

In FY23, we updated the Chemical Safety, Personal Protective Equipment (PPE), Risk Assessment, and Fire Safety Global EHS Standards to align and standardize internal requirements across all sites. Additionally, we are implementing Velocity SDS chemical storage tracking software as part of our global alignment efforts to improve chemical management onsite and provide quick access to assess chemicals against emerging regulations and restrictions.

[Learn more about our EHS Management System](#)

Safety Month

In FY23, the first large-scale safety month was organized and launched in Futian, China. Activities such as a safety knowledge contest held in person and online, weekly training, and on-site safety hazard hunting enhanced our commitment to safety. Results of employee surveys conducted before and after the safety month showed a 25% improvement in safety awareness.



Futian leadership signing the Safety Commitment

Restricted Chemicals

In line with RBA's Industry Focus Process Chemical List (IFPCL), we have a policy in place to protect workers from exposure to hazardous process chemicals during manufacturing. When the RBA IFPCL list was first introduced in April 2021, we identified ten of the 16 chemicals on the list as in use across our global sites. With great effort we either substituted these substances or re-evaluated existing engineering controls to ensure workers are isolated from the hazards according to the hierarchy of controls.

In FY23, our manufacturing team in San Jose, U.S. eliminated five out of the six chemicals identified from the RBA IFPCL in use at the location. While N-methylpyrrolidone (NMP) is exempt from wide wafer fabrication use, the team eliminated this chemical by developing an alternative process meeting the same quality standard. Lumentum uses one IFPCL chemical in a critical processing step; however, substitution has been identified and is in the final stage of product qualification. We expect to complete the qualification process in FY24.

New product development is a critical element of our business. As part of the product life cycle, any new chemical addition undergoes a stringent review of the safety and environmental impacts. We input insights gained from stakeholder collaboration into the technology roadmap of the fabrication process.



COVID-19 Response Plan

Throughout the COVID-19 pandemic, our sites have remained vigilant and committed to health and safety measures that safeguard our employees, customers, and associates. China has maintained a zero-tolerance policy for COVID-19. In FY23, when COVID-19 affected workers at Lumentum sites in China, our response plan proved effective in minimizing impacts on workers and continuing production. We will continue to maintain pandemic-related response plans at all sites as we strive to keep people healthy and safe while delivering quality products on time.

FY24 Outlook

We are preparing to implement additional metrics that will allow us to expand tracking of our safety performance related to leading indicators. Training completion rates, Gemba walks, proactive communication, and audits are in development to complement lagging indicators such as recordable incidents, lost time, incident action closures, and recorded violations already in place. Additionally, we will develop a Standard for Risk assessment to update current standards and increase global standardization as we embed standardized programs across sites.

Acquisitions

We align all acquisitions' EHS standards and practices with Lumentum global policies. This year, we incorporated new sites into the incident tracking software and conducted EHS training at all new sites. We have begun implementing a chemical tracking system at acquisition sites and expect to complete the integration in FY24. The formalization of reporting is ongoing.





Innovation

Innovation is crucial to the value we provide to customers, suppliers, partners, employees, and shareholders, and it is integral to our sustainability strategy. Our teams are adept at product innovation and use the same methodology to enhance and improve processes to create efficiencies that reduce our impact in every way.

Innovation at the Speed of Light

As a global leader in photonics technology, we are expanding our leadership and broadening our contribution of optical capabilities into new and innovative applications, in the markets we serve today and new, emerging markets of the future.

Our legacy of innovation is evident in our product leadership positions and extensive intellectual property portfolio. We filed approximately 200 new patent applications in FY23, with currently 660 pending patent applications, and 2100 patents issued worldwide. Our patent portfolio continues to grow, with strengths in optical switching, coherent transmission, source lasers, 3D sensing, photonic integrated circuits, and ultrafast lasers. We value our innovators, recognize their contributions, and celebrate their patents in our company-wide meetings.

Customer Value

Providing exceptional customer value is the bedrock of Lumentum success. We aim to deliver value and delight our customers by pushing the boundaries when designing products and processes.

We accomplish our mission by continuously improving our business processes through our robust Kaizen activities facilitated by the Kaizen Promotion Office (KPO). Other methods of delivering customer value include ensuring that our Quality Management System covers all our sites and fulfills the requirements of ISO 9001:2016, conducting frequent customer surveys and fostering clear and regular communication between sites.

Process Innovation

Lean Maturity Tracker

In FY23, we improved and expanded our Lean Maturity Tracker (LMT), which offers organizations a self-evaluation of their status related to Lean efforts. The key to successful implementation of Lean lies in knowing where the organization needs to be in the future. To enable this, leaders must understand the current state of their business. A Lean Maturity Tracker shows leaders how advanced their organization is in Lean, its strengths, weaknesses, and improvement opportunities.

The tracker provides a detailed, step-by-step, quantitative scoring assessment to rank the current state of the business. This exercise ensures that the organization can continually improve its ability to satisfy customer needs and improve internal processes. In FY23, sites revised the LMT template to assess wafer fabs and their unique functions better. The San Jose Rose Orchard facility has been the pilot site for these updates, with our Japan wafer fabs preparing for their LMT rollout in FY24. The KPO will continue to improve and expand the LMT assessment capabilities across all sites as part of the team's goals for FY24.

Best Practice Forum and Tracker

In FY20, we started the Best Practice Forum as a place where employees and sites can share best practices related to improvements in quality, tooling, material handling, safety, and business processes. This year, we modified the forum to create more employee- and site-wide engagement by setting specific agendas for the meetings; creating meetings targeted to front-end fabrication and back-end assembly; inviting a wider audience; and voting on the top ideas shared in the forum. The winners of the vote received gift cards. We also created a Best Practice Adoption Tracker to monitor how many best practices have been shared and adopted per site each year.

Product Transfers

As we transfer products from NeoPhotonics to other sites, we actively assess and improve each product line before transport to ensure maximum efficiency. There is significant cost savings potential from

these transfers in the form of capex expense reduction, cycle times reduction, and improvement of product yields.

The KPO team facilitates these improvements through Production Preparation Process (3P) training and events. 3P is an event-driven process for developing new products or transferring a product to another site, and at the same time analyzing the operation process by the people that will be involved in the product manufacturing.

A product transfer that has undergone 3P has projected a reduced layout footprint size and capex required by around 50% in both areas. The KPO will continue to facilitate 3P and improve the reach and effectiveness of our 3P training to ensure Lumentum is well prepared for effective 3P of future new products and transfers.

Definitions

Lean: a business methodology that aims to provide a new way to think about how to organize human activities to deliver more benefits to society and value to individuals while eliminating waste.

Current state: a term used to describe a series of actions that depict how a process currently functions.

Voice of the Factory

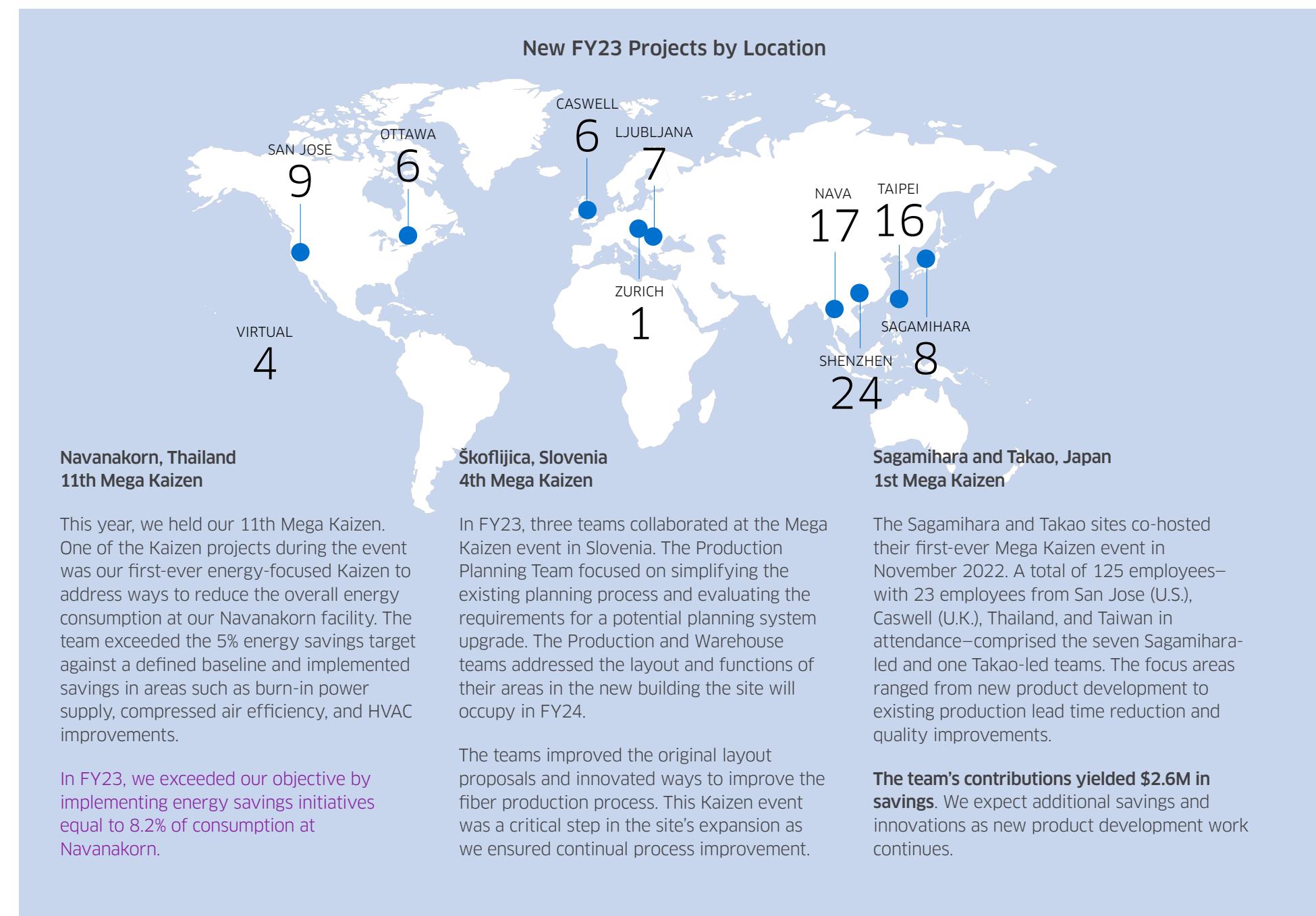
This year, we launched a new initiative to streamline processes related to new product introduction (NPI) and product transfers. The Voice of the Factory project aims to set rules, guidelines, and training for products transferred to another manufacturing site. The guidelines specify that large-scale manufacturing requires a streamlined process to reduce the material used and focus on design for manufacturing (DFM) processes. By setting these guidelines, we can empower the factories to ask the right questions and set clear expectations for those responsible for the transfer or introduction of products.



Kaizen Events

Kaizen is a Japanese term that loosely translates to continuous improvement. Lumentum applies Kaizen at every stage of the life cycle of a product, as well as in our business processes.

KAIZEN INITIATIVES	FY23	FY22	FY21
Total number of Kaizen projects	93	97	64
Yearly benefits from Kaizen projects—hard savings	\$14.9M	\$31.3M	\$13.2M
Yearly benefits from Kaizen projects—soft savings	\$2.4M	\$2.7M	\$600k
KAIZEN INITIATIVES KAIZEN EVENTS AND PARTICIPATION	FY23	FY22	FY21
Kaizen event participants	907	731	646
Monthly topic attendees	4,282	3,321	3,249
Number of Kaizen events	93	97	64
Number of monthly topic events	25	43	36



Feature: Kaizen at San Jose Wafer Fab

Our wafer manufacturing site in San Jose, U.S. on Rose Orchard Way has driven multiple Kaizen and engineering projects to drive zero defect and zero waste goals. Managers with cross-functional expertise utilize an employee virtual suggestion board and Gemba walks on the shop floor to see first-hand what environmental challenges exist as they assess improvement opportunities for facilities, processes, and equipment.

Waste Reduction

Cloth and paper wipes

In the manufacturing cleanroom, employees use thousands of cloth and paper wipes to reduce particle lint contamination inside the cleanroom and process chamber. To minimize waste while maintaining product quality and health and safety, several teams first participated in a Kaizen in FY21 to generate ideas for reducing wipe usage and evaluating multiple wipe types. The reduction has been an ongoing effort over the last few years.

The site installed a dashboard on the shop floor to visualize weekly wipe usage and each team's contribution to the reduction effort. Over the next two years, the teams tested multiple wipe types with various ISO classes, fiber densities, material composition, and particle generation. After extensive testing, the groups identified a wipe with maximum absorption. The effect of implementing the new wipe has been significant; cloth and paper wipe usage has decreased by 75% annually, with cost savings of 71%.

Paper use

During Gemba walks and production feedback sessions, managers identified opportunities for overall paper reduction across production phases. After the implementation of these projects, our San Jose wafer fab team achieved a 90% decrease in annual paper consumption in production areas where paper reduction methods were implemented. In addition, the production of all active products at the site now uses an electronic manufacturing execution system and electronic certificates which have eliminated the need for paper travelers and inspection paper cards, respectively.

Water Reduction

Production accounts for over 75% of water use in a typical semiconductor facility. Since 2010, the site has implemented many water conservation activities. In FY23, the site established a cross-functional team in the spirit of Kaizen to reduce its water use and discharge in line with Lumentum corporate water reduction efforts.

Through Gemba walks and virtual facility briefings, the team determined relevant key performance indicators (KPIs) and set up water flow meters at critical points of interest. Afterward, the site created an online dashboard to monitor how different actions contributed to water savings and increased water use efficiency.

In FY24, the site plans to design, set up, and install a dedicated water temperature control unit (TCU) with a control loop to reduce the water usage in the wafer dicing process. The TCU will allow for better temperature control and eliminate the impact of outside temperature oscillations. The investment can save 1,750 gallons (about 6624.47 liters) per day, equivalent to 7% to 9% of total water consumption in fabrication.

Product Safety and Compliance

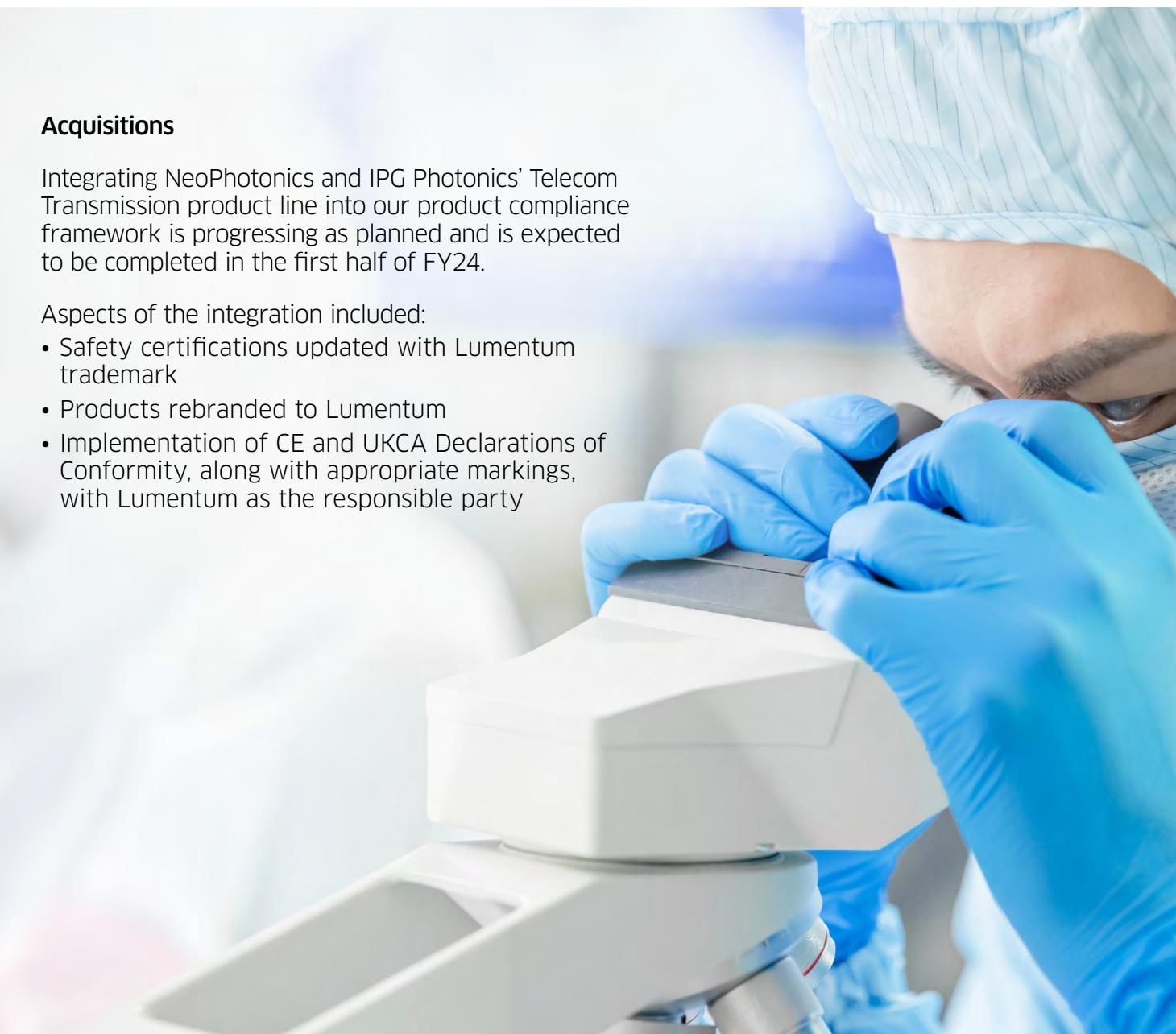
At Lumentum, we strive to strengthen and enhance our product safety program. To promote and develop a culture of compliance with product safety goals and objectives throughout the organization, we publish a corporate newsletter providing regular product safety and regulatory compliance updates on new initiatives, developments, and other pertinent information. Via this newsletter, we keep all employees informed of our product safety efforts and responsibilities. We provide training on the appropriate product safety requirements and procedures for employees involved in product design, testing, and manufacturing our products.

FACTORY INSPECTIONS FOR PRODUCT SAFETY	FY23	FY22	FY21
Number of third-party certification body audits or inspections	25	19	19
Number of audit or inspection failures	0	0	0

We integrated our regulatory compliance documents into a company-wide database for product life cycle management throughout the organization to enhance our compliance documentation system. This action improved transparency, efficiency, and regulatory compliance collaboration across departments and manufacturing locations.

To ensure our products meet the latest safety standards and regulations, we updated our product certifications and compliance documents to support the new UK national regulations for UKCA product safety marking for products shipped to the UK. All our commercial laser product certifications were revised to the latest edition of the international safety standard, IEC 61010-1. Additionally, we have modified our EU declarations of conformity for all products in scope to include the recent amendment to the European laser safety standard, EN 60825-1. These standards and certification updates ensure that our customers remain confident that our products meet the latest national and international regulatory requirements for product safety compliance.

In FY23, we recorded zero product recalls and zero incidents of non-compliance concerning health, safety, marketing or labeling of our products.





Governance

Our policies, procedures, and business ethics are foundational to our operations and supply chain. We maintain a robust infrastructure to further the data privacy and cybersecurity of our employees, supply chain, and customers.

Business Conduct and Ethics

Lumentum Code of Business Conduct outlines the broad principles of legal and ethical business conduct embraced by the company as part of our commitment to integrity. We expect directors, employees, agents, and contractors to behave in a way that complies with the letter and the spirit of the Code.

To ensure understanding of and compliance with applicable legal requirements and our standard of conduct, we consistently communicate with and train our stakeholders. New employees review our Code of Business Conduct during new-hire orientation, and a required signed acknowledgment is submitted. Thereafter, employees and governance body members receive additional annual training on the Code.

100% of employees, governance body members, and suppliers receive our Code of Business Conduct or Supplier Code of Conduct, which addresses Lumentum policies related to ethics, anti-corruption, and anti-competition.



Human Rights

Human rights are fundamental rights and freedoms that inherently apply to every individual. These rights, encompassing principles of dignity and equality, form the cornerstone of a just and equitable society. They serve as a universal framework and are essential for fostering a world where the innate rights of all people are recognized and upheld. At Lumentum, human rights are woven into every aspect of our business.

Policies

Several policies outline our commitment to human rights. Central to our ethos is the Corporate Social Responsibility Policy, which underscores our dedication to international human rights standards. Our internal workforce upholds these values through the Code of Business Conduct. Our commitment also extends to our suppliers, who are required to endorse our Supplier Code of Conduct as an integral part of the onboarding process.

In FY23, we updated the Supplier Code of Conduct to include updates, clarifications, and revisions to align with new laws and regulations and changes within Lumentum policies. The updates also provide additional alignment with the RBA Code of Conduct.

Modern Slavery

We are dedicated to upholding and enhancing our processes to prevent involvement in human rights violations associated with our operations or supply chain. Modern slavery, and the different forms it can take, are salient risks in the supply chain. We have Board-level oversight over our activities through our annual [Disclosure for the UK Modern Slavery Act and California Transparency in Supply Chains Act](#), which is reviewed and approved by our Board.

In FY23, we conducted detailed surveys of direct and indirect suppliers as part of our due diligence efforts related to the Uyghur Forced Labor Prevention Act (UFLPA) which prohibits the importation of goods into the United States that are manufactured with forced labor in the People's Republic of China, especially within the Xinjiang Uyghur Autonomous Region (XUAR). 58% of our in-scope direct and 53% of our indirect suppliers completed Lumentum required documentation in FY23; we will continue to pursue 100% compliance of direct and indirect suppliers into FY24. As part of their onboarding process, our suppliers are required to attest that they do not source from XUAR or prohibited suppliers and that their suppliers adhere to the requirements as well.

We stay current with the changing legislation and continuously review our suppliers to ensure no direct or indirect supplier operates in the XUAR in China.

Lumentum remains committed to conducting business with uncompromising integrity, protecting the environment, and preserving the human rights of our people, business partners and the public.

[Learn more about our approach towards Human Rights](#)

Climate Change

The [Universal Declaration of Human Rights](#) outlines rights that all human beings are entitled to within a social and international order in which a person can fully realize their rights and freedoms. Climate change is threatening the social and international order upon which humans rely. Because of the magnitude of accelerating climate change on human rights, Lumentum innovates and collaborates with partners to extend our products' life cycle and efficiency as we seek to reduce resource consumption and minimize GHG emissions and water use.

Conflict Minerals

As a member of the [Responsible Minerals Initiative](#), we require all our suppliers to source tin, tantalum, tungsten, and gold (3TG) from smelters conformant with the Responsible Minerals Assurance Process (RMAP) assessment protocols.

More than 94% of suppliers surveyed have responded to our annual reasonable country of origin inquiry with a completed

Conflict Minerals Reporting Template (CMRT), and 68% of our 3TG smelters and refiners are verified to be RMAP conformant or are actively undergoing RMAP assessment process. Over 60% of suppliers responded to our annual cobalt and natural mica supply chain survey with a completed annual Extended Minerals Reporting Template (EMRT).

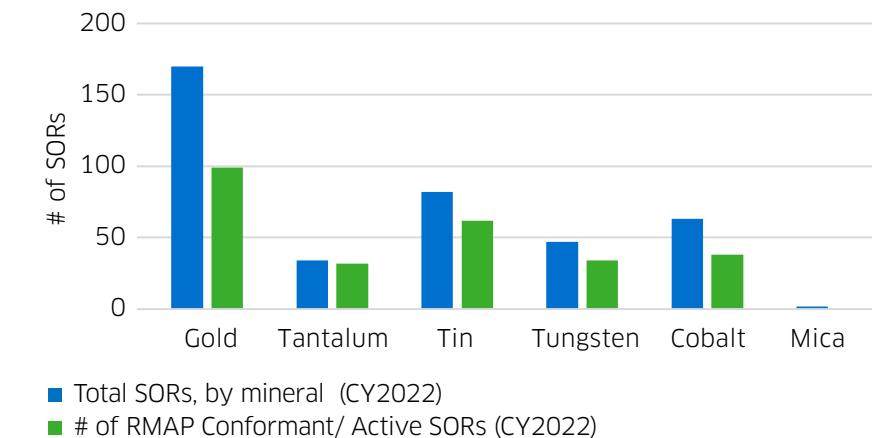
Lumentum follows the [OECD Due Diligence Guidance](#) and outreaches to currently non-RMAP conformant smelters to encourage them to participate in the RMAP audit program. In 2022, due to the acquisitions the total number of smelters or refiners (SORs) in our supply chain increased to 333 SORs compared to 324 SORs in CY21. The number of non-RMAP conformant smelters increased mainly due to the suspension of RMAP assessments in Russia. However, we are pleased to have made progress working with our sole supplier, who reported using multiple high-risk smelters each of the past four years. In 2022, the supplier confirmed the discontinued use of high-risk smelters in their supply chain for parts supplied to Lumentum.

METALS	TOTAL SORS, BY MINERAL (CY2022)	# OF RMAP CONFORMANT/ ACTIVE SORS (CY2022)	% OF RMAP CONFORMANT/ACTIVE SORS		
			CY2022	CY2021	CY2020
Gold	170	99	58%	69%*	71%
Tantalum	34	32	94%	100%	100%
Tin	82	62	76%	79%*	82%
Tungsten	47	34	72%	100%	98%
Total	333	227			

SORS: Smelters or refiners



SMELTERS OR REFINERS (SORS) IN OUR SUPPLY CHAIN BY MINERAL (CY2022)



Responsible Supply Chain

We are committed to ethical behavior and compliance with the applicable laws and regulations of the countries where we do business or where business is conducted on behalf of Lumentum and our subsidiaries. Suppliers are required to sign the Supplier Code of Conduct upon onboarding; thereafter, suppliers are mandated to comply with both the letter and spirit of the Code.

We partner with our suppliers to identify and address potential areas of risk. Risks may include physical impacts of climate change, geopolitical effects, or risks threatening our suppliers' ability to conduct business. Additionally, third-party providers assist in assessing the risk within our supply base.

RapidRatings' Financial Health Rating evaluates supply chain resiliency through predictive analytics. Dataminr, powered by AI, monitors real-time physical risks and supply chain disruptions, including natural disasters, geopolitical events, COVID updates, and logistics information. Lumentum has created a business continuity planning assessment to ensure proper business continuity practices exist within our key suppliers. Each of our critical suppliers needs to complete this assessment and provide updated financial information annually, which will allow us to understand and mitigate risks within our supply chain. We improve continuity within the Lumentum supply chain by leveraging information from various sources.

Every year, the Sustainability and Environmental Compliance team organizes a comprehensive training session that delves into environmental compliance, RBA compliance, and sustainability risks relevant to supply chain team members. These risks include working hours, restricted chemicals, and the ever-present threat of forced labor. This year's training featured a comprehensive discussion of the expanding global laws and regulations that address the pressing issue of modern slavery. With the situation in the XUAR and the plight of the Uyghurs making headlines worldwide, the team spent time dissecting this issue and discussing ways to address it. Over 100 participants, including global commodity managers, buyers, purchasing, and supplier quality engineers completed training that proved to be an insightful experience for all involved.





Responsible Business Alliance (RBA)

The RBA Code outlines standards in labor, health and safety, environment, ethics, and management systems. We use their tools and processes to evaluate and control potential sustainability risks within our operations and supply chain.

As part of our commitment to the RBA, we ensure that all our employees, including contingent workers, are trained in the RBA Code of Conduct during onboarding and provide annual refresher training sessions for all employees.

All our active manufacturing sites have completed internal or external social responsibility audits, and in FY23, we completed RBA internal audits at our new NeoPhotonics sites. These audits help ensure that all our manufacturing sites uphold the RBA Code of Conduct standards.

We hold our suppliers accountable and expect full compliance with all applicable laws and regulations, including the RBA Code of Conduct outlined in our Supplier Code of Conduct. To ensure our most critical partners comply, we work closely with our Contract Manufacturers to ensure they receive RBA Code of Conduct training to understand and implement our requirements fully. Each year, our CMs complete a refresher training on topics relevant to RBA, including the new Human Rights and Climate Change training. Additionally, CMs undergo third party RBA audits biennially to ensure compliance with the RBA Code of Conduct. If any issues arise, we work closely with our partners to ensure corrective actions are taken and verified by a third party. We're committed to making a difference and achieving it with our partners.

We complete RBA Code of Conduct supplier risk assessments each year using a two-level assessment process for our direct and indirect suppliers. The first-level review examines our top 200 suppliers by spend. It considers factors such as geographical location, industry, and global indices from organizations such as UNICEF, the World Resources Institute, and the International Labor Organization. We use the comprehensive RBA Self-Assessment Questionnaire (SAQ) for the second-level assessment to evaluate suppliers' compliance with the RBA Code across all their corporate and manufacturing sites. This assessment covers all significant suppliers and any supplier that poses a high risk based on our first-level evaluation. If we identify areas of high risk, we work with our suppliers to address the issue and implement corrective actions.

This year, we expanded our RBA audit program beyond our CMs and requested that select direct and indirect suppliers complete third-party RBA audits. Our on-site indirect suppliers, such as security, canteen, facilities maintenance, and janitorial, are audited during each internal RBA audit at our manufacturing sites.

RBA Code of Conduct Training

The RBA Code of Conduct training is mandatory for all regular and contingent employees at onboarding. Employees then receive annual refresher training to cover the latest updates and information. The initial training covers:

Ethics: corruption, anti-competitive practices, protection of identity, and privacy

Labor: forced labor, child labor, working hours, working conditions, human rights, freedom of association, discrimination and harassment

Health and safety: occupational safety (including use of PPE), emergency preparedness, injury and illness, industrial hygiene, physically demanding work, machine safeguarding, and health and safety-related communication

Environment: energy conservation and greenhouse gas emissions, permits and reporting, pollution and prevention, hazardous substances, air emissions, waste, and water

Responsible sourcing: supplier responsibility, sourcing of minerals, and restricted materials

This year we rolled out two new refresher training courses on Human Rights and Climate Change, including Science Based Targets, to raise awareness on these topics. 100% of employees and contingent workers completed these training courses.



Data Privacy

At Lumentum, we respect and value data privacy. It is our responsibility to protect the information and digital assets collected, created, processed, and maintained by Lumentum and our stakeholders, including the personal information and data of our customers, consumers, and employees. We maintain compliance with all applicable global data privacy requirements. We continue to expand our Data Privacy Program by implementing new policies, assessments, and training.

Oversight of data requests, collection, and management is carried out by a cross-functional Privacy Committee established as part of the Data Privacy Program in 2018. Our Privacy Program encompasses technical and organizational measures to prevent misuse, compromise, loss, alteration, or unauthorized disclosure or acquisition of, or access to,

confidential, proprietary, or protected information, and ensures that the data of employees, suppliers, onsite visitors, and vendors is appropriately secured.

Data is requested, collected, and managed by respective departments according to existing laws and regulations governing data protection,

such as the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).

Lumentum data privacy procedures ensure the protection of sensitive information. By adhering to strict procedures that maintain the highest integrity relating to privacy, we are protecting human rights within data management.

- A corporate data subject access request form informs the data subject about personal data held by Lumentum
- IT security breach protocols enable an immediate response to incidents
- HR administers personal data policy and regional notices
- A corporate records retention schedule is used to manage, retain, and dispose of company records
- Data processing agreements for vendors address supply chain-related privacy risks

Policies

Data Classification Policy

Our HR, IT, and Legal departments finalized the Lumentum Data Classification Policy this year. The policy establishes a framework for classifying corporate and customer data and ensures that appropriate security measures and protocols are followed.

Privacy Policies and Compliance

Due to acquisitions, we began the implementation of privacy policies compliant with Brazil's General Data Protection Law (LGPD) and China's Personal Information Protection Law (PIPL). Both laws provide for the processing and protection of personal data. Our efforts to implement

company-wide comprehensive privacy policies will continue through FY24.

The California Privacy Rights Act (CPRA) was passed in 2020 as an amendment to the California Consumer Privacy Act. Additional protections passed in CPRA went into effect on January 1, 2023. We continue to assess our privacy policy and program to ensure we are CPRA compliant.

Privacy Impact Assessments

In FY22, we began developing internal documentation and manuals that acknowledge that privacy within each organization requires unique mechanisms for protection. This "privacy by design" system has a substantial risk/impact assessment focus. In FY23, we finalized Privacy Impact Assessments (PIAs) and began issuing PIAs to HR, Finance, and IT.

Training

We strive to provide consistent, current data privacy training to employees. In FY23, we delivered new data privacy training to our indirect supply chain employees to provide knowledge and tools to address cybersecurity. We offered employees training materials on Data Subject Access Requests (DSARs). Our IT team continues to automate data mapping to improve the management of incoming and outgoing data flows.

Cybersecurity

The Lumentum information technology (IT) system security is critical to our business success. We prioritize security and implement effective measures to protect against cyber threats, safeguard assets, comply with regulations, and maintain the confidence of our customers. In FY23, we began the certification process to obtain ISO27001, with completion at the start of FY24.

Our IT infrastructure and systems are configured to maintain the confidentiality, integrity, and availability of information and transaction processing. Our cybersecurity risk management program is based on specifications outlined in the National Institute of Standards and Technology Framework for Improving Critical Infrastructure Cybersecurity (NIST cybersecurity framework) and International Standardization Organization and International Electrotechnical Commission (ISO/IEC 27001) standards.

Our chief information officer (CIO) updates the company's cybersecurity controls based on the objectives of all business units and other functional areas. This approach ensures that cybersecurity risks from both internal and external sources are identified and evaluated and that controls are designed and implemented to address relevant areas and achieve cybersecurity objectives. We successfully integrated cybersecurity policies, processes, and systems at sites acquired in FY23.

The Lumentum IT team implements regular breach simulation exercises and continuously incorporates lessons learned to improve our breach response policies and processes.

Our IT team monitors security governance, security architecture and technical support, application security, and the security operations center. The team is encouraged to remain active in relevant cybersecurity information-sharing forums, special interest groups, and professional associations to keep abreast of new and emerging cybersecurity risks that may impact Lumentum or our operating environment.

We believe all employees play a crucial role in ensuring the security of Lumentum technology systems. Upon hiring and annually thereafter, 100% of employees complete IT security training courses covering cybersecurity practices that support the functioning of our cybersecurity risk management program. The training courses teach employees to identify and respond to social engineering attacks, such as phishing and tailgating, and to comply with Lumentum policies and practices.

A third-party security auditor completes an annual security assessment that identifies internal and external cyber threats and vulnerabilities. Additional systems and risk assessment and mitigation processes include monthly scans of all systems to identify threats and vulnerabilities and patch updates for all systems.

All vendors and business partners with access to confidential information must sign and comply with security and privacy agreements. Critical external vendors complete a comprehensive

security assessment when onboarding. Lumentum works with a third party to evaluate responses and ensure external vendors meet the expected criteria.

Our cybersecurity risk management program contains internal processes and external third party and law enforcement monitoring. If an incident is detected, the cybersecurity team immediately reviews the matter. Upon review, the matter may be treated as a security incident and handled per our security incident response policy.

Lumentum sees security-related issues as part of ongoing activities. Formal steps are taken to evaluate and address security risks. The Lumentum Risk Management Program is tied to other cybersecurity measures. Cybersecurity metrics are tracked internally.

In FY23, Lumentum had:

- Zero cybersecurity incidents
- Zero substantiated complaints concerning breaches of customer privacy and leaks/losses of customer data





ESG Data Summary

Planet

ENERGY (MWH)	FY23*	FY22**	FY21
Total energy consumption	201,633	148,967	148,730
Total fuel consumption	36,830	28,187	35,443
Natural gas	34,556	25,301	35,431
Diesel	2,274	2,885.4	11
Total electricity consumption	164,803	120,780	113,288
- Self-generated electricity (renewable)	210	15	0
- Electricity purchased from the grid (%)	99%	99%	100%
Electricity from renewable sources (%)	61%	9%	1%
Energy intensity (MWh/\$MM)	114	87	85
Revenue (\$MM)	1,767	1,712.6	1,743.8

*FY23 data includes acquired sites

** FY22 data has been restated

Note: Totals may not sum due to rounding

EMISSIONS (MT CO2-e)	FY23*	FY22**	FY21
Total GHG emissions	88,824	98,650	94,786
Scope 1 GHG emissions	9,925	6,328	7,857
Scope 2 location-based GHG emissions	67,762	48,389	44,047
Scope 2 market-based GHG emissions	30,808	47,990	43,810
Scope 3 GHG emissions	48,091	44,332	43,118
Purchased goods & services	29,882	26,298	31,249
Fuel- & energy-related activities	11,589	17,755	11,868
Upstream and Downstream Transportation and Distribution	5,931	-	
Business travel	689	279	0
GHG emissions intensity (MT CO2-e/\$MM)	52	58	54.4

*FY23 data includes acquired sites

** FY22 data has been restated

Note: Totals may not sum due to rounding

WATER WITHDRAWAL (ML)	FY23		FY22		FY21		FY20	
	All Areas	Water Stressed						
	636	400	430	272	437	239	508	248

*Water data from FY20 through FY22 has been restated. FY20 is the baseline for our FY23 water goal. We improved the quality and completeness of the data, and adjusted boundaries. Data includes all sites, including acquired sites. Most sites have water withdrawal data, but for our small office locations with no water withdrawal data we applied the estimation of 36L/sq ft. Water consumption and water discharge have been omitted as we continue to work on data quality and integrating acquisitions.

WASTE (MT)	FY23		FY22		FY21	
	Total weight of waste generated					
Diversion rate	68%		63%		57%	
Hazardous	367		424		339	
Diverted	218		151		19	
Disposed	150		273		319	
Non-hazardous	1,517		1,022		874	
Diverted	1,067		768		676	
Disposed	451		254		198	

Note: Waste data is reported for all global manufacturing facilities and facilities over 50,000 square feet and/or with over 100 headcount. Totals may not sum due to rounding. The FY23 data includes acquired sites.

ESG Data Summary

People

INFORMATION ON EMPLOYEES AND OTHER WORKERS	FY23	FY22	FY21
Total number of employees	8,169	7,378	6,056
Total number of permanent employees	7,485	6,718	5,426
Female	3,855	3,721	2,695
Male	3,630	2,997	2,731
APAC	5,434	5,035	3,721
EMEA	702	625	601
AMER	1,349	1,058	1,104
Total number of temporary employees	684	660	630
% of temporary employees	8.4%	8.9%	10.4%
Female	66	88	94
Male	128	144	181
Not Disclosed	490	428	355
APAC	426	369	327
EMEA	40	63	66
AMER	218	228	237
Total number of full-time employees	7,570	6,693	5,402
Female	3,881	3,705	2,681
Male	3,689	2,988	2,721
Total number of part-time employees	26	25	24
Female	16	16	14
Male	10	9	10
Percentage that are foreign nationals	1.1%	1.8%	2.4%
Percentage that are located offshore	NA	NA	NA

EMPLOYMENT	FY23	FY22	FY21*
Total number of new employee hires	2,132	2,686	1,280
<30 years old	505	1,325	556
30-50 years old	1,313	1,300	663
>50 years old	314	60	61
Female	853	1,760	670
Male	1,279	925	610
Not Disclosed	-	1	-
APAC	1,457	2,409	973
EMEA	151	128	175
AMER	524	149	132
Total employee turnover	1,411	1,397	1,160
Voluntary turnover	1,123	1,296	913
Non-manufacturing	306	300	221
Direct labor manufacturing	817	996	692
Involuntary turnover	288	101	247
Non-manufacturing	257	78	99
Direct labor manufacturing	31	23	148
<30 years old	502	550	379
30-50 years old	714	733	585
>50 years old	195	113	196
Female	722	737	571
Male	689	659	589
Not Disclosed	-	1	-
APAC	1,080	1,096	803
EMEA	91	107	66
AMER	240	194	291

*Some data for FY21 was restated. Errors were corrected

ESG Data Summary

People

diversity & equal opportunity	FY23	FY22	FY21
Number of employees in management roles	1,006	731	690
Female	311	213	186
Male	695	518	504
<30 years old	17	6	7
30-50 years old	625	464	421
>50 years old	364	261	262
Diverse Employees (U.S. only)	24	23	19
Number of employees in technical roles	1,450	1,065	1,879
Female	317	242	481
Male	1,133	823	1,398
<30 years old	192	122	234
30-50 years old	869	660	1,154
>50 years old	389	283	491
Diverse Employees (U.S. only)	14	11	41
Number of all other employees	5,319	5,653	3,547
Female	3,276	3,464	2,214
Male	2,043	2,174	1,333
<30 years old	1,340	1,648	1,082
30-50 years old	3,518	3,464	2,113
>50 years old	461	541	352
Diverse Employees (U.S. only)	56	74	51

Note: Lumentum identifies diverse employees as those who are underrepresented minorities – Black/African American; Hispanic or Latinx; Native Hawaiian or other Pacific Islander; American Indian or Alaskan Native; two or more races.
FY23 data includes acquired sites where applicable

training & education	FY23	FY22	FY21
Total hours of training undertaken	183,264	102,186	68,132
Average hours of training per employee	22.4	13.8	11.3
Employee reviews (BrightPath discussions)			
Percentage of employees receiving regular performance reviews	100%	100%	100%
Percentage of employees receiving regular career development reviews	100%	100%	100%
H&S-related injuries	FY23*	FY22	FY21
Near miss frequency rate (NMFR)	0.98	0.59	1.69
Number of recordable work-related injuries	11	11	9
Rate	0.13	0.17	0.16
Number of high-consequence work-related injuries	1	0	0
Rate	0.01	0	0
Number of fatalities as a result of work-related injuries	0	0	0
Rate	0	0	0
Number of hours worked	17,572,827	12,720,138	11,491,279

Note: Data covers employee cases only. Rates have been calculated based on 200,000 hours worked.

*Change in boundary. Prior years' reporting boundary was all global manufacturing facilities and facilities over 50,000 square feet and/or with over 100 headcount. Boundary was updated in FY23 to include all sites with greater than 30 headcount. The FY23 data includes acquired sites.

ESG Data Summary

People

ANTI-CORRUPTION AND ANTI-COMPETITIVE BEHAVIOR	FY23*	FY22	FY21
Percentage receiving communication on anti-corruption policies and procedures			
Governance body members	100%	100%	100%
Employees	100%	100%	100%
Percentage trained on anti-corruption policies and procedures			
Governance body members	100%	100%	100%
Employees	100%	100%	100%
Percentage of suppliers receiving communication on anti-corruption policies and procedures			
Direct suppliers	100%	100%	35%
Indirect suppliers	100%	100%	94%
Total number of confirmed incidents of corruption	2**	0	0
Legal actions for anti-competitive behavior	0	0	0

*FY23 data includes acquired sites

**See disclosure GRI 205-3, page 60

GRI Content Index

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
2-1	Organizational details	Lumentum Holdings, Inc. is a publicly traded company with headquarters in San Jose, California, U.S. About Lumentum, page 6. Global Operations, page 8. <u>FY23 Form 10-K</u> , pages 2-3
2-2	Entities included in the organization's sustainability reporting	Global Operations, page 8
2-3	Reporting period, frequency, and contact point	Lumentum conducts financial and non-financial reporting on an annual basis. Our fiscal year 2023 encompasses July 3, 2022, to July 2, 2023. Stakeholders and any interested parties are welcome to contact Lumentum regarding this report at CorporateSocialResponsibility@Lumentum.com .
2-4	Restatements of information	This is our third Corporate Sustainability report. Some restatements to environmental data have been made as we work to improve our data collection methods. Any restatements have been clearly noted.
2-5	External assurance	Verification Statement, page 69 We have not sought external assurance of this report, however, certain environmental metrics (GHG emissions) have been verified by an independent third-party (DQS). Our reported Scope 1, 2 and 3 emissions receive limited independent GHG assurance in line with assurance standard ISO14064-3:2019
2-6	Activities, value chain and other business relationships	About Lumentum, page 6. Stakeholder Engagement and Materiality, page 13 Acquisition of NeoPhotonics and IPG Photonics' Telecom Transmission Lines, page 14 <u>FY23 Form 10K</u> pages 2-3, 5-8
2-7	Employees	ESG KPI Data Summary, page 54
2-8	Workers who are not employees	ESG KPI Data Summary, page 54 Lumentum does not have non-guaranteed hours or zero-hour employment. Lumentum does not utilize temporary workers as part of regular business operations. If needed, temporary workers are hired for short-term projects or activities, such as to supplement staffing shortages for short-term production needs or for short term projects that require additional support such as ramping up a product launch.

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
2-9	Governance structure and composition	2023 Proxy Statement , pages 4-5, 14-20, 21-25 Committee Composition Our Board of Directors' Governance Committee oversees Lumentum impacts.
2-10	Nomination and selection of the highest governance body	Governance Committee Charter , Attachment A 2023 Proxy Statement , pages 4-5, 21-25
2-11	Chair of the highest governance body	2023 Proxy Statement , page 23
2-12	Role of the highest governance body in overseeing the management of impacts	2023 Proxy Statement , pages 17-20 Our Board of Directors oversees Lumentum's due diligence in managing impacts on the economy, environment, and people. The Sustainability Council engages with stakeholders to support processes to identify and manage the organization's impacts, including materiality assessment, and reports to the Board of Directors on a quarterly basis. The Board of Directors reviews and approves the materiality assessment outcomes and the Corporate Sustainability Report. The quarterly progress reviews of the Sustainability Council presented to the Board of Directors serves as a mechanism for the highest governance body to review the effectiveness of the processes to support the company's work related to sustainability.
2-13	Delegation of responsibilities for managing impacts	The Lumentum Sustainability Council develops our Sustainability strategy and drives performance. Led by the Sustainability Council Chair and the Executive Sponsor, the team is composed of representatives from all business departments. Sustainability Council activities are reported quarterly to the CEO and Board of Directors. The Governance Committee is responsible for oversight of policies and programs that support our Sustainability strategy. The Sustainability Liaison from the Board works closely with the Sustainability Council to guide efforts and provide a continuous feedback loop between recommendations of the Board of Directors and implementation by the Sustainability Council.

GRI Content Index

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
2-14	Role of the highest governance body in sustainability reporting	<p>Stakeholder Engagement and Materiality, page 13</p> <p>The Sustainability Council reports the activities and progress on a quarterly basis to the CEO and Board of Directors, including materiality assessment results. The Governance Committee is responsible for oversight of policies and programs that support our Sustainability strategy.</p>
2-15	Conflict of interest	Governance Committee Charter , 2023 Proxy Statement , page 66 Lumentum Code of Business Conduct , pages 8-10
2-16	Communication of critical concerns	Lumentum Code of Business Conduct , pages 4-6
2-17	Collective knowledge of the highest governance body	<p>A Message from the CEO, page 3</p> <p>Pamela Fletcher joined Lumentum's Board of Directors in FY23 as a new board member with a wealth of knowledge and expertise, including sustainability and innovation.</p> <p>The Board of Directors is required to complete annual Responsible Business Alliance training, which focuses on different topics each year. This year the training covered Human Rights and Climate Change.</p>
2-18	Evaluation of the performance of the highest governance body	Governance Committee Charter
2-19	Remuneration policies	2023 Proxy Statement , pages 40-64 Executive remuneration includes climate and diversity KPIs.
2-20	Process to determine remuneration	2023 Proxy Statement , pages 40-64
2-21	Annual total compensation ratio	2023 Proxy Statement , page 56
2-22	Statement on sustainable development strategy	A Message from the CEO, page 3

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
2-23	Policy commitments	<p>Human Rights, page 48</p> <p>Business Conduct and Ethics, page 48</p> <p>Lumentum Code of Business Conduct</p> <p>Corporate Social Responsibility Policy</p>
2-24	Embedding policy commitments	<p>Human Rights, page 48</p> <p>Business Conduct and Ethics, page 48</p> <p>Lumentum has a governance system in place that ensures allocation of responsibility to implement commitments across all levels. The Sustainability Council includes representatives of all functions and ensures streamlining the commitments across organizational strategies, operational policies, and operational procedures. In business relationships, Lumentum maintains proactive engagement with suppliers, customers, and other stakeholders on the full spectrum of sustainability topics.</p> <p>Lumentum delivers Code of Business Conduct and Responsible Business Alliance Code of Conduct training to its employees as well as other business relationships such as suppliers.</p>
2-25	Processes to remediate negative impacts	Lumentum Code of Business Conduct , pages 5-6 Stakeholder Engagement, page 13
2-26	Mechanisms for seeking advice and raising concerns	<p>Lumentum Code of Business Conduct, pages 4-5</p> <p>We encourage our employees to report any actual or suspected illegal, fraudulent, or unethical behavior. We maintain a third-party operated whistleblower hotline that employees can use to report unethical behavior through a variety of methods, including anonymously if they choose, without fear of retaliation.</p>
2-27	Compliance with laws and regulations	<p>Environmental Management, page 17</p> <p>Lumentum received zero significant fines, non-monetary sanctions, and cases regarding environmental or socioeconomic compliance.</p>

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
2-28	Membership associations	The Responsible Business Alliance (RBA) The Responsible Labor Initiative (RLI) The Responsible Minerals Initiative (RMI) The Automotive Industry Action Group (AIAG) The Silicon Valley Leadership Group (SVLG)
2-29	Approach to stakeholder engagement	Stakeholder Engagement and Materiality, page 13
2-30	Collective bargaining agreements	FY23 Form 10-K , page 10 Of the 7,500 employees, approximately 26% are represented by three national collective bargaining agreements with local chapters in Slovenia, Italy and Brazil and three labor unions in China.
3-1	Process to determine material topics	Stakeholder Engagement and Materiality, page 13
3-2	List of material topics	Stakeholder Engagement and Materiality, page 13
3-3	Management of material topics	Stakeholder Engagement and Materiality, page 13
201	Economic Performance	
3-3	Management approach	Responsible Supply Chain, page 50 Product Sustainability, page 20 Lumentum supports economic development through the economic value that is generated and distributed to employees, contractors, suppliers, and taxes paid to governments.
201-1	Direct economic value generated and distributed	Responsible Supply Chain, page 50 FY23 Form 10-K , pages 51-61
201-2	Financial implications and other risks and opportunities due to climate change	Economic Risks and Opportunities, page 25
201-3	Defined benefit plan obligations and other retirement plans	Lumentum offers defined contribution plans that vary country by country. FY23 Form 10-K , page 10, 58, 115

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
201-4	Financial assistance received from governments	Lumentum does not receive financial assistance from governments.
205	Anti-corruption	
3-3	Management approach	Business Conduct and Ethics, page 48 The Lumentum commitment to complete avoidance of anti-corruption and anti-competitive practices is embedded in our Code of Business Conduct and compliance management system. It is overseen by the Legal Department. Any cases of alleged or actual non-compliance are handled under the grievance mechanism by the Legal Department. It involves Ethics Point for third-party reporting. Initial case assessment is followed by internal investigation, follow-up review, and corrective action for any confirmed cases. Information about such cases is regarded as confidential and not reported publicly.
205-1	Operations assessed for risks related to corruption	Business Conduct and Ethics, page 48 The Lumentum Enterprise Risk Management function identifies and assesses risks across the company's global operations and develops action plans to address the significant risks facing the company. In addition, all manufacturing sites are assessed for risks related to corruption through the RBA self-assessment questionnaire (SAQ) and RBA internal audits.
205-2	Communication and training about anti-corruption policies and procedures	Business Conduct and Ethics, page 48
205-3	Confirmed incidents of corruption and actions taken	Business Conduct and Ethics, page 48 During FY23 there were two confirmed incidents of corruption related to insider trading violations. The cases were public legal cases regarding corruption brought against two employees and not against the company. One plead guilty to 13 felony charges relating to insider trading and one settled with the SEC without admission of guilt.

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
206	Anti-competitive Behaviors	
3-3	Management approach	<p>Business Conduct and Ethics, page 48</p> <p>The Lumentum commitment to complete avoidance of anti-corruption and anti-competitive practices is embedded in our Code of Business Conduct and compliance management system. It is overseen by the Legal Department. Any cases of alleged or actual non-compliance are handled under the grievance mechanism by the Legal Department. It involves Ethics Point for third-party reporting. Initial case assessment is followed by internal investigation, follow-up review, and corrective action for any confirmed cases. Information about such cases is regarded as confidential and not reported publicly.</p>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>Business Conduct and Ethics, page 48</p> <p>There were zero legal actions regarding anticompetitive behavior, anti-trust, and monopoly practices.</p>
301	Materials	
3-3	Management approach	Materials, page 25
301-1	Materials used by weight or volume	Where relevant, certain indirect materials' weight and volume are tracked at our sites, however the data is not consolidated at the corporate level.
301-2	Recycled input materials used	Lumentum recycles some input materials, such as gold, however it is not tracked or consolidated at the corporate level.
301-3	Reclaimed products and their packaging materials	Product Sustainability, page 20
302	Energy	
3-3	Management approach	Product Sustainability, page 20
302-1	Energy consumption within the organization	<p>Product Sustainability, page 20</p> <p>ESG KPI Data Summary, page 54</p>

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
302-2	Energy consumption outside the organization	<p>Product Sustainability, page 20</p> <p>ESG KPI Data Summary, page 54</p>
302-3	Energy intensity	<p>Product Sustainability, page 20</p> <p>ESG KPI Data Summary, page 54</p>
302-4	Reduction of energy consumption	<p>Product Sustainability, page 20</p> <p>ESG KPI Data Summary, page 54</p>
302-5	Reduction in energy requirements of products and services	<p>Product Sustainability, page 20</p>
303	Water	
3-3	Management approach	Water, page 27
303-1	Interactions with water as a shared resource	Water, page 27
303-2	Management of water discharge-related impacts	Water, page 27
303-3	Water withdrawal by source	<p>Water, page 27</p> <p>ESG KPI Data Summary, page 54</p>
303-4	Water discharged	<p>Water, page 27</p> <p>ESG KPI Data Summary, page 54</p>
303-5	Water consumption	<p>Water, page 27</p> <p>ESG KPI Data Summary, page 54</p>
305	Emissions	
3-3	Management approach	Product Sustainability, page 20
305-1	Direct (Scope 1) GHG emissions	ESG KPI Data Summary, page 54
305-2	Energy indirect (Scope 2) GHG emissions	ESG KPI Data Summary, page 54



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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
305-3	Other indirect (Scope 3) GHG emissions	ESG KPI Data Summary, page 54
305-4	GHG emissions intensity	ESG KPI Data Summary, page 54
305-5	Reduction of GHG emissions	Product Sustainability, page 20 ESG KPI Data Summary, page 54
305-6	Emissions of ozone-depleting substances	Lumentum has ozone-depleting substances in some locations (Fabs). The EHS team tracks the ODSs as required for the local air district/regulatory reporting. For the other locations, small amounts of ODSs are in the air conditioning/chiller cooling systems and are estimated. The reporting and tracking are at site level and annual data is provided for CDP reporting.
305-7	Nitrogen oxides, sulfur oxides, other significant air emissions	Air Quality, page 17 Air emissions do not exceed local regulation air emission permit limits. Emissions concentrations are tracked at local facilities and data is not calculated globally.
306	Waste	
3-3	Management approach	Waste, page 28 Waste data is reported for all global manufacturing facilities and facilities over 50,000 square feet and/or with over 100 headcount.
306-1	Waste generation and significant waste-related impacts	Waste, page 28
306-2	Management of waste-related impacts	Waste, page 28
306-3	Waste generated	ESG KPI Data Summary, page 54
306-4	Waste diverted from disposal	ESG KPI Data Summary, page 54
306-5	Waste directed to disposal	ESG KPI Data Summary, page 54

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
308	Supplier environmental assessment	
3-3	Management of material topic	Responsible Supply Chain, page 50
308-1	New suppliers that were screened using environmental criteria	As part of supplier onboarding, all new suppliers must read and acknowledge our Supplier Code of Conduct, which outlines our environmental requirements, in line with the RBA Code. We actively work on environmental and social responsibility compliance with our existing suppliers.
308-2	Negative environmental impacts in the supply chain and actions taken	Lumentum follows RBA's risk assessment model to evaluate risk in the supply chain. The first evaluation is of the top 200 suppliers by spend from a country-level perspective. The second-level assessment is at the facility level. All our major suppliers, and any high-risk suppliers from the country-level assessment, must complete the RBA self-assessment questionnaire for each facility supplying to Lumentum. All Contract Manufacturers are required to complete an RBA audit biennially. In FY23, we expanded the audit program and required audits for some for high-risk direct and indirect suppliers.
401	Employment	
3-3	Management of material topic	Talent Management, page 34
401-1	New employee hires and employee turnover	Talent Management, page 34 ESG KPI Data Summary, page 54
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits, page 37 FY23 Form 10-K , page 10 Lumentum offers competitive benefits to eligible employees, through a combination of global benefits programs/ initiatives and local benefit plans which vary country by country. Lumentum reviews its benefit practices at least annually to ensure the total rewards packages (compensation and benefits) are aligned to, or higher than the high-tech industry benchmark in the locations we operate in.
401-3	Parental leave	Benefits, page 37 FY23 Form 10-K , page 10

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
402	Labor Management Relations	
402-1	Minimum notice periods regarding operational changes	We provide a minimum number of weeks' notice to employees prior to implementing significant operational changes that could substantially affect them in accordance with local requirements in the different locations where we operate. We also have regular meetings with all employees via email, management all hands meetings and respective teams or individual employee meetings to provide information on business changes.
403	Occupational Health and Safety	
3-3	Management of material topic	Health and Safety, page 40 <u>Occupational Health and Safety</u> Occupational Health and Safety data is reported for all sites with greater than 30 headcount.
403-1	Occupational health and safety management system	Health and Safety, page 40
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety, page 40 <u>Occupational Health and Safety</u>
403-3	Occupational health services	Health and Safety, page 40
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety, page 40
403-5	Worker training on occupational health and safety	Health and Safety, page 40 <u>Occupational Health and Safety</u>
403-6	Promotion of worker health	Health and Safety, page 40
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, page 40

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
403-8	Workers covered by an occupational health and safety management system	Health and Safety, page 40 Four out of ten manufacturing sites are certified to ISO45001 health and safety management system. This covers 4,036 workers, which accounts for 50% of our workforce.
403-9	Work-related injuries	Health and Safety, page 40 ESG KPI Data Summary, page 54
403-10	Work-related ill health	Health and Safety, page 40 ESG KPI Data Summary, page 54
404	Training and Education	
3-3	Management of material topic	Talent Management, page 34 Professional Development, page 32
404-1	Average hours of training per year per employee	Talent Management, page 34 ESG KPI Data Summary, page 54
404-3	Percentage of employees receiving regular performance and career development reviews	Talent Management, page 34 ESG KPI Data Summary, page 54
405	Diversity and Equal Opportunity	
3-3	Management of material topic	Diversity, Inclusion, and Belonging, page 30
405-1	Diversity of governance bodies and employees	Diversity, Inclusion, and Belonging, page 30 ESG KPI Data Summary, page 54
405-2	Ratio of basic salary and remuneration of women to men	People, Goals, page 30

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION			
406	Non-discrimination				
3-3	Management of material topic	<u>Code of Business Conduct</u> , page 4, 15 <u>Human Rights</u>			
		Incidents of discrimination	FY23 *	FY22	FY21
	Incidents of discrimination and corrective actions taken	Total number of incidents	0	2	0
		Incident status			
406-1		Reviewed	2	9	1
		Remediation developed	0	2	1
		Remediation implemented	0	2	0
		Closed	1	9	1
		*Both cases were reviewed internally. One case was reviewed and closed; the other case was investigated internally and determined non-discriminatory. A lawsuit has been filed against Lumentum regarding the second case. Lumentum denies each and every allegation made in that lawsuit.			
407	Freedom of Association				
408	Child Labor				
409	Forced Labor				
3-3	Management of material topic	<u>Human Rights</u> , page 48 We follow RBA's risk assessment model to evaluate risk in our supply chain. We first evaluate our Top 200 suppliers by spend from a country-level perspective, and secondly, at the facility level. All our major suppliers, and any high-risk suppliers from the country-level assessment, must complete the RBA self-assessment questionnaire for each facility supplying to Lumentum.			

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION			
		Human rights	FY23	FY22	FY21
		Freedom of association and collective bargaining (by country)			
	Operations in which human rights may be at risk	Company operations	0	0	0
		Supplier operations	14 countries	13 countries	11 countries
		Child labor (by country)			
407-1		Company operations	0	0	0
408-1		Supplier operations	2 countries	0 country	1 country
		Forced or compulsory labor (by country)			
409-1		Company operations	0	0	0
		Supplier operations	8 countries	4 countries	7 countries
		In FY23 we expanded the assessment to include indirect suppliers as well. We are now evaluating both direct and indirect suppliers.			
413	Local Communities				
3-3	Management of material topic	Community Engagement, page 38			
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement, page 38			
413-2	Operations with significant actual and potential negative impacts on local communities	Community Engagement, page 38			

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
414	Supplier Social Assessment	
3-3	Management of material topic	Responsible Supply Chain, page 50 Responsible Business Alliance, page 51
414-1	New suppliers that were screened using social criteria	Responsible Supply Chain, page 50 Responsible Business Alliance, page 51 As part of supplier onboarding, all new suppliers must read and acknowledge our Supplier Code of Conduct, which outlines our social requirements, in line with the RBA Code. We actively work on environmental and social responsibility compliance with our existing suppliers.
414-2	Negative social impacts on the supply chain and actions taken	Responsible Supply Chain, page 50 Responsible Business Alliance, page 51 Lumentum follows RBA's risk assessment model to evaluate risk in the supply chain. The first evaluation is of the top 200 suppliers by spend from a country-level perspective. The second-level assessment is at the facility level. All our major suppliers, and any high-risk suppliers from the country-level assessment, must complete the RBA self-assessment questionnaire for each facility supplying to Lumentum. All Contract Manufacturers are required to complete an RBA audit biennially. In FY23, we expanded the audit program and required audits for some high-risk direct and indirect suppliers.
415	Public Policy	
415-1	Political contributions	Lumentum does not provide financial or in-kind political contributions.
416	Customer Health and Safety	
3-3	Management of material topic	Product Safety and Compliance, page 46 <u>Product Safety</u>
416-1	Incidents of non-compliance concerning the health and safety impacts of products and services	Lumentum received zero substantiated complaints or losses of customer data.

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR REPORT LOCATION
416-2	Incidents of non-compliance concerning health and safety impacts of products and services	Lumentum recorded zero incidents of non-compliance.
417	Marketing and Labeling	
417-2	Incidents of non-compliance concerning product and service information and labeling	Lumentum recorded zero incidents of non-compliance.
417-3	Incidents of non-compliance concerning marketing communications	Lumentum recorded zero incidents of non-compliance.
418	Customer Privacy	
3-3	Management of material topic	Data Privacy, page 52 Cybersecurity, page 53
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Lumentum received zero substantiated complaints or losses of customer data.
N/A	Innovation	
3-3	Management of material topic	Innovation, page 42 Kaizen Events, page 44
N/A	Number of 3rd party audits or inspections	Product Safety and Compliance, page 46
N/A	Number of ISO 14001 certified sites	Environmental Management, page 17
N/A	Kaizen projects and benefits	Kaizen Events, page 44
N/A	Kaizen events and participation	Kaizen Events, page 44

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR LOCATION IN REPORT			
Quantitative Metric	Area of manufacturing facilities	FY23 Form 10-K, page 40			
Quantitative Metric	Number of employees				
EE - 510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	ESG KPI Data Summary, page 54			
EE - 510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Business Conduct and Ethics, page 48			
SC/EE - 510a.3	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	\$0 monetary losses.			
HW/SC/EE - 410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	\$0 monetary losses.			
HW/SC/EE - 410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Materials	FY23	FY22	FY21
		Total revenue of products that contain IEC 62474 declarable substances	66.9%	54%	55%
		Revenue from products with declarable substances other than those covered by RoHS exemptions	2.95%	4.5%	4.9%
HW/SC/EE - 440a.1	Description of the management of risks associated with the use of critical materials	Materials, page 25 Conflict Minerals, page 49			
HW - 410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	Omitted.			

DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR LOCATION IN REPORT			
SC/EE - 130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Product Sustainability, page 20 ESG KPI Data Summary, page 54			
SC - 140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	ESG KPI Data Summary, page 54			
SC - 110a.1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	Product Sustainability, page 20 ESG KPI Data Summary, page 54			
SC - 110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Product Sustainability, page 20			
SC/EE - 150a.1	Amount of hazardous waste generated and percentage recycled	ESG KPI Data Summary, page 54			
EE - 150a.2	Number and aggregate quantity of reportable spills, quantity recovered	0 recordable spills			
HW - 430a.1	Supplier social & environmental assessment	Supplier social & environmental assessment	FY23	FY22	FY21
		Number of Tier 1 supplier facilities audited	3	3	1
		Percentage audited	60%	60%	20%
		Percentage of high-risk facilities audited	NA	NA	NA
All of our Contract Manufacturers (CM) are required to complete an RBA audit every two years. Our CMs represent close to 62% of direct spend.					

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DISCLOSURE NO.	DISCLOSURE DESCRIPTION	DIRECT RESPONSE OR LOCATION IN REPORT
HW - 430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Omitted due to the proprietary nature of the critical few Tier 1 suppliers in our supply chain.
SC - 330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	ESG KPI Data Summary, page 54
SC - 320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Health and Safety, page 40 <u>Occupational Health and Safety</u>
SC - 320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	\$0 monetary losses.
HW - 330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Diversity, Inclusion, and Belonging, page 30 ESG KPI Data Summary, page 54
EE - 250a.1	Number of recalls issued, total units recalled	0 recalls.
EE - 250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	\$0 monetary losses.



UN Sustainable Development Goals Index

GOAL (TARGETS)	INDICATOR	LUMENTUM'S CONTRIBUTION	LUMENTUM TOPIC
5 Gender Equality (5.1, 5.5)	5.1.1 Non-discrimination 5.5.2 Proportion of women in managerial positions	<ul style="list-style-type: none"> Maintaining gender pay parity below <2%. Increasing percentage of women (globally) and underrepresented groups (in the US) in senior leadership positions and among early career hires. Promoting advancement opportunities through mentorship and employee resource groups. 	Talent Management Diversity, Inclusion, and Belonging
7 Affordable and Clean Energy (7.2, 7.3)	7.2.1 Renewable energy share 7.3.1 Energy intensity	<ul style="list-style-type: none"> Increasing renewable electricity across our global operations year over year. Developing products and technologies to increase power efficiencies and expand broadband coverage throughout the world along with solutions to reduce energy consumption in data centers. Expanding on-site energy generation through installations of solar panels across selected sites. Reducing energy consumption and intensity across our own operations and beyond. 	Energy Emissions Product Sustainability
8 Decent Work and Economic Growth (8.1, 8.4, 8.5, 8.8)	8.1.1 Annual growth rate of real GDP per capita 8.4.1 Material footprint 8.5.1 Average hourly earnings of employees 8.8.1 Occupational injuries 8.8.2 Compliance with labor rights	<ul style="list-style-type: none"> Ensuring compliance of products with regulations restricting use of certain substances including conflict minerals and decreasing the use of hazardous substances. Expanding safety culture across our global operations. Increasing percentage of sites certified to ISO 45001. Adhering to the Responsible Business Alliance Code of Conduct to ensure compliance across own operations and beyond. 	Human Rights Business Conduct & Ethics Materials Health and Safety Responsible Supply Chain
9 Industry, Innovation, and Infrastructure (9.2, 9.5)	9.2.1 Manufacturing value added 9.2.2 Manufacturing employment 9.5.1 Research and development expenditure	<ul style="list-style-type: none"> Operating manufacturing facilities and engaging with contract manufacturing in various parts of the world. Conducting research and development at various design sites in a variety of locations around the globe. Innovating through continuous improvement using Kaizen methodology, in production and business processes. 	Talent Management Innovation Product Sustainability
10 Reduced Inequalities (10.4, 10.7)	10.4.1 Labor share of GDP 10.7.1 Recruitment cost borne by employee	<ul style="list-style-type: none"> Paying competitive wages and salaries that contribute to the GDP in countries where we operate. Offering skilled manufacturing jobs and policies to pay all fees associated with recruitment, while also prohibiting partners from charging fees. Adhering to the Responsible Business Alliance Code of Conduct to ensure compliance across own operations and beyond. 	Talent Management Business Conduct & Ethics
12 Responsible Consumption & Production (12.2, 12.4, 12.7, 12.a)	12.2.1 Material footprint 12.4.2 Hazardous waste 12.7.1 Sustainable procurement policies 12.a.1 Installed renewable energy-generating capacity in developing countries	<ul style="list-style-type: none"> Ensuring compliance of products with regulations restricting use of certain substances including conflict minerals and decreasing the use of hazardous substances. Expanding the use of 100% renewable electricity at our sites, along with establishing onsite renewable energy generation, onsite energy efficiency projects, and entering into a renewable energy agreement. Implementing improvements across our operations and beyond to track and reduce energy, water, and other resources use. Requiring all suppliers to sign company Supplier Code of Conduct upon onboarding along with using 3rd party-developed tools to assess suppliers on financial, environmental, and social risks factors. 	Materials Business Conduct & Ethics Emissions Energy Responsible Supply Chain
13 Climate Action (13.2)	13.2.2 Total greenhouse gas emissions per year	<ul style="list-style-type: none"> Delivering on our commitment made in FY22 to Science-based Targets Initiative and incorporating emissions reduction across all scopes into business objectives and strategy. Having ISO 14001-certified environmental management systems in over 50% of manufacturing sites with plans to expand coverage. Focusing efforts on improving product sustainability across all our product lines: energy efficiency during production and use phase, designing improvements, conducting lifecycle assessments. 	Emissions Energy Product Sustainability

Verification Statement



Verification Statement



This is to certify that

Lumentum Operations LLC

1001 Ridder Park Drive
San Jose, CA 95131
United States of America

with the organizational units/sites as listed in the annex

has made a statement on greenhouse gases in accordance with the criteria and the defined materiality
for which it is responsible

Scope:
GHG emission have been aggregated under the control approach with the following emission
categories and quantities:
CO2 N2O CH4 HFCs PFCs SF6
Scope 1: 6.328 t CO2e, Scope 2: 48.389 t CO2e, Scope 3: 44.332 t CO2e

Verification according to ISO 14064-3:2019 was carried out using appropriate verification methods
such as interviews, observations, control tests and analytical procedures; and there is not evidence,
that the GHG statement is not materially correct and is not a fair representation of GHG data and
information and has not been prepared* in accordance with the following standards:

Greenhouse Gas Protocol A Corporate Accounting and Reporting Standard

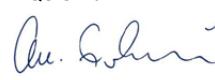
Limitations in the verification opinion

LUMENTUM HOLDINGS INC. balanced GHG emissions for Scope 3.1 that cover an estimated 60%
of Scope 3.1 total emissions. The verifier could not obtain the evidence necessary to reduce the
verification risk to an acceptable level for the remaining share of Scope 3.1 emissions. The nature
and quality of the remaining emission therefore remain unclear. Assurance for the Scope 3.1 is
therefore limited to the portion for which appropriate evidence could be provided.

Registration no. 10003181 GHG
Reporting period 2021-07-01 - 2022-06-30
Date of verification 2023-07-17



DQS GmbH


Christian Gerling

Managing Director



DQS IS A MEMBER OF



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