

CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

I. Purpose

This Charter specifies the scope of responsibilities of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Lumentum Holdings Inc. (the “Company”) and the manner in which those responsibilities shall be performed, including its structure, processes and membership requirements.

The primary purposes of the Committee are to (a) discharge the Board’s responsibilities relating to compensation and benefits of the Company’s executive officers and directors, (b) to provide general oversight of the Company’s compensation, equity and employee benefit plans and programs, (c) to ensure that the Company adopts and maintains responsible and competitive compensation programs for its employees, officers and directors consistent with the acquisition and retention of talent and the strategy and imperatives of the Company and the long-term interests of the stockholders, and (d) to produce an annual report on executive compensation for inclusion in the Company’s proxy statement in accordance with applicable rules and regulations.

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 not fewer than three (3) Members and not more than five (5) 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. Each Member (i) must be “independent” as defined by the requirements of The Nasdaq Stock Market, Inc. (“Nasdaq”) and applicable law, (ii) must not have received, directly or indirectly, any consulting, advisory or other compensatory fees from the Company or any subsidiary (except for fees received for service on the Board or a committee and fixed amounts received under a retirement plan for prior service with the Company) and (iii) must not have any other affiliation which the Board reasonably determines would impair the Member’s judgment as a member of the Committee. Additionally, each member shall be a “non-employee director” as defined in the Securities and Exchange Act of 1934 (the “Act”), and an “outside director” for purposes of the Internal Revenue Code (the “Code”) and other applicable law.

If a current Member of the Committee ceases to be independent under the requirements of clauses (i) or (ii) above for reasons outside the Member’s reasonable control, or if the Committee does not comply with the requirements set forth in this “Membership and Organization” section of the Charter due to one vacancy on the Committee, the Company will rectify such non-compliance by the sooner of its next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with the requirements. When relying on the exception set forth in this sentence the Committee shall cause the Company to provide notice to Nasdaq immediately upon learning of the event or circumstance that caused the non-compliance. Notwithstanding the foregoing, if the Company’s annual shareholder meeting occurs no later than 180 days following the event that caused the failure to comply with the independence requirements described above, the cure periods described in this paragraph shall be 180 days.

The Committee shall have the authority, at its sole discretion, 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. The Committee shall be directly responsible for the appointment, compensation and oversight of the work performed by such consultants and advisors.

Prior to retaining an advisor or consultant, the Committee shall consider the advisor's or consultant's independence, taking into consideration the factors listed below along with any other factors the Committee deems relevant. In determining the independence of an advisor or consultant, the Committee shall consider:

1. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
2. the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
3. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
4. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a Member of the Committee;
5. any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
6. any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The Committee shall not be required to consider the above-listed factors when receiving advice from in-house legal counsel or with respect to any advisor or consultant who is consulting on a broad-based plan that does not discriminate in scope, terms, or operation, in favor of the Company's executive officers or directors, and that is available generally to all salaried employees and/or is providing information that is not customized to the Company or that is customized based on parameters not developed by the advisor or consultant and about which the advisor or consultant does not provide advice.

The Committee may form and delegate to a subcommittee when deemed appropriate or necessary.

III. Meetings

The Committee shall meet as often as it deems appropriate, but not less frequently than four times each fiscal year, with further actions to be taken by unanimous written consent when deemed necessary or desirable by the Committee or its chairperson. A majority of the members shall represent a quorum of the Committee, and any action approved by at least a majority of the members present shall represent the valid action of the Committee.

As necessary or desirable, the Committee may invite any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to be present at meetings of the Committee, consistent with the maintenance of confidentiality of compensation discussions. The Chief Executive Officer ("CEO") should not attend that portion of any meeting where the CEO's compensation is deliberated or approved for recommendation to the Board.

The Committee shall maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Company.

IV. Authority and Responsibilities

The Committee shall:

1. Oversee and provide guidance with respect to, and review and approve as appropriate, the Company's overall compensation policies, structure and programs (including with respect to wages, salaries, bonuses, equity plans, employee benefit plans and other benefits) for its employees and officers.
2. Annually review and approve the compensation policies applicable to the Company's executive officers (including named executive officers, as such term is defined in Item 402(a)(3) or Item 402(m)(2), as applicable, of Regulation S-K under the Securities Act of 1933, as amended, and the instructions thereto), including the relationship of the Company's achievement of its goals and objectives to executive compensation.
3. Annually review and recommend to the Board for approval corporate goals and objectives relevant to the compensation of the CEO, and at least annually evaluate the performance of the CEO in light of these goals and objectives.
4. Recommend to the Board all compensation of the CEO, including salary, incentive-based and equity-based compensation, benefits and perquisites.
5. Review and approve of the compensation, including salaries, incentive-based and equity-based compensation, benefits and perquisites of all other executive officers of the Company.
6. Review annual performance goals and objectives for the other executive officers as established by the CEO. The CEO shall report to the Committee, on at least an annual basis, the performance of the other executive officers of the Company in relation to such goals and objectives.
7. Ensure the CEO is not present during the voting or deliberations regarding the CEO's compensation.
8. Periodically review and advise the Board concerning regional and industry-wide compensation practices and trends in order to assess the adequacy and competitiveness of the Company's executive and other compensation programs relative to comparable companies in the Company's industries.
9. Review matters related to succession planning and executive development for executive officers.
10. Oversee and recommend from time to time for adoption by the Board share option plans, stock purchase plans, share appreciation rights plans, other equity-based incentive plans, pension and profit sharing plans, bonus plans, deferred compensation plans and other similar programs.
11. Oversee the implementation and administration of the Company's equity incentive, stock option and stock purchase plans, as in effect and as adopted from time to time by the Board; provided that the full Board shall retain the authority to interpret such plans.

12. Authorize and approve the granting of stock options and other equity incentive awards to eligible individuals in the Company's service (other than the CEO) under the Company's equity incentive plans, consistent with the terms and conditions of such plans; provided that (a) the full Board shall also have the authority to authorize and approve such actions, and (b) the full Board shall have the sole authority to approve equity incentive awards to the directors and the CEO. The Committee may delegate to one or more corporate officers designated by the Committee the authority to make awards to eligible individuals (other than such corporate officer(s) and the CEO) who are not executive officers, provided that the Committee shall have fixed the price or a formula for determining the price and vesting schedule for such awards, approved the material terms of such awards, and determined the appropriate number of shares and/or units or the basis for determining such number of shares and/or units by position, compensation level or category of personnel. Any such corporate officer(s) to whom such authority is delegated shall regularly report to the Committee the awards so made. Any such delegation may be revoked at any time by the Committee.
13. Review and approve all employment, severance, or change-in-control agreements, special supplemental benefits, or provisions of same, applicable to executive officers (other than the CEO).
14. Periodically review the compensation of the Board members, and when appropriate, recommend modifications thereto for approval by the Board.
15. Prepare a Committee report on executive officer compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations.
16. Once the Company is required to hold a stockholder advisory vote regarding the Company's executive compensation (the "Say on Pay Vote"), review the results of such vote and make appropriate recommendations to the Board.
17. Once the Company is required to hold a stockholder advisory vote on the frequency of the Say on Pay Vote (the "Frequency Vote"), review the results of such vote and make appropriate recommendations to the Board.
18. Once the Company is required to hold a Frequency Vote, review and recommend to the Board the Frequency Vote that the Board should recommend its stockholders approve at the Annual Meeting.
19. Appoint Company officers, except for the Chief Executive Officer, President, Chief Financial Officer, Secretary and Treasurer, each of whom shall be appointed by the full Board.
20. Perform such other functions and have such other powers as may be necessary or convenient to the efficient discharge of the foregoing.
21. Report to the Board regarding the foregoing from time to time, or whenever it shall be called upon to do so.

V. Performance Evaluation

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee shall also perform an annual evaluation

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of its own performance, which shall compare the performance of the Committee with the requirements of this charter.