

II-VI INCORPORATED COMPENSATION COMMITTEE CHARTER

Article 1. Organization

The Compensation Committee of the Board of Directors of II-VI Incorporated (the “Company”) shall be a permanent committee of the Board of Directors.

Article 2. Membership

The members of the Compensation Committee shall be appointed by the Board of Directors on recommendations from the Corporate Governance and Nominating Committee. The Board of Directors may remove any member of the Committee at any time.

The Compensation Committee shall consist of a minimum of three members of the Board of Directors. All of the members of the Compensation Committee shall be independent directors within the meaning of all applicable laws, regulations and listing standards (collectively, “Laws”).

Each member of the Compensation Committee shall be free of any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out their responsibilities as a member of the Committee. No member of the Compensation Committee may accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof, other than director’s fees (including any fees paid for service on any committee of the Board of Directors), except as may otherwise be permitted under the rules of the public company stock exchange, as then in effect, and applicable rules and regulations of the Securities and Exchange Commission. No former officer of the Company may serve as a member of the Compensation Committee.

One member of the Compensation Committee will serve as Chairperson of the Compensation Committee and shall be appointed by the Board of Directors upon the recommendation of the Corporate Governance and Nominating Committee. The Chairperson of the Compensation Committee shall be responsible for leadership of the Compensation Committee, including, but not limited to, scheduling meetings, preparation of meeting agendas, presiding over the meetings, making committee assignments and reporting to the Board of Directors. For topics occurring outside of normally scheduled meetings, the Chairperson of the Compensation Committee may represent the entire Committee with an update provided to the Committee at the next normally scheduled meeting.

Article 3. Roles and Duties

It shall be the role of the Compensation Committee to assist the Board of Directors in discharging its oversight responsibilities for the compensation of the Company’s officers, directors and key employees in accordance with the Company’s stated compensation strategy and philosophy, corporate goals and objectives, competitive practices and regulatory requirements. The Compensation Committee shall review, provide advice on and, where appropriate, approve compensation objectives, plans and levels.

The Compensation Committee shall recommend to the Board for its approval all aspects of Total Compensation (defined as compensation, equity, benefits and perquisites) for the Chief Executive Officer (CEO) of the Company, including, but not limited to:

1. A review of corporate and individual goals and objectives relevant to the CEO Total Compensation, an evaluation of the CEO’s performance relative to those goals and objectives, and a determination of the CEO’s Total Compensation level based on this evaluation.
2. In determining the CEO Total Compensation, the Compensation Committee will consider the Company’s performance, total shareholder return, and the total value of the CEO compensation elements (cash and equity, short and long term) in comparison to an established peer group.

3. The CEO may not be present during voting or deliberations on any aspect of the CEO's Total Compensation.

The Compensation Committee shall recommend to the Board for its approval all aspects of the Total Compensation of the senior executives of the Company, which will include, at a minimum, the Section 16 officers, taking into account any recommendations provided by the CEO with respect to such officers' Total Compensation.

The Compensation Committee shall recommend to the Board for its approval, with the engagement of the compensation consultant, the compensation package for the non employee Board members.

The Compensation Committee shall make recommendations to the Board with respect to incentive compensation and also with respect to equity-based incentive plans that require shareholder approval. The Compensation Committee will review the drafting of all future Omnibus Plans and will administer the Company's shareholder approved Omnibus Plan. The Compensation Committee shall review to the extent necessary the discretionary provisions contained in the Company's Omnibus Plan that relate to non employee director retirement. The plan governance role of the Compensation Committee shall include the authority to adopt, administer, approve, and ratify awards, including amendments to the awards made under any such plans, and the review and monitoring of awards under such plans. These duties shall include administering and interpreting the II-VI Incorporated Omnibus Incentive Plan and any subsequent plans, selecting from eligible employees those persons to whom equity based compensation will be granted and determining the type of award, the number of awards to be granted, and any restriction on exercise for some or all of the awards.

The Compensation Committee's duties shall also include administering and interpreting the Company's Amended and Restated Employee Stock Purchase Plan (the "Purchase Plan"); proscribing, amending and rescinding rules and regulations relating to the Purchase Plan; suspending the operation of the Purchase Plan; and making all other determinations necessary to the administration of the Purchase Plan, including the appointment of individuals to facilitate the day-to-day operation thereof.

The Compensation Committee shall have full access to the Company's books, records, facilities and personnel and to the Board of Directors as necessary to carry out its responsibilities. The Committee also may select, retain and obtain, at its sole discretion, the advice of any compensation consultant, independent legal counsel and/or other compensation advisers (collectively, "Advisers") to assist the Compensation Committee in its responsibilities hereunder. The Compensation Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such Advisers retained by the Compensation Committee. The Company shall provide for appropriate funding for payment of reasonable compensation to any Advisers retained by the Compensation Committee. The Compensation Committee may select, or receive advice from, an Adviser only after taking into consideration all factors relevant to that person's independence from management, including the following:

1. The provision of other services to the Company by the person that employs the Adviser;
2. The amount of fees received from the Company by the person that employs the Adviser, as a percentage of the total revenue of the person that employs the Adviser;
3. The policies and procedures of the person that employs the Adviser that are designed to prevent conflicts of interest;
4. Any business or personal relationship of the Adviser with a member of the Compensation Committee;
5. Any stock of the Company owned by the Adviser;
6. Any business or personal relationship of the Adviser or the person employing the Adviser with an executive officer of the Company; and
7. Any other factors relating to independence, as required, from time to time, by the public company stock exchange, the SEC and any other applicable regulatory authority.

The Compensation Committee shall have no obligation to implement or act consistently with the advice or recommendations of any Adviser retained by the Compensation Committee. The Compensation Committee shall exercise its own best judgment in fulfilling its duties described herein.

The Compensation Committee shall review and approve the Company's Compensation Discussion and Analysis on senior executive compensation for inclusion in the Company's proxy statement in accordance with all applicable rules and regulations.

The Compensation Committee shall also perform such other duties and responsibilities as may be assigned to it, from time to time, by the Board of Directors of the Company and any other duties and responsibilities that are consistent with the Committee's purpose, the Company's Articles of Incorporation and By-Laws and applicable Laws, as the Committee deems necessary or appropriate.

Article 4. Meetings

The Compensation Committee is expected to meet in person or by teleconference as often as it determines, but not less frequently than twice each fiscal year. All meetings will be called by the Chairperson of the Compensation Committee, with the Compensation Committee having sole authority to invite members of the Company's management and others as determined necessary.

The Committee shall make regular reports to the Board. The Committee shall convene in executive session from time to time as deemed necessary or appropriate by the Committee. The Committee shall prepare an agenda and minutes of all of its meetings.

Article 5. Voting

Each member of the Compensation Committee shall have an equal vote on all matters requiring voting. A simple majority in attendance will decide the vote. In the case of a tie vote, the Chairperson of the Compensation Committee shall be empowered to decide the outcome of the vote.

Article 6. Charter Review

This charter shall be reviewed and assessed for adequacy and updated, if necessary, at least annually based on applicable Laws and approved by the Board of Directors at the first meeting of the Board of Directors each calendar year. The charter shall be published in accordance with applicable Laws.

February 10, 2017