



II-VI INCORPORATED

COMPENSATION COMMITTEE CHARTER

Article 1. Organization

The Compensation Committee (the “Compensation Committee” or the “Committee”) is a committee of the Board of Directors of II-VI Incorporated (the “Company”).

Article 2. Membership

The members of the Compensation Committee are appointed by the Board of Directors on recommendation from the Corporate Governance and Nominating Committee. Compensation Committee members serve until their successors are duly elected and qualified, or their earlier resignation or removal. The Board of Directors may remove any member of the Committee at any time.

The Compensation Committee consists of a minimum of three members of the Board of Directors, each of whom must be “independent” in accordance with the requirements of The NASDAQ Stock Market LLC (“NASDAQ”), applicable laws, rules and regulations (collectively, “Laws”). All Committee members must qualify as “Non-employee Directors” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Committee members must qualify as “outside directors” for the purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. Committee members are prohibited from interlocking or insider participation with any member of the board of directors or compensation committee of another company.

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 his or her 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 fees paid for service on any committee of the Board of Directors), except as may be permitted by applicable Laws. No former officer of the Company may serve as a member of the Compensation Committee.

One member of the Compensation Committee serves as Chairperson of the Committee, and is appointed by the Board of Directors upon the recommendation of the Corporate Governance and Nominating Committee. The Chairperson of the Compensation Committee is responsible for



leadership of the 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 that require immediate action, the Chairperson of the Committee may act on behalf of the entire Committee, with an update provided to the Committee at the next normally scheduled meeting.

Article 3. Roles and Duties

The purpose of the Compensation Committee is 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 reviews, provides advice on and, where indicated in this Charter, approves compensation objectives, plans and levels.

The Compensation Committee sets and annually reviews the composition of the peer group used for determining senior management market compensation, and approves the establishment of competitive targets versus the peer group.

The Compensation Committee recommends to the Board of Directors, for its approval, all aspects of "Total Compensation" (defined as compensation, equity, benefits and perquisites) for the Chief Executive Officer (the "CEO") of the Company based on, but not limited to a review of corporate and individual goals and objectives relevant to the CEO's Total Compensation and an evaluation of the CEO's performance relative to those goals and objectives. In determining the CEO's Total Compensation, the Compensation Committee considers 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. The CEO may not be present during voting or deliberations on any aspect of the CEO's Total Compensation.

The Compensation Committee recommends to the Board for its approval all aspects of the Total Compensation of the other senior executives of the Company, which include the Company's officers subject to Section 16(a) of the Exchange Act, taking into account any recommendations provided by the CEO with respect to such officers' Total Compensation.

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

The Compensation Committee makes recommendations to the Board of Directors with respect to incentive compensation and with respect to all equity-based compensation plans ("Equity

Plans”), whether or not requiring shareholder approval. The Compensation Committee reviews the drafting of Equity Plans that are proposed from the effective date of this Charter, and administers the Company’s Equity Plans. The Compensation Committee reviews, to the extent necessary, the discretionary provisions contained in the Company’s Equity Plans that relate to non-employee director retirement. The Compensation Committee has the authority to (i) adopt, administer, approve, and ratify awards, including amendments to the awards made under Equity Plans, (ii) review and monitor awards under Equity Plans, (iii) administer and interpret Equity Plans, and (iv) 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 also include administering and interpreting the Company’s Amended and Restated Employee Stock Purchase Plan (the “Purchase Plan”) and any subsequent plans; prescribing, amending and rescinding rules and regulations relating to the Purchase Plan and any subsequent plans; suspending the operation of the Purchase Plan and any subsequent plans; and making all other determinations necessary to the administration of the Purchase Plan and any subsequent plans, including the appointment of individuals to facilitate their day-to-day operation.

The Compensation Committee assesses the appropriateness and competitiveness of the Company’s executive compensation programs, and reviews the Company’s compensation policies and practices for employees, including executive and non-executive officers, as they relate to the Company’s risk management practices.

The Compensation Committee reviews and approves any employment or post-employment agreement applicable to any of the Company’s executive officers.

The Compensation Committee oversees, and at least annually reviews, compliance with the Company’s stock ownership program for directors and executive officers.

The Compensation Committee establishes, reviews, and approves changes to the Company’s policy on recoupment of incentive compensation in the event of a financial restatement.

The Compensation Committee has 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 individual or entity that provides compensation consulting, independent legal counsel, or other compensation advice (collectively, “Advisors”) to assist the Compensation Committee in its responsibilities. The Compensation Committee is directly responsible for the appointment,



compensation and oversight of the work of any Advisors. The Company provides for appropriate funding for payment of reasonable compensation to Advisors. The Compensation Committee may select, or receive advice from, an Advisor only after taking into consideration all factors relevant to that person's or entity's independence from the Company and management, including the following:

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

The Compensation Committee has no obligation to implement or act consistently with the advice or recommendations of any Advisor retained by the Compensation Committee. The Compensation Committee exercises its own best judgment in fulfilling its duties.

The Compensation Committee reviews and approves the Company's Compensation Discussion and Analysis on senior executive compensation and an annual Compensation Committee Report for inclusion in the Company's proxy statement and Annual Report on Form 10-K in accordance with all applicable Laws.

The Compensation Committee considers the results of shareholder advisory votes on executive compensation (say-on-pay) and the frequency of such votes, and recommends to the Board of Directors any action that the Company should take in response to the results of those votes.

The Compensation Committee also performs 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 are 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 makes regular reports to the Board of Directors. The Committee convenes in executive session from time to time as deemed necessary or appropriate by the Committee. The Committee prepares an agenda and minutes of all of its meetings.

Article 5. Voting

Each member of the Compensation Committee has an equal vote on all matters requiring a vote. A simple majority in attendance decides the vote. In the case of a tie, the Chairperson of the Committee is empowered to decide the outcome of the vote.

Article 6. Charter Review

This Charter is reviewed by the Compensation Committee and assessed for adequacy at least annually, and the Committee submits any recommended changes to the Board of Directors for consideration and approval at the first meeting of the Board of Directors of each calendar year. The Charter must at all times comply with applicable Laws.

February 22, 2019