

# Disclosure for the UK Modern Slavery Act and California Transparency in Supply Chains Act

The [California Transparency in Supply Chains Act \(SB 657\)](#) and the [UK Modern Slavery Act \(MSA 2015\)](#) both address issues of slavery, servitude, forced or compulsory labor and human trafficking. These acts were designed to address the role of business, like Lumentum, in preventing modern slavery from occurring in their supply chains. Lumentum is committed to ensuring there is transparency in its own business and in its approach to tackling modern slavery throughout its supply chain, consistent with its disclosure obligations under SB 657 and MSA 2015.

Lumentum 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, California with R&D, manufacturing, and sales offices worldwide.

Our manufacturing operations, consisting of wafer fabrication and assembly, are areas within our direct control and where we seek continuous improvement in everything we do. We work with suppliers and contract manufacturers to procure the materials and products to our specifications. Our relationships with our vendors are critical to ensure product quality and to promote ethical and responsible sourcing throughout our supply chain.

Lumentum supports human rights globally both in our own facilities and in our supply chain. We strictly prohibit slavery or human trafficking of any kind and are committed to reducing the risk within our supply chain. Lumentum is a member of the Responsible Business Alliance (RBA), and we subscribe to the [RBA Code of Conduct](#), supporting principles in human rights and labor, specifically the elimination of all forms of forced and compulsory labor. In addition, Lumentum has a [Corporate Social Responsibility Policy](#) that supports the principles established under the United Nations Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

Lumentum expects the same high standards from all its contractors, suppliers, and other business partners, and as part of its contracting processes, Lumentum includes specific prohibition against the use of forced, compulsory or trafficked labor, or anyone held in slavery or servitude, whether adults or children.

1. Verification: The steps we have taken to evaluate and address forced labor risks are through compliance to the RBA Code of Conduct. The RBA Code of Conduct, section A1 “Freely Chosen Employment”, states that “Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons shall not be used.” This year, in response to U.S. Uyghur Forced Labor Prevention Act

(UFLPA) that went into effect on June 21, 2022, we reviewed our suppliers to ensure that no suppliers operate in the Xinjiang Uyghur Autonomous Region (XUAR) in China. Additionally, we do not do business with any companies listed in the U.S. Department of Homeland Security's UFLPA Strategy to Prevent the Importation of Goods Mined, Produced, or Manufactured with Forced Labor in the People's Republic of China. We ensured our internal teams were made aware of the new regulations related to forced labor and sent out surveys to our direct suppliers to verify that their upstream suppliers are also in compliance with UFLPA.

- a. **Risk Assessments of Suppliers:** We complete annual risk assessments of our supply chain using RBA's tools and approach. We evaluate our direct and indirect suppliers to the RBA Code of Conduct which covers five categories: labor and human rights, environment, health and safety, ethics and the management systems that support these topic areas. Forced labor is under the "labor and human rights" category.  
The first level assessment includes an evaluation of our top 200 suppliers by spend and considers geographical locations, spend level, industry, and international indices such as the Global Slavery Index from the Walk Free Foundation and the Trafficking in Persons Report Index from the U.S. Department of State.  
The second level assessment is based on a detailed Self-Assessment Questionnaire (SAQ) that evaluates suppliers' compliance with the RBA Code at their corporate and manufacturing sites. This assessment covers all major suppliers and any supplier that was rated high risk in the first level assessment. For any identified high-risk areas, we work with our suppliers on corrective actions to close the gaps.
  - b. **Performance Monitoring via Supplier Scorecards:** Select suppliers undergo Supplier Business Reviews on a quarterly or semi-annual basis. Social Responsibility metrics are integrated alongside other business metrics. Suppliers are scored on factors such as completion of the RBA self-assessment questionnaire (SAQ), and their SAQ risk profile rating. Our Contract Manufacturer's CSR performance is also evaluated on a quarterly basis, and we rate them based on their RBA audit scores, corrective action plan closure performance, and improvement over time.
  - c. **Third Party Audits:** Lumentum's Contract Manufacturers are required to undergo third-party audits to evaluate their conformance to the RBA Code of Conduct. For more details, see section #2.
2. **Supplier Audits:** Lumentum's Contract Manufacturers are required to undergo third-party audits to evaluate their conformance to the RBA Code of Conduct. They are planned, third-party audits and are required every 2 years. We work with our Contract Manufacturers on corrective actions to close all identified non-conformances, and require third-party verification audits to confirm closure of findings. Also, onsite subcontractors and service providers at our manufacturing sites are included in the scope of our internal audits.
  3. **Certification:** Suppliers are required to sign Lumentum's [Supplier Code of Conduct](#), unless Lumentum accepts the Supplier's own Code of Conduct, committing to compliance with labor laws, regulations and prohibition of forced or slave labor.

4. Internal Accountability: Lumentum's [Code of Business Conduct](#) outlines the broad principles of legal and ethical business conduct embraced by Lumentum as part of our commitment to integrity. Lumentum expects that all directors, employees, agents and contractors will act in a manner that complies both with the letter and the spirit of the Code. We provide multiple mechanisms for reporting concerns, including anonymous reporting. As part of evaluating our own compliance, all our manufacturing sites complete annual RBA self-assessment questionnaires to help identify risk, including labor risks. Our internal manufacturing sites also undergo internal or external RBA, or equivalent, audits on an annual basis.
5. Training: All employees, including on-site contingent workers, are trained on the RBA Code of Conduct, which includes a section on forced labor. This year, we implemented an annual refresher training session for all employees and contingent workers with a focus on recognizing forced labor. 100% of employees and contingent workers completed the training. Lumentum employees are also required to complete training on Lumentum's Code of Business Conduct on an annual basis. Our Supply Chain staff received specialized training on the requirements, risks and red flags to be aware of related to modern slavery specific to their roles.

We require key management staff of our Contract Manufacturers to complete RBA Code of Conduct training to ensure the Code requirements are understood and implemented within their facilities.

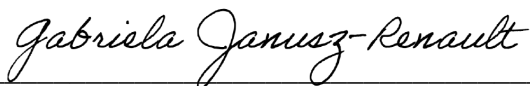
To report any violations or suspected violations, we provide confidential and anonymous whistleblowing hotlines available in the local languages where we operate. These are found in Annex A of our [Code of Business Conduct](#) and [Supplier Code of Conduct](#).

These policies and actions serve as the foundation of our program to monitor risks related to modern slavery. We measure progress through our audit program, which is set at a regular cadence, and serves as the mechanism to identify issues. We work with the sites to establish corrective actions, we monitor closure, and require onsite visits to confirm closure of all identified findings.

Our commitment to the RBA Code of Conduct is a cornerstone of our efforts to safeguard our operations and supply chain against any forms for forced, bonded or slave labor.

The Board of Directors has approved this statement on November 16<sup>th</sup>, 2022.

Date: 11-18-2022



Lumentum Operations LLC

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Lumentum fiscal year end: July 2<sup>nd</sup>, 2022