

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

I. Purpose

The Audit Committee (the “Committee”) shall provide assistance to the directors in fulfilling their oversight responsibility to the shareholders relating to Lumentum Holdings Inc. (the “Company’s”) financial statements, the financial reporting practices of the Company, the systems of internal accounting and financial controls, the internal audit function, the enterprise risk management program, the annual independent audit of the Company’s financial statements, and the legal compliance and ethics programs as established by management and the Board of Directors (the “Board”).

In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, the independent auditors, the internal auditors, and the management of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and the power to retain outside counsel, accounting or other advisors for this purpose. In addition, the Company shall provide appropriate funding, as determined by the Committee, for compensation to the independent auditor and to any advisors that the Committee chooses to engage.

II. Membership and Organization

The members of the Committee (the “Members” or, individually, each a “Member”) shall be appointed by the Board and shall serve at the discretion of the Board. The Committee shall consist of at least three (3) Members, each of which shall be a member of the Board. The Board shall designate the Committee’s Chairperson, and all Members shall serve at the discretion of the Board.

The following membership requirements shall also apply:

(i) each Member must meet the criteria for independence under the requirements of The Nasdaq Stock Market, LLC. (“Nasdaq”), the Securities and Exchange Act of 1934 (the “Act”), and other applicable law;

(ii) each Member must not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three (3) years;

(iii) each Member must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement; and

(iv) at least one (1) Member must have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in such Member’s financial sophistication,

including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

The Committee shall have the authority, to retain, engage and obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder and to determine the terms, costs and fees for such engagements. The fees and costs of any consultant or advisor engaged by the Committee to assist in performance of its duties hereunder shall be borne by the Company.

III. Meetings

The Committee shall meet as often as it determines to be necessary and appropriate, but not less than quarterly each year. The chairperson of the Committee or a majority of the Members may call special meetings of the Committee upon notice as is required for special meetings of the Board in accordance with the Company's bylaws. A majority of the appointed Members shall constitute a quorum for the transaction of business. Members may participate in a meeting through use of conference telephone or similar communications equipment, so long as all Members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting.

The Committee may meet with any person or entity in executive session as desired by the Committee. The Committee shall meet with the Company's independent auditors, at such times as the Committee deems appropriate, to review the independent auditor's examination and management report.

Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all Members consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the Committee.

IV. Responsibilities

The primary responsibility of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- The integrity of the Company's financial statements and other financial information provided by the Company to its stockholders, the public and others.
- The Company's systems of disclosure controls and internal controls regarding finance, accounting, legal compliance and ethical behavior.
- The Company's auditing, accounting and financial reporting processes generally.
- The appointment, qualifications and performance of the Company's internal audit function and independent auditors.

- Pre-approval of services (both audit and non-audit) to be provided by the independent auditors.
- Review related party transactions.
- The Company’s processes to identify, assess and manage key enterprise risks.

While the Committee has the responsibilities and powers set forth in this Charter, its role is that of oversight. Accordingly, it is not the duty of the Committee to plan or conduct audits or to determine that the Company’s financial statements or disclosures are complete or accurate or are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of Company management and the independent auditors.

Nothing contained in this Charter is intended to alter or impair the operation of the “business judgment rule” as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to alter or impair the right of the Members to rely, in discharging their duties and responsibilities, on the records of the Company and on other information presented to the Committee, Board or Company by its officers or employees or by outside experts and advisers such as the Company’s independent auditor.

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The following shall be the principal recurring responsibilities and processes of the Committee in carrying out its oversight responsibilities. The processes are set forth as a guide with the understanding that the Committee may amend, or vary from, them as appropriate, while always remaining compliant with applicable law.

To fulfill its responsibilities and duties, the Audit Committee shall:

Financial Statements and Disclosures:

- Review the draft press release regarding the quarterly and/or annual financial results (including supporting internal Company financial information and associated schedules), with the independent auditors and management of the Company, prior to its release to the public.
- Review the annual audited financial statements to be included in the Company’s Annual Reports on Form 10-K with the independent auditors and management of the Company, prior to its submission to directors for review and signature. The Committee shall also discuss the results of the annual audit, and any other matters required to be communicated to the Committee by the independent auditors under applicable auditing standards.

- Upon completion of their review, recommend to the Board that the Company's annual audited financial statements be included in the Company's annual report on Form 10-K for filing with the SEC.
- Review the financial statements (audited or otherwise) to be included in other SEC filings (e.g. Form 10-Q, Form S-3), as required. Also, the Committee shall discuss the results of the quarterly review, and any other matters required to be communicated to the Committee by the independent auditors under applicable auditing standards.
- Review and approve the Committee report required by the SEC to be included in the Company's annual proxy statement and any other Committee reports required by applicable securities laws or stock exchange listing requirements or rules.

Independent Registered Public Accounting Firm:

- Be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; and each such registered public accounting firm will report directly to the Committee .
- Review and pre-approve all audit services and permissible non-audit services (including the fees and terms thereof) to be performed by the Company's independent auditor, with exceptions provided for de minimis amounts under certain circumstances as permitted by law; provided, however, that: (a) the Committee may delegate to one (1) or more Members the authority to grant such pre-approvals if the pre-approval decisions of any such delegate Member(s) are presented to the Committee at its next-scheduled meeting; and (b) all approvals of non-audit services to be performed by the independent auditor must be disclosed in the Company's applicable periodic reports.
- Review the experience, qualifications and overall performance of the Company's independent audit team annually, and ensure that all partner rotation requirements, as promulgated by applicable rules and regulations, have been met.
- On an annual basis, review, evaluate and determine the independent auditors' continued independence.
- On an annual basis, obtain and review a report from the independent auditors describing:
 - The independent auditors' internal quality control procedures and review;
 - Any material issues raised by the most recent internal quality control review, or peer review, or by any inquiry or investigation by governmental or professional authorities, of the independent auditors;
 - Any steps taken to deal with any such issues; and
 - All relationships between the independent auditors and the Company.

- Review all reports required to be submitted by the independent auditors to the Committee under Section 10A of the Securities Exchange Act of 1934.
- Review and approve the scope and plan of the work to be done by the independent auditors for each fiscal year.

Internal Controls:

- Discuss with internal audit, the independent auditors and management personnel, the adequacy and effectiveness of the disclosure controls and internal controls of the Company. Particular emphasis should be given to the adequacy of internal controls to prevent or detect any payments, transactions or procedures that might be deemed illegal or otherwise improper.

Internal Audit Function:

- Review and concur with management’s appointment, termination, or replacement of the Head of Internal Audit or equivalent function.
- Review the internal audit function of the Company including its independence from management, reporting obligations to the Committee, and the coordination of its plans with the independent auditors. Review and approve the proposed annual internal audit plan.
- Receive from time-to-time a summary of findings from completed internal audits, and a progress report on the proposed internal audit plan, with explanations for any deviations from the original plan.
- Meet separately with the Head of Internal Audit, without management being present, at such times as any member of the Audit Committee deems appropriate.

Compliance with Legal and Regulatory Requirements:

- Review and discuss with management, the internal auditors, if applicable, and the independent auditor (i) the overall adequacy and effectiveness of the Company’s legal, regulatory and ethical compliance programs, including the Company’s Code of Conduct, compliance with antibribery and anti-corruption laws and regulations, and compliance with export control regulations and (ii) reports regarding compliance with applicable laws, regulations and internal compliance programs.
- Discuss with management and independent audit any correspondence with regulators or governmental agencies that raise material issues regarding the Company’s financial statements or accounting policies.
- Discuss with a senior member of the Company’s Legal Department any legal matters that may have a material impact on the financial statements or the Company’s compliance procedures.

In addition, the Committee shall:

- Establish procedures for and ensure the Company adopts policies that support:
 - The receipt, retention and appropriate treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Review Related Party Transactions:

The Committee shall (i) review and oversee all transactions between the Company and a related person (as defined in Item 404 of Regulation S-K) for which review or oversight is required by applicable law or that are required to be disclosed in the Company's financial statements or SEC filings and (ii) develop and maintain policies and procedures for the Committee's review, approval and/or ratification of such transactions.

- Review and reassess the adequacy of this Charter annually and recommend to the Board any changes the Committee deems appropriate.
- Review and evaluate the Committee's performance at least annually against the requirements of this Charter.
- Perform any other activities consistent with this Charter, the Company's by-laws and governing law as the Committee or the Board deems necessary or appropriate.

Risk Management

- Review and discuss with management the Company's enterprise risk management processes, policies and guidelines for identifying, assessing and managing key financial, operational, and compliance risks.
- Review and discuss with management periodically the list of significant financial, operational, and compliance risks identified through the Company's enterprise risk management program and the summary of steps and mitigating activities used by the Company to manage and monitor such risks.
- Review and discuss with management the Company's assessment and management of risks related to cybersecurity and information technology, including artificial intelligence and information disruption.

V. Subcommittees

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees or to one or more directors such power and authority as the Committee deems appropriate. If designated, any subcommittee or persons to whom authority has been delegated will establish its own schedule and maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee will not delegate to a subcommittee or other persons any power or authority required by law, regulation or listing standard to be exercised by the Committee as a whole.

VI. Reporting

The Committee shall report its discussions to the Board by distributing the minutes of its meetings and where appropriate, by oral report at the subsequent Board meeting.