# LUMENTUM - Climate Change 2023

## C0. Introduction

### C0.1

**(C0.1) Give a general description and introduction to your organization.**

Lumentum is a market-leading designer and manufacturer of innovative optical and photonic products enabling optical networking and laser applications worldwide. Lumentum's 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 imaging and sensing capabilities. Lumentum is headquartered in San Jose, California with R&D, manufacturing, and sales offices worldwide.

### C0.2

**(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.**

**Reporting year**

**Start date**
July 1 2021

**End date**
June 30 2022

**Indicate if you are providing emissions data for past reporting years**
No

**Select the number of past reporting years you will be providing Scope 1 emissions data for**
<Not Applicable>

**Select the number of past reporting years you will be providing Scope 2 emissions data for**
<Not Applicable>

**Select the number of past reporting years you will be providing Scope 3 emissions data for**
<Not Applicable>

### C0.3

**(C0.3) Select the countries/areas in which you operate.**
Canada
China
Italy
Japan
Republic of Korea
Slovenia
Switzerland
Taiwan, China
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America

### C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**
USD

### C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**
Operational control

## C0.8

**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

| Indicate whether you are able to provide a unique identifier for your organization | Provide your unique identifier |
|---|---|
| Yes, a Ticker symbol | LITE |

# C1. Governance

## C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

## C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

| Position of individual or committee | Responsibilities for climate-related issues |
|---|---|
| Board-level committee | The Governance Committee is responsible for oversight consistent with the policies and programs supporting our CSR strategy. This includes energy and emissions strategy and target setting. For example, in FY20 our board requested climate-related goals and accepted our recommendations to implement short-term goals for the procurement of renewable electricity, and subsequently reduced emissions in certain business activities. In FY21, the board accepted the CSR Council recommendation on the implementation of a net-zero target (scope 1 & 2) by 2030 for our business operations. In FY22, the board supported Lumentum's commitment to setting a science-based emission reduction target, in line with the Science Based Targets initiative (SBTi). |
| Director on board | Lumentum's Board nominated a Board Member as a CSR Liaison who participates in regular meetings of the CSR Council. The CSR Council develops the Corporate Social Responsibility Strategy and drives performance within Lumentum, including our energy and emissions strategy and targets. The CSR Council activities are reported to the board on a quarterly basis. |

## C1.1b

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

| Frequency with which climate-related issues are a scheduled agenda item | Governance mechanisms into which climate-related issues are integrated | Scope of board-level oversight | Please explain |
|---|---|---|---|
| Scheduled – all meetings | Overseeing and guiding employee incentives<br>Reviewing and guiding strategy | <Not Applicable> | The Board of Directors nominates a CSR Liaison to work closely with the CSR Council to guide efforts and provide a continuous feedback loop between recommendations of the Board of Directors and implementation by the CSR Council. The CSR Council activities and ESG progress are reviewed quarterly during regular board sessions. |

## C1.1d

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

| | Board member(s) have competence on climate-related issues | Criteria used to assess competence of board member(s) on climate-related issues | Primary reason for no board-level competence on climate-related issues | Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future |
|---|---|---|---|---|
| Row 1 | Yes | One board member has undertaken individual training through the TCFD Knowledge Hub.<br>Another board member has demonstrated competency in climate related issues through previous board level sustainability responsibilities. Additionally, we plan to pursue more options to increase board competence on climate-related issues. These include leveraging insights and experience from serving on boards of other public companies, customized training opportunities and publicly available training, such as increasing the number of board members completing modules in the TCFD Knowledge Hub. | <Not Applicable> | <Not Applicable> |

## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

**Position or committee**
Other C-Suite Officer, please specify (SVP Global Operations and Chief Quality Officer)

**Climate-related responsibilities of this position**
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

**Coverage of responsibilities**
<Not Applicable>

**Reporting line**
CEO reporting line

**Frequency of reporting to the board on climate-related issues via this reporting line**
Quarterly

**Please explain**
The SVP Global Operations and Chief Quality Officer is the Executive Sponsor of the cross-functional CSR Council described below and is responsible for the Corporate Social Responsibility department.

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**Position or committee**
Corporate responsibility committee

**Climate-related responsibilities of this position**
Developing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

**Coverage of responsibilities**
<Not Applicable>

**Reporting line**
Other, please specify (The CSR Liaison from the Board works closely with the CSR Council to guide efforts and provide a continuous feedback loop between recommendations of the Board of Directors and implementation by the CSR Council.)

**Frequency of reporting to the board on climate-related issues via this reporting line**
Quarterly

**Please explain**
Led by the CSR Council Chair and the Executive Sponsor (SVP Global Operations and Chief Quality Officer), our cross-functional CSR Council is composed of representatives from all business departments, including Human Resources; Environment, Health, and Safety (EHS); Supply Chain; Legal; and Operations, as well as leaders from each business unit. Each member serves as a representative of their respective department and is responsible for determining the relevance of emerging topics, developing associated action plans, and disseminating information related to CSR at Lumentum to their team.

CSR Council activities are reported to the CEO and Board of Directors on a quarterly basis. The Governance Committee is responsible for oversight consistent of the policies and programs supporting our CSR strategy. The Board of Directors also nominates a CSR Liaison who works closely with the CSR Council to guide efforts and provide a continuous feedback loop between recommendations of the Board of Directors and implementation by the CSR Council.

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## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

| | Provide incentives for the management of climate-related issues | Comment |
|---|---|---|
| Row 1 | Yes | Lumentum executive compensation is tied to achieving our GHG emissions and DIB goals |

## C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

**Entitled to incentive**
Board/Executive board

**Type of incentive**
Monetary reward

**Incentive(s)**
Shares

**Performance indicator(s)**
Reduction in emissions intensity

**Incentive plan(s) this incentive is linked to**
Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**
Performance stock units are granted to our named executive officers are eligible to vest based on achievements against a scorecard of Strategic and Corporate Responsibility metrics. The scorecard includes progress on an emissions intensity reduction target.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**
Lumentum executive compensation is tied to achieving our GHG emission Goals.

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**Entitled to incentive**
Chief Financial Officer (CFO)

**Type of incentive**
Monetary reward

**Incentive(s)**
Shares

**Performance indicator(s)**
Reduction in emissions intensity

**Incentive plan(s) this incentive is linked to**
Both Short-Term and Long-Term Incentive Plan

**Further details of incentive(s)**
Performance stock units granted to our named executive officers are eligible to vest based on achievements against a scorecard of Strategic and Corporate Responsibility metrics. The scorecard includes progress on an emissions intensity reduction target.

**Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan**
Lumentum executive compensation is tied to achieving our GHG emission Goals.

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## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**
Yes

### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

| | From (years) | To (years) | Comment |
|---|---|---|---|
| Short-term | 0 | 5 | |
| Medium-term | 5 | 10 | |
| Long-term | 10 | 20 | |

### C2.1b

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

i) A definition of 'substantive financial or strategic impact' when identifying or assessing climate-related risks: Lumentum conducts a comprehensive CSR Materiality assessment every two years, with annual refresh, to confirm our environment-related priorities (which includes climate risks and opportunities) and inform CSR (corporate social responsibility) planning, management and reporting activities. The materiality assessment methodology addresses ESG topics that have an impact on our business and on society. Lumentum's materiality process is the starting point for assessing the potential size and scope of non-financial (sustainability) risks and opportunities.

Our Enterprise Risk Management (ERM) identifies and evaluates the greatest risks that could impact our ability to achieve our objectives or threaten our operations, as well as assesses management's preparedness to manage and mitigate these risks. The enterprise risk assessment (ERA) approach involves interviews with members of management and the Board to identify and assess risks. Considering a broad universe of risks across strategic, operational, compliance, and financial reporting categories, key risks related to both internal and external factors, are prioritized for areas of focus. Each of these programs has become a large-scale long-term strategic initiative driven by leads in appropriate organizations.

ii) A description of the quantifiable indicator(s) used to define substantive financial or strategic impact: A quantifiable indicator for a material impact is one that affects revenue, expenses, or profit by more than $20M or affects 5% of revenue or profit within a business unit.

## C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**
Direct operations
Upstream
Downstream

**Risk management process**
Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**
Annually

**Time horizon(s) covered**
Short-term
Medium-term
Long-term

**Description of process**
Lumentum leverages several tools to evaluate the climate-related risks and opportunities of its upstream, downstream value chain and direct operations. Our annual enterprise risk management (ERM) assessment includes climate related risks in our risk inventory, such as physical risks associated with natural disasters.

Upstream:
We hold quarterly business reviews with key suppliers. In that review we assess supplier responsiveness to certain climate-related information such as GHG emissions and corporate climate-related goals.
All suppliers are required to sign a supplier Code of Conduct agreement, which includes adherence to the Responsible Business Alliance (RBA) Code of Conduct. CMs are audited every other year using RBA's validated audit process (VAP) to evaluate conformance. Other top direct suppliers complete RBA's self-assessment questionnaire (SAQ). The SAQ risk assessment includes evaluation of the environmental performance and management systems of the site and provides a risk rating related to CSR risks and compliance with the RBA Code. The RBA Code includes the requirement for companies to establish greenhouse gas reduction goals.

Each of our contract manufacturers and internal manufacturing sites maintain a Business Continuity and Disaster Recovery plan, which is reviewed and approved by Lumentum on an annual basis. These sites are prepared for a variety of potential scenarios including the physical risks. If the interruption is such that the alternative manufacturing operations were required, we have continuity plans with the capability to move production to a secondary site -Lumentum also maintains a buffer stock at several distributor hubs around the world. Depending on the risk assessment results the contract manufacturers establish flood response plans for extreme events and plans for lack of water supply in drought including water saving measures, and increased storage.

Transitional risk/Downstream case study:
Our customers expect Lumentum to reduce its impact on climate from its operations and from the use of our products. Not meeting these expectations could be a reputational risk and impact our competitiveness, To meet our customer expectations Lumentum has a program in place to reduce GHG from our own operations and designs energy efficient products. For example, our high-speed 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). Our newest generation of high reliability subsea pump products achieve a 37% power saving by incorporating a higher efficiency pump chip. These products are critical in enabling intercontinental data traffic (>99% of intercontinental data traffic travels through undersea cables). These examples highlight that we continually invest in the development of solutions to meet the needs and expectations of our stakeholders in relation to climate risks.

Lumentum`s process for identifying, assessing, and responding to climate-related risks and opportunities covers direct operations: As part of our business continuity planning, we review potential risks which include those due to extreme weather events that could impact our ability to execute our core business. Those top risks have mitigation plans that are triggered based on these events.

Annual strategic planning includes outlining plans and performance measures. Teams are responsible for developing and monitoring annual action plans against facility-level and corporate-level climate-related objectives. This includes company-level business continuity planning (BCP) policy documentation that is to be updated annually through leadership team reviews. BCPs are a set of standards and guidelines Lumentum enforces to ensure resilience and proper risk management regarding any physical climate risks. Each site conducts a risk assessment to proactively identify and analyze risks (e.g., flood, fire), which helps teams to measure the potential impact and document mitigation actions. For those physical climate risks, the sites develop emergency response plans and conduct annual mock drills at each facility. In addition, as a member of the RBA, our manufacturing facilities conduct annual RBA self-assessments and undergo internal audits against RBA's validated audit process (VAP).

Physical risk case study: Thailand, where a significant flood risk exists. A tertiary defence system and flood protection walls were installed and a Lumentum contract manufacturer moved to a higher floor in response to flood risk. Lumentum assesses the current and future risk of severe weather and builds responses into the business planning process.

## C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

| | Relevance & inclusion | Please explain |
|---|---|---|
| Current regulation | Relevant, always included | Lumentum is subject to various local climate/environment-related regulations. Lumentum's facility, engineering, EHS and compliance teams maintain our compliance with all applicable regulations. One example is compliance with Chinese emission trading regulations in Shenzhen. Another is compliance with the California Air Resources Board (CARB) which regulates the reporting of Greenhouse Gas Emissions from semiconductor operations resulting in the site implementing abatement systems to abate most GHG emissions relating to these processes. |
| Emerging regulation | Relevant, always included | Emerging emissions or climate-related regulation is a potential risk. Introduction of new regulation may cause potential non-compliance and increased costs for achieving compliance. Lumentum takes a proactive approach to stay ahead of emerging climate regulations. As noted above, some of Lumentum's manufacturing processes involve systems or chemicals that are subject to emissions-related regulation. New regulations or changes to existing regulations may necessitate modifications to our manufacturing processes.<br>Our R&D and manufacturing operations require significant amounts of electricity to develop and manufacture our products. As Carbon pricing and taxation mechanisms are established globally, the carbon price will likely further increase and climate change related taxes and other regulations are likely to be introduced and/or tightened. This is expected in countries where Lumentum has manufacturing operations. These regulations may result in an increase in operating costs due to an increase of cost of energy, increase cost of purchased parts and materials, impacting the entire value chain. |
| Technology | Relevant, always included | While the improvement of energy efficiency (i.e. power/bit consumption for our optical data transmission/transport products and wall-plug efficiency of pump lasers products) is a longstanding design goal of our product innovation, changes in technology or market expectations could require incremental investment. If these standards and technologies do not keep pace with customer expectations, or if we were not able to incorporate these expectations and technologies into our products, we could lose our ability to remain competitive in the marketplace. |
| Legal | Relevant, sometimes included | Litigation claims arising from non-compliance of climate-related regulations are a risk. Non-compliance of emissions abatement, emissions reporting or energy requirements of products could result in litigation claims with a financial penalty or requirement to change company practices. No probable risks related to climate-related litigation claims were identified that could have significant impacts on the business. |
| Market | Relevant, always included | There is a market demand for our customers to reduce the GHG emissions associated with the lifecycle of products – to remain attractive to consumers, and to respond to expectations of decarbonization and circularity. We regularly receive customer requests pertaining to our carbon footprint at corporate and product levels.<br>Shifts in demand for product is a climate-related risk for Lumentum. Our products may consume significant amounts of energy over their lifetime. To maintain demand, we recognize we must continue to innovate to increase the energy efficiency and circularity of our products. |
| Reputation | Relevant, always included | Lumentum recognizes that the perceptions of our customers regarding our commitment to address climate change issues and shifting to low-carbon development can significantly affect our success. Therefore, we respond to and attempt to address all requests from our customers and key stakeholders to ensure our reputation in regard to climate change is retained. |
| Acute physical | Relevant, always included | Lumentum's global operations and supply chain are exposed to risks related to extreme weather events. Disruptions in our value chain due to extreme weather may make it difficult or impossible to procure materials, manufacture goods, or distribute finished products in a timely manner. The logistics of getting products from point A to point B and the requirements to manufacture products (facilities, energy, and labor) could be impacted by extreme weather. The identified physical climate risks are assessed and managed based on the possible impact, probability, and timeframe as part of the enterprise risk management/BCP process. |
| Chronic physical | Relevant, sometimes included | We are aware that longer term shifts in climate patterns, such as increased rainfall patterns that can cause flooding, more frequent severe weather conditions or sustained high temperatures, could affect our operations to some degree. However, as our operations are conducted entirely indoors, we consider many of these risks to be minimal, or manageable. We continue to evaluate our operations for susceptibility to other potential chronic risks.<br>Our company-level business continuity planning (BCP) ensures resilience and proper risk management regarding any physical climate risks. To inform the identification of these risks, each site conducts a risk assessment to proactively identify and analyze risks (e.g., flood, fire), which helps teams to measure the potential impact and document mitigation actions. For those physical climate risks, the sites develop emergency response plans and conduct annual mock drills at each facility. |

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

| | |
|---|---|
| Emerging regulation | Carbon pricing mechanisms |

**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Our R&D and manufacturing operations require significant amounts of electricity to develop and manufacture our products. We expect to continue to expand our manufacturing capabilities and energy use, particularly in Thailand where the cost of electricity is relatively low, but there may be higher likelihood of emissions regulation. We also have manufacturing operations in China, Japan, the United States, the UK and Slovenia where climate change related regulations or carbon pricing mechanisms are likely to be introduced and/or tightened.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**
Medium-high

**Are you able to provide a potential financial impact figure?**
Yes, an estimated range

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
14000000

**Potential financial impact figure – maximum (currency)**
50000000

**Explanation of financial impact figure**
Figures are estimated based on a $50/MT to $100/MT price on carbon based on our FY22 emissions assuming our emissions increase to 100,000 MT/year. This figure covers a 5-year period, assuming a carbon price in 2025.

**Cost of response to risk**
13000000

**Description of response and explanation of cost calculation**
We manage this risk primarily by reducing our emissions footprint. We are sourcing renewable energy and installing on-site solar in viable sites across our operating footprint. For example, we have installed solar on our Slovenia plant and contracted the install of a solar array on our Thailand factory, which would help to mitigate our exposure to increased electricity prices. In addition, 31% of our global electricity was from renewable sources by the end of the reporting period (June 2022) and will reach 60% in the following year. We've tasked our facility managers with pursuing energy efficiency opportunities across our operations; this cost is built into existing budgets. This figure assumes one-time setup costs for these different initiatives that resulting in a 1% increase in SG&A costs per year over a 5-year period. The cost of response to the risk is calculated over 5 years and includes the projected costs to install on-site solar plants, purchase of renewable energy and the CAPEX associated with planned energy efficiency projects.

**Comment**

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**Identifier**
Risk 2

**Where in the value chain does the risk driver occur?**
Upstream

**Risk type & Primary climate-related risk driver**

| | |
|---|---|
| Acute physical | Cyclone, hurricane, typhoon |

**Primary potential financial impact**
Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**
<Not Applicable>

**Company-specific description**
We operate a complex global supply chain and rely on on-time logistics to manufacture and deliver our products. In some cases, we rely on single suppliers for critical inputs that operate in Southeast Asia, an area prone to extreme weather events. An increase in either the severity or frequency of events could lead to our supply partners to shut down, either temporarily or permanently, resulting in a critical supply risk for key components necessary for product development.

**Time horizon**
Short-term

**Likelihood**
About as likely as not

**Magnitude of impact**
Medium

**Are you able to provide a potential financial impact figure?**
Yes, an estimated range

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
8500000

**Potential financial impact figure – maximum (currency)**
26000000

**Explanation of financial impact figure**
Should a critical supply partner be unable to provide inputs on time, or shut down operations, this could lead to lost revenue opportunities. Figures are estimated based upon a one-time 0.5% - 1.5% loss of revenue.

**Cost of response to risk**
120000000

**Description of response and explanation of cost calculation**
We have identified risks based on sole source suppliers and are investigating dual sourcing all critical components. In addition, we are assessing our capability to develop and manufacture critical components when we cannot identify a suitable dual source supplier. The R&D costs to develop this capability, capital expenditures to set up production lines and operating costs to produce these components could pose a significant cost to the business. Costs are estimated based on a 5% increase to our R&D budget and a 5% increase to our SG&A budget over a 5-year period.

**Comment**

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**
Opp1

**Where in the value chain does the opportunity occur?**
Direct operations

**Opportunity type**
Products and services

**Primary climate-related opportunity driver**
Development and/or expansion of low emission goods and services

**Primary potential financial impact**
Increased revenues resulting from increased demand for products and services

**Company-specific description**
Lumentum's advances in its products and technologies are helping to increase power efficiency. If the demand for our products increases, we have opportunities to increase our market share of existing products. For example, a comparative analysis was performed on our high-speed coherent optical data transmission modules, which are used in internet backbone applications, on a basis of Watts per Gigabit (W/Gb), from 100 Gigabits per second to 800 Gigabits per second, and from the Generation 1 (Gen1) to Generation 3 (Gen3) modules. We achieved a power efficiency improvement from Gen1 to Gen3 of 79% (W/Gb). Similarly, with the launch of our 100G B5 PAM4 externally modulated laser (EML), the laser power consumption per 100Gbps (Gigabits per second) was reduced by 53% over the preceding 50G B4 PAM4 EML and reduced by 80% from the original 25G B2 EML product, reducing overall energy requirements of cloud data centers.

**Time horizon**
Medium-term

**Likelihood**
Likely

**Magnitude of impact**
Medium-high

**Are you able to provide a potential financial impact figure?**
Yes, an estimated range

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
85000000

**Potential financial impact figure – maximum (currency)**
430000000

**Explanation of financial impact figure**
Figures are estimated based on an increase in demand for our products resulting in an increase our revenue of 1% - 5% over a 5-year period.

**Cost to realize opportunity**
220700000

**Strategy to realize opportunity and explanation of cost calculation**
Our R&D teams are essential to driving energy efficiency in our products, and efficiency is a key design element when introducing new concepts (see example in Company-specific description). Increased capacity in our R&D teams will increase our ability to create products that meet the future demands and investigate ways to integrate our technologies into new markets.
These costs are considered in-kind with Lumentum's regular cost of R&D and is contained within Lumentum's R&D spend. As this aspect of product design is not categorized as an individual spend level, the "cost to realize opportunity" listed above is the full Lumentum R&D budget over 1 year.

**Comment**

**Identifier**
Opp2

**Where in the value chain does the opportunity occur?**
Direct operations

**Opportunity type**
Products and services

**Primary climate-related opportunity driver**
Development of new products or services through R&D and innovation

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

Lumentum aims to foster a culture of innovation across the organization – where all are encouraged to find and support new and creative ways to solve problems. Our legacy of innovation is evident in our product leadership positions and extensive intellectual property portfolio. We own nearly 1,000 US patents and 800 foreign patents and have nearly 600 patent applications pending throughout the world. Our patent portfolio is constantly evolving, with strengths in optical switching, 3D sensing, photonic integrated circuits and ultrafast lasers. If we translate our energy efficiency technologies and intellectual property into new products that address needs in new markets, we have significant opportunity for new revenue streams.
2 examples of new markets relating to sustainable practices for Lumentum`s high-power ultrashort-pulse lasers are: Manufacturing of solar cells. This market is a strongly growing market with approximately 95% of commercial cells based on silicon wafer technology. Our micromachining lasers offer increased throughput and precision that these manufacturing processes require. 2) EV Batteries: The race to develop solid-state batteries or silicon anodes with higher energy density is accelerating. Lumentum lasers can decrease the costs and create cells with higher energy and power density and solve challenges in battery cell manufacturing including electrode cutting, laser patterning, ablation, notching, slitting, and surface structuring.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

215000000

**Potential financial impact figure – maximum (currency)**

430000000

**Explanation of financial impact figure**

Figures are estimated assuming a 2.5% - 5% increase in annual revenue due to breakthroughs in new markets over a 5-year period.

**Cost to realize opportunity**

440000000

**Strategy to realize opportunity and explanation of cost calculation**

The R&D costs to develop new capabilities, capital expenditures to set up production lines, operating costs to produce these components, and the creation and staffing of a new business unit with the organization could pose a significant cost to the business. Costs are estimated based on a 10% increase to our R&D budget and a 25% increase to our SG&A budget over a 5-year period. See examples in Company-specific description.

**Comment**

## C3. Business Strategy

### C3.1

**(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?**

**Row 1**

**Climate transition plan**

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

**Publicly available climate transition plan**

<Not Applicable>

**Mechanism by which feedback is collected from shareholders on your climate transition plan**

<Not Applicable>

**Description of feedback mechanism**

<Not Applicable>

**Frequency of feedback collection**

<Not Applicable>

**Attach any relevant documents which detail your climate transition plan (optional)**

<Not Applicable>

**Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

In 2021, Lumentum committed to achieving net-zero Scope 1 and 2 GHG emissions by 2030. In the reporting year, we decided to broaden our impact and committed to setting near- and long-term company-wide emission reduction targets in line with the science-based standard for net-zero emissions from SBTi.

As part of this effort, we are developing a more comprehensive greenhouse gas inventory, including scope 3 emissions (extending purchased good and services, including upstream/downstream transportation and the use of sold products).

We are currently developing our transition plan to and anticipate that our Science Based targets will be validated in calendar year 2024.

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

## C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

| | Use of climate-related scenario analysis to inform strategy | Primary reason why your organization does not use climate-related scenario analysis to inform its strategy | Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future |
|---|---|---|---|
| Row 1 | No, but we anticipate using qualitative and/or quantitative analysis in the next two years | Important but not an immediate priority | We do not anticipate any significant near-term impacts that we could reasonably integrate into our enterprise strategy that scenario analysis would identify, beyond the current mechanisms we employ.<br>Lumentum has committed to setting near- and long-term company-wide emission reduction targets in line with the science-based standard for net-zero emissions from SBTi. We anticipate that the targets will be validated in the calendar year 2024.<br>In developing these targets, Lumentum will assess the required GHG reductions across its operations to align with to the 1.5 degrees scenario. This takes into account the current GHG inventory, geographical locations, potential investments into onsite solar power generation and what GHG reductions are required to meet a 1.5 degree scenario. |

## C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

| | Have climate-related risks and opportunities influenced your strategy in this area? | Description of influence |
|---|---|---|
| Products and services | Yes | Lumentum customers are committing to carbon neutral and net zero targets and have started to engage their suppliers, like Lumentum, on collaborative opportunities to reduce emissions and to understand and influence their suppliers’ climate ambitions. Lumentum is working on improving the end-use efficiency of its products. For example, we are working on wall plug efficiency and power consumption reduction for end users in data centers. |
| Supply chain and/or value chain | Yes | We evaluated our top 80% of spend by commodity to determine where risk exists. We have moved to find alternate sources where certain commodities and current supply base only existed in one geographic location that could be exposed to potential climate-related extreme weather events. |
| Investment in R&D | Yes | Lumentum invests significant resources into R&D and the design process to ensure that manufacturing processes and products are innovative and energy efficient, thereby addressing any reputational risks of climate-related issues. In addition, we are increasing our attention on the environmental impacts of our products through their full life cycle. |
| Operations | Yes | Our Enterprise Risk Management (ERM) identifies and evaluate risks that could impact our ability to achieve our objectives or threaten our operations, as well as assess management’s preparedness to manage and mitigate these risks.<br><br>Climate-related risks and opportunities has influenced our setting of climate-related targets, with a commitment made to SBT targets, as well as Net Zero goals on Scope 1, 2 emissions. This has led to targets on purchase electricity from renewable sources and increasing focus on energy saving activities. |

## C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

| | Financial planning elements that have been influenced | Description of influence |
|---|---|---|
| Row 1 | Direct costs | Our manufacturing processes entail the use of proprietary chemicals which are subject to emissions controls and reporting. We allocate appropriate budget to ensure our operations remain in compliance with all regulations. Any changes in reporting requirements or allowable emissions could result in significant additional costs.<br>We are aware of increasing energy costs and carbon pricing and taxation mechanisms and are investing in renewable energy and energy efficient operations. |

## C3.5

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?**

| | Identification of spending/revenue that is aligned with your organization's climate transition | Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy |
|---|---|---|
| Row 1 | No, but we plan to in the next two years | <Not Applicable> |

# C4. Targets and performance

## C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target
Intensity target

## C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**
Abs 1

**Is this a science-based target?**
Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

**Target ambition**
1.5°C aligned

**Year target was set**
2020

**Target coverage**
Company-wide

**Scope(s)**
Scope 1
Scope 2

**Scope 2 accounting method**
Market-based

**Scope 3 category(ies)**
<Not Applicable>

**Base year**
2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**
5502

**Base year Scope 2 emissions covered by target (metric tons CO2e)**
42524

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**
48025

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**
100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**
100

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**
<Not Applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**
<Not Applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**
100

**Target year**
2030

**Targeted reduction from base year (%)**
100

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**
0

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**
6328

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**
47990

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**
54318

**Does this target cover any land-related emissions?**
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**
-13.1035918792296

**Target status in reporting year**
Underway

**Please explain target coverage and identify any exclusions**
Target is to achieve net zero scope 1 and 2 emissions by 2030. It includes 100% of Scope 1 and Scope 2 emissions.
The target exceeds the requirements of the SBT near-term target (2030) for Scope 1/2. We have committed to Science Based Targets in the reporting year and anticipate validation of the targets within the calendar year 2024.

**Plan for achieving target, and progress made to the end of the reporting year**
Emissions increased relative to our target due to increased business output, however, we expect progress in the next fiscal year from renewable energy contracts with utility suppliers coming online since we anticipate an increase from 9% renewable sourcing in FY22 to 60% renewable sourcing in FY23 on already committed contracts.

**List the emissions reduction initiatives which contributed most to achieving this target**
<Not Applicable>

---

**Target reference number**
Abs 2

**Is this a science-based target?**
No, but we anticipate setting one in the next two years

**Target ambition**
<Not Applicable>

**Year target was set**
2019

**Target coverage**
Company-wide

**Scope(s)**
Scope 3

**Scope 2 accounting method**
<Not Applicable>

**Scope 3 category(ies)**
Category 6: Business travel

**Base year**
2019

**Base year Scope 1 emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 2 emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)**
2988

**Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)**
<Not Applicable>

**Base year total Scope 3 emissions covered by target (metric tons CO2e)**
2988

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**
2988

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**
<Not Applicable>

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**
<Not Applicable>

**Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)**
100

**Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)**
<Not Applicable>

**Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)**
<Not Applicable>

**Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**
4

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**
4

**Target year**
2023

**Targeted reduction from base year (%)**
74

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**
776.88

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)**
279

**Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)**
<Not Applicable>

**Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)**
279

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**
279

**Does this target cover any land-related emissions?**
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

**% of target achieved relative to base year [auto-calculated]**
122.517095408662

**Target status in reporting year**
Underway

**Please explain target coverage and identify any exclusions**
Target to reduce emissions from business air travel by 20% annually.

**Plan for achieving target, and progress made to the end of the reporting year**
Due to COVID-19 travel restrictions, Lumentum had zero business air travel emissions in 2021. Business travel resumed in 2022 and therefore still consider this target "underway."

**List the emissions reduction initiatives which contributed most to achieving this target**
<Not Applicable>

## C4.1b

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Target reference number**
Int 1

**Is this a science-based target?**
No, but we anticipate setting one in the next two years

**Target ambition**
<Not Applicable>

**Year target was set**
2021

**Target coverage**
Company-wide

**Scope(s)**
Scope 1
Scope 2
Scope 3

**Scope 2 accounting method**
Market-based

**Scope 3 category(ies)**
Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 6: Business travel

**Intensity metric**
Metric tons CO2e per unit revenue

**Base year**
2021

**Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)**
0.00000451

**Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)**
0.00002514

**Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)**
0.00001793

**Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)**
0.00000681

**Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)**
0

**Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)**
0.00002474

**Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)**
0.00005439

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**
100

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**
100

**% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure**
100

**% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure**
100

**% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure**
100

**% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure**
<Not Applicable>

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure**
100

**% of total base year emissions in all selected Scopes covered by this intensity figure**
100

**Target year**
2024

**Targeted reduction from base year (%)**
25

**Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]**
0.0000407925

**% change anticipated in absolute Scope 1+2 emissions**
25

**% change anticipated in absolute Scope 3 emissions**
25

**Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)**
0.000003695

**Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)**
0.0000280217

**Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)**
0.0000153555

**Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)**
0.00001037

**Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)**
<Not Applicable>

**Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)**