



II-VI Incorporated
375 Saxonburg Boulevard
Saxonburg, PA 16056

Notice of Annual Meeting of Shareholders to be held on November 18, 2021

October 7, 2021

Dear Shareholder:

I invite you to attend the 2021 Annual Meeting of Shareholders of II-VI Incorporated on Thursday, November 18, 2021, at 3:00 p.m. Eastern U.S. time. Our Annual Meeting will be held by webcast, to provide a consistent experience to all shareholders regardless of location, and to reduce the environmental and public health impact of our meeting.

We expect the formal business of the Annual Meeting to consist of the election of directors, a non-binding advisory vote on executive compensation, ratification of the Audit Committee's selection of our independent registered public accounting firm, and any other business that validly arises at the Annual Meeting.

To ensure that your shares are represented and voted, please vote your shares as soon as possible, even if you plan to attend the Annual Meeting.

On behalf of the Board of Directors and management, thank you for your investment and interest in II-VI Incorporated.

Sincerely,

VINCENT D. MATTERA, JR., PHD
Chief Executive Officer

Notice of Annual Meeting of Shareholders

DATE: Thursday, November 18, 2021
TIME: 3:00 p.m. Eastern U.S. time
PLACE: Via webcast at www.virtualshareholdermeeting.com/IIVI2021

VOTING

Shareholders are asked to vote on the following items at the Annual Meeting:

1. Election of four Class One directors, each for a three-year term to expire in 2024.
2. A non-binding advisory vote to approve compensation paid to our named executive officers in fiscal year 2021, as disclosed in this proxy statement.
3. Ratification of the Audit Committee's selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2022.
4. Any other matters that properly come before the Annual Meeting.

RECORD DATE

Shareholders of record at the close of business on September 15, 2021, are entitled to notice of, and to vote at, the Annual Meeting, and any adjournment or postponement of the Annual Meeting.

AVAILABILITY OF MATERIALS

Shareholders of record will automatically receive a printed set of proxy materials, including a proxy card. For shareholders who hold shares through a broker, bank or other nominee (commonly referred to as held in "street name"), we furnish proxy materials via the internet. If you received a **Notice of Internet Availability of Proxy Materials** (the "Notice") by mail from your broker, bank or other nominee, you will not receive a printed copy of the proxy materials unless you request one. The Notice instructs you how to access and review all of the important information contained in the proxy materials over the Internet. The Notice also provides instructions for submitting your proxy over the Internet. If you received a Notice and would like to receive a printed copy of our proxy materials, please follow the instructions for requesting materials included in the Notice.

This proxy statement and Proxy Card will first be made available to shareholders on or about October 7, 2021.

By Order of the Board

JO ANNE SCHWENDINGER, *Secretary*
October 7, 2021

YOUR VOTE IS IMPORTANT. WE URGE YOU TO CAST YOUR VOTE AS INSTRUCTED IN THE NOTICE OR PROXY CARD AS PROMPTLY AS POSSIBLE. IF YOU DID NOT RECEIVE A PAPER PROXY CARD, YOU MAY REQUEST ONE BY CONTACTING THE COMPANY'S SECRETARY AT II-VI INCORPORATED, 375 SAXONBURG BOULEVARD, SAXONBURG, PA 16056.

TABLE OF CONTENTS

| PAGE | ITEM |
|-----------|--|
| Preceding | Notice of Annual Meeting of Shareholders |
| 1 | Introduction |
| 4 | Matters of Business, Votes Needed and Recommendations of the Board of Directors |
| 5 | PROPOSAL ONE — ELECTION OF DIRECTORS |
| 6 | Class One Directors Standing for Election |
| 7 | Continuing Directors |
| 10 | Meetings and Standing Committees of the Board of Directors |
| 11 | Director Independence and Corporate Governance Policies |
| 15 | Director Compensation in Fiscal Year 2021 |
| 16 | Director Compensation Structure for Fiscal Year 2021 |
| 18 | Security Ownership of Certain Beneficial Owners and Management |
| 20 | Executive Officers |
| 21 | Compensation Discussion and Analysis |
| 22 | Executive Summary |
| 23 | Compensation Philosophy and Objectives |
| 23 | Executive Compensation Process |
| 25 | Elements of Executive Compensation |
| 25 | Fiscal Year 2021 Executive Compensation |
| 29 | Additional Information |
| 33 | Compensation Committee Report |
| 34 | Summary Compensation Table |
| 36 | Grants of Plan-Based Awards Fiscal Year 2021 |
| 37 | Outstanding Equity Awards at Fiscal Year End |
| 38 | Options Exercised and Stock Vested in Fiscal Year 2021 |
| 39 | Nonqualified Deferred Compensation Fiscal Year 2021 |
| 40 | Equity Compensation Plan Information |
| 40 | Potential Payments upon Change in Control and Employment Termination |
| 45 | CEO Pay Ratio |
| 46 | PROPOSAL TWO — Non-Binding Advisory Vote to Approve the Company’s 2021 Named Executive Officer Compensation, as Disclosed in This Proxy Statement |
| 47 | Report of the Audit Committee |
| 48 | PROPOSAL THREE — Ratification of the Audit Committee’s Selection of Independent Registered Public Accounting Firm |
| 48 | Other Information |



Proxy Statement for the Annual Meeting of Shareholders

TO BE HELD ON NOVEMBER 18, 2021

GENERAL

The enclosed proxy is solicited on behalf of the Board of Directors (the “Board”) of II-VI Incorporated, a Pennsylvania corporation (the “Company” or “II-VI”), for use at the annual meeting of Shareholders (“the Annual Meeting”) to be held on November 18, 2021, at 3:00 p.m. Eastern U.S. time, or any rescheduled date. These proxy materials were first made available on or about October 8, 2021, to shareholders of record on September 15, 2021 (the “Record Date”).

The Annual Meeting will occur as a virtual meeting conducted exclusively via a live audio webcast at www.virtualshareholdermeeting.com/IIVI2021. You will need your control number, included on your proxy card or Notice, to access the webcast. Please see the Company’s website at www.ii-vi.com/investor-relations for further information about the Annual Meeting.

WHAT IS THE PURPOSE OF THE ANNUAL MEETING?

Shareholders will act on the matters outlined on the cover page of this proxy statement. We are not aware of any other matters to be presented at the Annual Meeting. If any other matter is properly presented at the Annual Meeting, your proxy holder will vote your shares in his or her discretion.

WHO MAY VOTE AT THE ANNUAL MEETING?

You are entitled to vote at the Annual Meeting if our records show that you held shares of Company common stock, no par value (“Common Stock”), as of the close of business on the Record Date. As of the Record Date, 106,237,103 shares of Common Stock were issued and outstanding. In addition, 75,000 shares of the Company’s Series B-1 convertible preferred stock, no par value (“Series B-1 Preferred Stock”), which are entitled to vote as one class with the Common Stock on an as-converted basis, were issued and outstanding as of the Record Date.

Unless the context provides otherwise, references in this proxy statement to “shareholders” means, collectively, holders of Common Stock and holders of Series B-1 Preferred Stock.

WHAT ARE THE VOTING RIGHTS OF HOLDERS OF II-VI COMMON STOCK AND SERIES B-1 PREFERRED STOCK?

Each share of Common Stock is entitled to one vote on all matters submitted to a vote of the shareholders, including the election of directors. Each share of Series B-1 Preferred Stock is entitled to 119 votes, which represents the number of whole shares of Common Stock (rounded to the nearest whole share) into which each share of Series B-1 Preferred Stock was convertible on the Record Date. Shareholders do not have cumulative voting rights.

WHO MAY PARTICIPATE IN THE ANNUAL MEETING?

You are entitled to participate in the Annual Meeting if you were a shareholder as of the close of business on September 15, 2021, or hold a valid proxy for the Annual Meeting. To participate in the virtual Annual Meeting, including to vote, ask questions, and view the list of registered shareholders as of the Record Date, you must access the meeting website at www.virtualshareholdermeeting.com/IIVI2021. To vote or submit a question, you will need the control number included on your proxy card or Notice, and to follow the instructions posted at www.virtualshareholdermeeting.com/IIVI2021. If you encounter any difficulties accessing the Annual Meeting website during the check-in or meeting time, please call the technical support number that will be posted on the Annual Meeting website log-in page.

We will endeavor to answer as many shareholder-submitted questions as time permits that comply with the meeting rules of conduct. We reserve the right to group questions on the same topic, to edit inappropriate language and to exclude questions regarding topics that are not pertinent to meeting matters or Company business.

WHAT CONSTITUTES A QUORUM?

Our bylaws provide that the presence, in person (virtually) or by proxy, of shareholders entitled to cast at least a majority of votes that all shareholders are entitled to cast on the Record Date will constitute a quorum at the Annual Meeting. The virtual presence via the webcast or by proxy of shareholders entitled to cast at least 57,581,053 votes will be required to establish a quorum. Proxies received but marked as abstentions and broker non-votes (explained below) will be included as shares present when determining whether there is a quorum. If there is no quorum, the presiding officer of the Annual Meeting, or the shareholders present and entitled to cast a majority of the votes present at the Annual Meeting, may adjourn the Annual Meeting to another date.

HOW DO I VOTE?

Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. If entitled to vote, you may vote:

- ✓ **Through your broker:** If your shares are held through a broker, bank or other nominee (commonly referred to as held in “street name”), you will receive instructions from them that you must follow to have your shares voted. If you do not provide voting instructions to your broker, bank or other nominee, your shares will not be voted on any matter that your broker, bank or other nominee does not have discretionary authority to vote on.
- ✓ **Returning a Proxy Card:** If you receive a proxy card, sign and date it, then return it promptly in the envelope provided. If your signed proxy card is received before the Annual Meeting, the designated proxies will vote your shares as you direct. If you return a signed proxy card that does not direct how to vote on a proposal, the designated proxies will vote in their discretion on that proposal.
- ✓ **Using the Telephone:** Dial toll-free at 1-800-690-6903 (toll free within the U.S. and Canada), or +1-720-378-5962 for calls made from outside the U.S. or Canada, and follow the recorded instructions. You will be asked to provide the control number from your proxy card or Notice.
- ✓ **Via the Internet:** Go to www.proxyvote.com and follow the instructions provided. You will be asked for the control number located on the proxy card or Notice.
- ✓ **Virtually During the Annual Meeting:** Please follow the instructions posted at www.virtualshareholdermeeting.com/IIVI2021. All votes must be received before the polls close during the Annual Meeting.

HOW DO I REQUEST PAPER COPIES OF THE PROXY MATERIALS?

Please refer to the Notice for the ways you may request a paper copy of the proxy statement and proxy card.

CAN I CHANGE OR REVOKE MY VOTE AFTER I VOTE ONLINE OR RETURN MY PROXY CARD?

Yes. Even after you have submitted your proxy, you may change or revoke your vote at any time before the proxy is exercised. You may (i) deliver a notice of revocation or deliver a later-dated proxy to the Company’s Secretary at II-VI Incorporated, 375 Saxonburg Boulevard, Saxonburg, Pennsylvania 16056; (ii) submit another vote via the Internet or by telephone; or (iii) vote during the Annual Meeting. Your participation in the Annual Meeting will not automatically revoke a previously submitted proxy. A shareholder’s last vote is the vote that will be counted.

WHAT ARE THE RECOMMENDATIONS OF THE BOARD?

Unless you give other instructions when you vote, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board. These recommendations are set forth in the description of each proposal in this proxy statement. In summary, the Board recommends a vote:

- **FOR** election of the nominated slate of Class One Directors for terms expiring in 2024 (see Proposal 1);
- **FOR** approval, on a non-binding advisory basis, of the compensation of our named executive officers as disclosed in this proxy statement (see Proposal 2);
- **FOR** ratification of the Audit Committee’s selection of Ernst & Young LLP (“EY”) as our independent registered public accounting firm for the fiscal year ending June 30, 2022 (see Proposal 3).

With respect to any other matter that properly comes before the Annual Meeting, the proxy holders will vote as recommended by the Board or, if no recommendation is given, in their own discretion.

WHAT IS THE EFFECT OF ABSTENTIONS AND BROKER NON-VOTES?


For each of the matters to be voted on at the Annual Meeting, abstentions and broker non-votes will be counted for purposes of establishing a quorum, but will not be counted in determining the number of votes necessary for approval. A “broker non-vote” occurs when a nominee holding shares for a beneficial owner does not vote on a particular matter because it did not receive instructions from the beneficial owner. A nominee may have discretionary authority to vote on Proposal 3 but will not be permitted to vote a beneficial owner’s shares on Proposals 1 or 2 absent having instructions from the beneficial owner. Abstentions and broker non-votes will not be taken into account in determining the outcome of the election of directors, since they are not considered to be “votes cast”. Abstentions have the effect of a vote “AGAINST” with respect to Proposals 2 and 3 while broker non-votes have no effect.

**MATTERS OF BUSINESS, VOTES NEEDED AND
RECOMMENDATIONS OF THE BOARD OF DIRECTORS**

| | For More Information | Board Recommended |
|---|---------------------------------|------------------------------|
| <p><i>Proposal 1 – Election of Directors</i> Each outstanding share of our Common Stock and our Series B-1 Preferred Stock is entitled to vote for as many separate nominees as there are directors to be elected. There are four directors nominated for election to Class One of our Board at the Annual Meeting: Howard H. Xia, Vincent D. Mattera, Jr., Michael L. Dreyer, and Stephen Pagliuca. A nominee will be elected to the Board if the number of votes cast for the nominee exceeds the number of votes cast against the nominee's election, subject to the Company's policy described under "Proposal 1 — Election of Directors — Director Conditional Resignation Policy." Abstentions and broker non-votes have no effect on this matter. The Board recommends that you vote FOR the election of each of the Board's nominees for director.</p> | Page 5 | ✓For Each Nominee |
| <p><i>Proposal 2 — Non-binding advisory vote to approve compensation paid to named executive officers in fiscal year 2021, as disclosed in this proxy statement</i> The affirmative vote of at least a majority of the votes that all shareholders present at the Annual Meeting, in person or by proxy, are entitled to cast is required to approve on a non-binding advisory basis the compensation of our named executive officers for fiscal year 2021, as disclosed in this proxy statement. Abstentions have the effect of an "AGAINST" vote, and broker non-votes have no effect. Because this is an advisory vote, it will not be binding on the Company or the Board. However, the Compensation Committee will consider the voting results, among other factors, when making future decisions on executive compensation. The Board recommends that you vote FOR the resolution approving the Company's fiscal year 2021 named executive officer compensation.</p> | Page 46 | ✓For |
| <p><i>Proposal 3 — Ratification of the Audit Committee's selection of EY as the Company's independent registered public accounting firm ("Independent Accountants") for the fiscal year ending June 30, 2022</i> The affirmative vote of at least a majority of the votes that all shareholders present at the Annual Meeting, in person or by proxy, are entitled to cast is required to ratify the appointment of EY as the Company's Independent Accountants for the fiscal year ending June 30, 2022. Abstentions have the effect of an "AGAINST" vote, and broker non-votes have no effect. The Audit Committee is responsible for appointing the Company's Independent Accountants. The Audit Committee is not bound by the outcome of this vote, but, if the appointment of EY is not ratified by shareholders, the Audit Committee will reconsider the appointment. The Board recommends that you vote FOR the ratification of the Audit Committee's selection of EY as the Company's Independent Accountants for the fiscal year ending June 30, 2022.</p> | Page 48 | ✓For |

PROPOSAL 1 — ELECTION OF DIRECTORS

The Board is divided into three classes, each as nearly equal as possible in number of directors. At present, the Board consists of 11 members, with four directors each in Classes One and Three and three directors in Class Two.

The Board of Directors
recommends a vote
FOR this proposal. 

The current term of our Class One Directors expires at the Annual Meeting. Accordingly, four directors have been nominated for election to Class One positions, for a term of three years or until such time as their respective successors are elected and qualified, or until death, resignation or removal. Any Board vacancy may be filled by a majority of the remaining directors then in office, and any director so elected will serve for the same term that the predecessor would have served, or until his or her death, resignation or removal.

The persons named as proxies for this Annual Meeting were selected by the Board and have advised the Board that, unless authority is withheld, they intend to vote the shares represented by validly submitted proxies as follows:

- FOR the election of Howard H. Xia, who has served as a director since 2011;
- FOR the election of Vincent D. Mattera, Jr., who has served as a director since 2012;
- FOR the election of Michael L. Dreyer, who has served as a director since 2019; and
- FOR the election of Stephen Pagliuca, who has served as a director since 2021.

Each of the nominees has consented to serve if elected. However, if any of them is unable or unwilling to serve as a director, the Board may designate a substitute nominee, in which case the persons named as proxies will vote for any substitute nominee proposed by the Board.

DIRECTOR CONDITIONAL RESIGNATION POLICY

Each incumbent director nominee has submitted an irrevocable conditional resignation, which is effective if the nominee receives a greater number of votes “AGAINST” than votes “FOR” that person’s election. If this occurs, the Environmental, Social Responsibility and Governance Committee (the “ESG Committee”) will recommend to the Board whether to accept or reject the resignation. The Board will act on the resignation, taking into account the Committee’s recommendation, and publicly disclose its decision and the underlying rationale, within 90 days after the date the election results are certified. The incumbent director will remain as a member of the Board during this process.

INFORMATION REGARDING THE COMPANY'S BOARD

The professional and personal experience, qualifications, attributes and skills of each director nominee and the Company's other current directors are described below, and reflect the qualities that the Company seeks in its Board members. In addition to the specific examples, the Board and the Company believe that the broad-based business knowledge, commitment to ethical and moral values, personal and professional integrity, sound business judgment, and commitment to corporate citizenship demonstrated by the nominees make them exceptional candidates for these positions.

| Name | Class | Expiration of Term | | Director Since | Position(s) With II-VI | Audit Committee | Compensation Committee | ESG Committee | Subsidiary Committee |
|--------------------------------|-------|--------------------|-----|----------------|-----------------------------------|-----------------|------------------------|---------------|----------------------|
| | | | Age | | | | | | |
| NON-EMPLOYEE DIRECTORS: | | | | | | | | | |
| Michael L. Dreyer | One | 2021 | 57 | 2019 | Director | | Member | Member | Member |
| Stephen Pagliuca | One | 2021 | 66 | 2021 | Director | | | | |
| Howard H. Xia | One | 2021 | 60 | 2011 | Director | Member | | Member | Chair |
| Enrico Digirolamo | Two | 2022 | 66 | 2018 | Director | Member | | Member | Member |
| Francis J. Kramer | Two | 2022 | 72 | 1989 | Board Chair | | | | Member |
| Shaker Sadasivam | Two | 2022 | 61 | 2016 | Director | Member | Chair | | |
| Joseph J. Corasanti | Three | 2023 | 57 | 2002 | Director | Chair | Member | | Member |
| Patricia Hatter | Three | 2023 | 59 | 2019 | Director | Member | | Member | |
| David L. Motley | Three | 2023 | 62 | 2021 | Director | | | | |
| Marc Y.E. Pelaez | Three | 2023 | 75 | 2002 | Lead Independent Director | | Member | Chair | Member |
| EMPLOYEE DIRECTOR: | | | | | | | | | |
| Vincent D. Mattera, Jr. | One | 2021 | 65 | 2012 | Chief Executive Officer, Director | | | | |

CLASS ONE DIRECTORS STANDING FOR ELECTION

Vincent D. Mattera, Jr. Dr. Mattera initially served as a member of the II-VI Board from 2000 until 2002. Dr. Mattera joined the Company as Vice President in 2004, and served as Executive Vice President from January 2010 to November 2013, when he became Chief Operating Officer. He was re-appointed to the Board in 2012. In November 2014, Dr. Mattera became the President and Chief Operating Officer. In September 2016, Dr. Mattera became the Company's third President and Chief Executive Officer in 45 years and served as the Company's President through June 2019, when the roles of President and Chief Executive Officer were separated. Dr. Mattera will become the Company's Board Chair immediately following the 2021 Annual Meeting. During his career at II-VI he has assumed successively broader management roles, including as a lead architect of the Company's growth and diversification strategies. The platforms that the Company has added under his leadership have contributed to positioning the Company into large and transformative global growth markets while increasing our global reach, deepening our technology and IP portfolio, broadening our product roadmap and customer base, and increasing the potential of the Company.

Prior to joining II-VI as an executive, Dr. Mattera had a continuous 20-year career in the Optoelectronic Device Division of AT&T Bell Laboratories, Lucent Technologies and Agere Systems, during which he led the development and manufacturing of semiconductor laser-based materials and devices for optical and data communications networks. Dr. Mattera has 37 years of leadership experience in the compound semiconductor materials and device technology, operations and markets that are core to II-VI's business and strategy. Dr. Mattera holds a B.S. degree in chemistry from the University of Rhode Island (1979), and a Ph.D. in chemistry from Brown University (1984). He completed the Stanford University Executive Program in 1996. His long tenure at II-VI offers invaluable historical knowledge about the Company. We believe that Dr. Mattera's expertise and experience qualify him to provide the Board with continuity, and a unique perspective about the Company.

Michael L. Dreyer. Mr. Dreyer served as the Chief Operations Officer of Silicon Valley Bank from September 2015 to April 2019. Before joining Silicon Valley Bank, Mr. Dreyer was President and Chief Operating Officer of Monitise Americas, LLC, a subsidiary of Monitise plc, a company providing mobile banking and payment services, from 2014 to September 2015. Mr. Dreyer was the global head of technology and Chief Information Officer at VISA Inc., from 2005 to 2014. Previously, Mr. Dreyer was Chief Information Officer of Inovant, LLC, a company providing electronic payment processing services. He has also held executive positions at VISA USA (Senior Vice President of Processing and Emerging Products, and Senior Vice President of Commercial Solutions). Additionally, Mr. Dreyer held senior positions at American Express Co, Prime Financial, Inc., Federal Deposit Insurance Corporation (FDIC), Downey Savings, Bank of America, and the Fairmont Hotel Management Company. Mr. Dreyer served as a member of the board of directors of Finisar Corporation (“Finisar”) from December 2015 through September 24, 2019 (the effective date of the Company’s acquisition of Finisar), and is currently a director of F5 Networks, Inc., a developer and provider of software-defined application services. Mr. Dreyer received an M.B.A. and a B.A. in psychology from Washington State University. Mr. Dreyer brings to the Board extensive executive and leadership experience, as well as expertise in various aspects of the financial and banking industries.

Stephen Pagliuca. Mr. Pagliuca is a Managing Director of Bain Capital Private Equity, LP, a global private equity firm, and Co-Chair of Bain Capital, LP. He is also a Managing General Partner and co-owner of the Boston Celtics basketball franchise. Mr. Pagliuca joined Bain & Company in 1982, and founded the Information Partners private equity fund for Bain Capital in 1989. Prior to joining Bain, Mr. Pagliuca worked as a senior accountant and international tax specialist for Peat Marwick Mitchell & Company in the Netherlands. Mr. Pagliuca is a former director of Burger King Holdings, Inc., HCA, Inc. (Hospital Corporation of America), Kioxia Holdings Corporation, Quintiles Transnational Corporation, Warner Chilcott PLC and the Weather Company. Mr. Pagliuca received a B.A. from Duke University in 1977, and an M.B.A. from the Harvard Business School in 1982. He currently serves on the boards of directors of Axis Bank, Ltd., Gartner, Inc., and Virgin Voyages.

Howard H. Xia. Dr. Xia currently serves as a consultant to the telecommunications industry. Dr. Xia served as General Manager of Vodafone China Limited, a wholly-owned subsidiary of Vodafone Group Plc, a telecommunications company, from 2001 to 2014. From 1994 to 2001, he served as a Director, Technology Strategy for Vodafone AirTouch Plc and AirTouch Communications, Inc. He served as a Senior Staff Engineer at Telesis Technology Laboratory from 1992 to 1994, and was a Senior Engineer at PacTel Cellular from 1990 to 1992. Dr. Xia holds a B.S. degree in Physics from South China Normal University, and an M.S. in Physics and Electrical Engineering, and a Ph.D. in Electrophysics, from Polytechnic School of Engineering of New York University. Dr. Xia’s extensive knowledge of, and experience in, the telecommunications industry, his knowledge of international business, including with China, and his strong leadership skills make him a valuable member of our Board. In particular, his experience and knowledge of telecommunications in Asia contribute to the Board’s breadth of knowledge in this area.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THE NOMINEES NAMED ABOVE FOR ELECTION AS A CLASS ONE DIRECTOR.

CONTINUING DIRECTORS

EXISTING CLASS TWO DIRECTORS WHOSE TERMS EXPIRE IN 2022

Enrico Digirolamo. Mr. Digirolamo is currently a senior advisor to technology companies and manufacturing firms. From 2013 to 2017, Mr. Digirolamo served as Chief Financial Officer and Senior Vice President of Covisint Corporation, a leading cloud computing company for the internet of Things and Identity platforms. Mr. Digirolamo was with Allstate Insurance from 2010 to 2013, where he served as Senior Vice President, Sales and Marketing and Finance. From 2008 to 2010, Mr. Digirolamo served as Vice President and Chief Financial Officer for General Motors in Europe. During a 31-year career with General Motors, Mr. Digirolamo held a variety of senior executive positions throughout the corporation, including 12 years outside the United States. Mr. Digirolamo served on the board of directors of Metromedia International Group from 2010 to

2017; Premier Trailer Leasing, Inc., from 2012-2013; and Identifix from 2013-2014. Mr. Digirolamo holds a B.S. degree from Central Michigan University, and an M.B.A. from Eastern Michigan University, and completed the Senior Executive Program at the International Institute for Management Development in Lausanne, Switzerland. He is a member of the Dean's Leadership Roundtable at Central Michigan University, and a member of the Detroit Opera House board of directors and board of trustees. Mr. Digirolamo has extensive experience leading complex global businesses and has a broad financial, general management, and board oversight background.

Francis J. Kramer. Mr. Kramer joined the Company in 1983, served as its President from 1985 to 2007, its President and Chief Executive Officer from 2007 to November 2014, and its Chairman and Chief Executive Officer from November 2014 to September 2016. He now serves as the Company's Board Chair. Mr. Kramer will transition to Chair Emeritus while continuing as a director, effective immediately following the 2021 Annual Meeting. Mr. Kramer holds a B.S. degree in Industrial Engineering from the University of Pittsburgh and an M.S. degree in Industrial Administration from Purdue University. Mr. Kramer served as a director of Barnes Group Inc., an aerospace and industrial manufacturing company, from 2012 to September 2016. Mr. Kramer provides our Board and the Company with guidance on growth strategy, in particular on the profitable execution of the strategy to achieve sustainable competitive advantage. He contributes considerable business development experience. He also has significant operations experience that is relevant to the Company's strategy.

Shaker Sadasivam. Dr. Sadasivam is the Co-Founder and Chief Executive Officer of Auragent Bioscience, LLC. He also serves on the boards FTC Solar, Inc., a public company, and of three private companies, Sfara, Dclimate Inc., and Sea Pharma, LLC, and is a member of the Board of Trustees of the Chesterfield Montessori School in Chesterfield, MO. In 2016, Dr. Sadasivam retired as President and Chief Executive Officer of SunEdison Semiconductor Limited, a leading manufacturer of advanced semiconductors for electronics, a position he held from 2013. From 2009 to 2013, he served as Executive Vice President and President, Semiconductor Materials Business Unit of SunEdison, Inc. (a predecessor to SunEdison Semiconductor Limited, formerly known as MEMC Electronic Materials, Inc.). From 2002 to 2009, Dr. Sadasivam served as Senior Vice President Research and Development of SunEdison, Inc. Dr. Sadasivam holds B.S. and M.S. degrees in Chemical Engineering from the University of Madras and Indian Institute of Technology, an M.B.A. from Washington University's Olin School of Business, and a Ph.D. in Chemical Engineering from Clarkson University. Dr. Sadasivam brings to the Board his extensive experience related to the semiconductor industry, and insight into areas including operations, product development and engineering management.

EXISTING CLASS THREE DIRECTORS WHOSE TERMS EXPIRE IN 2023

Joseph J. Corasanti. Mr. Corasanti presently serves as chairman of the Board of Directors of SRC, Inc., a company that designs, manufactures and sells products and services for the defense industry. Previously, Mr. Corasanti held a number of management roles at CONMED Corporation, a medical technology company, serving as President and Chief Executive Officer from 2006 to July 2014; President and Chief Operating Officer from 1999 to 2006; Executive Vice President/General Manager from 1998 to 1999; and General Counsel and Vice President-Legal Affairs from 1993 to 1998. He also served as a director of CONMED from 1994 to 2014. From 1990 to 1993, he was an Associate Attorney with the Los Angeles office of the law firm of Morgan, Wenzel & McNicholas. Mr. Corasanti holds a B.A. degree in Political Science from Hobart College and a J.D. degree from Whittier College School of Law. Mr. Corasanti's past executive positions and his prior public company board experience have provided him with leadership skills and experience in a variety of matters that he contributes to our Board. His experience and skill set, including his legal background and acquisition experience, are valuable to our Board.

Patricia Hatter. Ms. Hatter is currently the Chief Customer Officer of Palo Alto Networks, Inc., a multinational cybersecurity company, where she has served since August 2019. From July 2017 to August 2019, Ms. Hatter worked as a strategic advisor to various private companies. Ms. Hatter previously served as the General Manager and Senior Vice President — Services and Interim Chief Information Officer of

McAfee, LLC, a global computer security software company, from January 2017 to July 2017, and was the Chief Information Officer and Senior Vice President — Operations, at McAfee, LLC, from 2010 to June 2015. Ms. Hatter additionally served as the Chief Information Officer — Intel Security and General Manager — Security & Software at Intel Corporation, a leader in the semiconductor industry, from June 2015 to January 2016. Ms. Hatter also held various leadership roles at Cisco Systems, Inc., and AT&T Corporation. Ms. Hatter served on the board of directors of Barrick Gold Corporation, an international mining company from April 2018 until January 2019, and the board of directors of Qualys, Inc., a leading provider of cloud-based security and compliance solutions, from October 2018 until August 2019. Ms. Hatter holds B.S. and M.S. degrees in Mechanical Engineering from Carnegie Mellon University. Among the attributes that qualify Ms. Hatter to serve as a member of our Board are her experience in executive roles at various cybersecurity and technology companies and her prior experience on boards of directors of public companies.

David L. Motley. Mr. Motley has served as Managing Partner with BlueTree Venture Fund, a venture fund focused on early-stage life science and information technology opportunities, since 2012. Mr. Motley also has served as a partner in DDRC 327 NEGL, LLC, a real estate development company, since 2016, and as Chief Executive Officer and President of MCAPS, LLC, a professional services company providing corporate real estate services and information technology capabilities and services, since January 2018. From 2011 to July 2017, Mr. Motley served as Senior Managing Partner of Headwaters SC, a private equity advisory services company. Mr. Motley also serves on the boards of directors of Deep Lake Capital Acquisition Corp., a blank check company, F.N.B. Corporation, a diversified financial services company, and Koppers Holdings Inc., an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds. Mr. Motley is a member of the board of directors of SRI International, an independent nonprofit technology research and development organization. Mr. Motley is a Cum Laude graduate of the University of Pittsburgh's Swanson School of Engineering and a Distinguished Alumni Awardee, a recognition provided to less than one percent of the graduates. Mr. Motley also holds an M.B.A. from the Harvard Business School.

Marc Y.E. Pelaez. Mr. Pelaez is a Rear Admiral, United States Navy (retired). Rear Admiral Pelaez is currently a private consultant to defense and commercial companies. He was Vice President of Engineering, and later Vice President of Business and Technology Development, for Newport News Shipbuilding, from 1996 until 2001, when it was acquired by Northrop Grumman Corporation. From 1993 to 1996, Rear Admiral Pelaez served as Chief of Naval Research. He served as the Executive Assistant to the Assistant Secretary of the Navy (Research, Development, and Acquisition) from 1990 to 1993. From 1968 to 1990, he held numerous positions, including command assignments, in the United States Navy. He is a graduate of the United States Naval Academy. Rear Admiral Pelaez has a broad background and understanding of technology and technology development, a seasoned knowledge of military procurement practices, and management leadership and consulting skills developed throughout his military and civilian careers.

MEETINGS AND STANDING COMMITTEES OF THE BOARD OF DIRECTORS

The Company's Board held four regularly scheduled quarterly meetings, and 25 special meetings during fiscal year 2021. Each quarterly meeting took place over a two-day period. In fiscal year 2021, each director attended at least 75% of the aggregate of (a) the total number of meetings of the Board, and (b) the total number of meetings for the committees of which he or she was a member.

The Board has four standing committees: Audit; Compensation; ESG; and Subsidiary. All Committees have written charters that may be found on the Company's website at www.ii-vi.com/corporate-governance-documents.

| Committee and Members | Primary Committee Functions | # of Meetings in Fiscal Year 2021 |
|--|--|-----------------------------------|
| Audit | | |
| Joseph J. Corasanti (Chair)* Enrico Digirolamo* Shaker Sadasivam* Howard H. Xia Patricia Hatter *Qualifies as an audit committee "financial expert," as defined by the Securities and Exchange Commission ("SEC") | <ul style="list-style-type: none"> – Oversees the Company's discharge of its financial reporting obligations – Monitors the Company's relationship with its Independent Accountants – Monitors performance of the Company's business plan – Reviews the internal accounting methods and procedures – Reviews certain financial strategies – Establishes procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential submission by employees of concerns regarding accounting or auditing matters – Periodically reviews the Company's risk assessment approach and activities undertaken by management | 4 |
| Compensation | | |
| Shaker Sadasivam (Chair) Joseph J. Corasanti Marc Y.E. Pelaez Michael Dreyer | <ul style="list-style-type: none"> – Recommends and oversees compensation of the Company's directors and executive officers – Administers and interprets the Company's equity and incentive plans – Establishes terms and conditions of equity awards – Further information regarding the functions of the Compensation Committee is provided in the Compensation Discussion and Analysis section beginning on page 30. | 7 |
| ESG: | | |
| Marc Y.E. Pelaez (Chair) Enrico Digirolamo Michael L. Dreyer Patricia Hatter Howard H. Xia | <ul style="list-style-type: none"> – Develops and implements corporate governance policies and processes – Assesses Board membership needs and makes recommendations regarding potential director candidates to the Board – Reviews succession plans for CEO and other senior executives of the Company – Oversee the Company's efforts to identify, manage and mitigate risks related to cyber security – Oversees the Company's ESG strategy | 5 |
| Subsidiary: | | |
| Howard H. Xia (Chair) Joseph J. Corasanti Michael L. Dreyer Francis J. Kramer Marc Y.E. Pelaez Enrico Digirolamo | Reviews the Company's activities, organization or structure, as directed from time to time by the Board. This may include reviews of: <ul style="list-style-type: none"> – The Company's operating subsidiaries – The Company's merger and acquisition opportunities – Integration of acquired businesses into the Company – The Company's science and technology portfolio and development activities | 2 |

DIRECTOR INDEPENDENCE AND CORPORATE GOVERNANCE POLICIES

The Rules of the Nasdaq Stock Market require that a majority of the Company's Board be Independent Directors (as defined in the Nasdaq Rules). Our Corporate Governance Guidelines further provide that a substantial majority of the members of the Company's Board must qualify as independent. The Board has determined that all of the continuing directors or nominees for election as director are independent within the meaning of the Nasdaq Rules, other than Mr. Kramer and Dr. Mattera. In its annual review of director independence, the Board considers all commercial, banking, consulting, legal, accounting or other business relationships any director may have with the Company to determine whether any director has a material relationship with the Company. The Board considers a "material relationship" to be one that impairs or inhibits, or has the potential to impair or inhibit, a director's exercise of critical and disinterested judgment on behalf of the Company. When assessing the "materiality" of a director's relationship with the Company, the Board considers all relevant facts and circumstances, from both the standpoint of the director in his or her individual capacity, and from the standpoint of the director's family and other affiliations.

NOMINATION OF CANDIDATES FOR DIRECTOR

The Company considers director candidates from several sources, including existing directors, members of the Company's management team, shareholders, and third-party search firms. The Company's current bylaws describe the procedures by which shareholders may recommend candidates for election to the Board. In general, shareholder nominations must be made in writing and be given to our Secretary no earlier than the close of business on the 150th day, and no later than the close of business on the 120th day, before the anniversary date of the mailing date of the Company's proxy statement in connection with the previous year's annual meeting. In addition, nominations must include information regarding both the nominating shareholder and the director nominee, including

- Their relationship to each other;
- Any understanding between them regarding the nomination;
- The shares owned by the nominating shareholder; and
- Other information concerning the nominating shareholder and/or nominee that is required for inclusion in a proxy statement filed with the SEC.

Further, to be eligible for election as a director of the Company, the nominee must deliver within the timeframe noted above a written questionnaire detailing his or her background and qualifications, and a written representation and agreement as set forth in the Company's bylaws. The form for this representation and agreement will be provided by the Secretary of the Company upon written request.

The ESG Committee considers a variety of factors when determining whether to recommend a nominee for election to the Board, including those factors set forth in the Company's ESG Committee Charter. In general, candidates nominated for election to the Board should possess the following qualifications:

- Personal and professional ethics, integrity, practical wisdom and mature judgment;
- Training and experience in policy-making decisions in business;
- Expertise that is useful to the Company, and complementary to the background and experience of our other directors;
- Willingness to devote the time necessary to carry out the duties and responsibilities of a director;
- Commitment to serve on the Board over a period of several years in order to develop knowledge about the Company's principal operations;
- Diversity of background (including race, ethnicity, origin, age, gender, experiences and skill sets);
- Willingness to represent the best interests of all shareholders and objectively appraise management performance; and
- Meet the Company's independence requirements.

Potential candidates are screened and interviewed by a selection committee appointed by the ESG Committee.

Although the Board does not have a formal diversity policy, the ESG Committee’s practice is to review the skills and attributes of individual Board members and candidates given the current make-up of the Board, to ensure that the Board includes individuals who will serve the Company’s governance and strategic needs. We consider all dimensions of diversity in determining what mix of individuals will provide the Board a diverse portfolio of experience, knowledge, talents and perspectives. Candidates are also evaluated on their broad-based business knowledge and contacts, prominence, commitment to ethical and moral values, personal and professional integrity, sound reputation in their respective fields, as well as a global business perspective and commitment to corporate citizenship. All members of the Board may interview the final candidates. The same identifying and evaluation procedures apply to all candidates for director nomination, including candidates submitted by shareholders.

Of our 11 current directors, one identifies as female, one as Black or African-American, two as Asian, and one as two or more races, as shown in the table below.

| Board Diversity Matrix | | | | |
|--|--------|------|------------|-------------------------|
| 11 | | | | |
| Total Number of Directors | Female | Male | Non-Binary | Did not Disclose Gender |
| Part I: Gender Identity | | | | |
| Directors | 1 | 10 | 0 | 0 |
| Part II: Demographic Background | | | | |
| African American or Black | 0 | 1 | 0 | 0 |
| Alaskan Native or Native American | 0 | 0 | 0 | 0 |
| Asian | 0 | 2 | 0 | 0 |
| Hispanic or Latinx | 0 | 0 | 0 | 0 |
| Native Hawaiian or Pacific Islander | 0 | 0 | 0 | 0 |
| White | 1 | 6 | 0 | 0 |
| Two or More Races or Ethnicities | 0 | 1 | 0 | 0 |
| LGBTQ+ | 0 | 0 | 0 | 0 |
| Didn’t Answer | 0 | 0 | 0 | 0 |

BAIN BOARD NOMINATION RIGHTS

On March 30, 2021, the Company and BCPE Watson (DE) SPV, LP, a Delaware limited partnership and an affiliate of Bain Capital, LP (“BCPE”), entered into an Amended and Restated Investment Agreement (the “Amended and Restated Investment Agreement”). Pursuant to the terms of the Amended and Restated Investment Agreement, BCPE has the right to nominate one designee to our Board for so long as BCPE continues to beneficially own shares of the Company’s Series B Convertible Preferred Stock (and/or shares of Common Stock issued upon conversion) that represent at least 25% of the number of shares of Common Stock issued to BCPE on March 30, 2021, and at the closing of the Company’s pending business combination with Coherent, Inc. BCPE’s designee to our Board is Stephen Pagliuca.

SIZE OF THE BOARD

As provided in the Company’s bylaws, the Board is composed of no less than five and no more than eleven members, with the exact number determined by the Board based on its current composition and requirements. At present, the Board consists of eleven members.

In accordance with the terms of our outstanding 6.00% Series A Mandatory Convertible Preferred Stock, no par value per share (“Mandatory Convertible Preferred Stock”), whenever any dividends on any shares of

the Mandatory Convertible Preferred Stock have not been declared or paid for the equivalent of six or more dividend periods, whether or not for consecutive periods (a “nonpayment”), the authorized number of directors will, at the next annual or special meeting of the Company’s shareholders, automatically be increased by two. At such time, the holders of record of such shares of Mandatory Convertible Preferred Stock, voting together as a single class with holders of record of all other series of voting preferred stock then outstanding, will be entitled, at the next shareholder meeting, to vote for the election of a total of two additional members of the Board (collectively, the “Preferred Stock Directors”). As of the date of this proxy statement, the Company has declared and paid the applicable dividend on all shares of the Mandatory Convertible Preferred Stock for each completed dividend period.

BOARD STRUCTURE AND LEAD INDEPENDENT DIRECTOR

The Board has the flexibility to determine whether it is in the best interests of the Company and its shareholders to separate or combine the roles of Board Chair and CEO at any given time. In making that determination, the Board assesses whether the roles should be separated or combined based on its evaluation of the existing composition of the Board and the circumstances at the time.

As part of the Board’s ongoing succession planning and leadership transition processes, the Board separated the roles of Board Chair and CEO in 2016. The Board made this decision to support Dr. Mattera’s ability to focus his attention and efforts on the development and execution of the Company’s short- and long-term business strategies as he transitioned to his new role as CEO, while retaining the benefits of the continuity of Mr. Kramer’s leadership as the Board Chair. Accordingly, Mr. Kramer currently serves as Board Chair, and Dr. Mattera serves as CEO.

In August 2021, the Company announced that Mr. Kramer will become Chair Emeritus while continuing as a director, effective immediately following the Annual Meeting, and that Dr. Mattera will become the Board Chair at that time. After careful consideration, the Board determined that the Company and its shareholders will be best served by re-combining the roles of Board Chair and CEO in light of Dr. Mattera’s success in executing his duties and responsibilities as the Company’s CEO, and the importance of unified leadership during the ongoing significant evolution of the Company’s business, especially the pending acquisition of Coherent, Inc.

Regardless of whether, in the future, the roles of Board Chair and CEO are combined or separated, the Company intends to retain the position of Lead Independent Director, which is currently held by Rear Admiral Pelaez. Currently, the primary responsibilities of the Lead Independent Director include:

- Chairing executive sessions of the independent directors;
- Serving as a liaison among the Board, the Board Chair, and the CEO to ensure effective coordination;
- Serving as a liaison between the Board Chair and the independent directors;
- Supporting the Board Chair in setting the agenda for Board meetings, based on input from other directors, and the CEO;
- Chairing meetings of the Board in the absence of the Board Chair;
- Serving as Chair of the ESG Committee; and
- Carrying out other duties as requested by the ESG Committee and the Board.

BOARD’S ROLE IN THE OVERSIGHT OF RISK MANAGEMENT

The Board has overall responsibility for risk management oversight. Elements of risk are overseen by each of our standing committees. Material risks that are identified by a committee are brought to the attention of the full Board.

The Audit Committee oversees financial and general risk management. It receives reports from Company management, internal audit, and other advisors, and provides serious and thoughtful attention to the Company’s risk control processes and system, the nature of the material risks the Company faces, and the adequacy of the Company’s policies and procedures to respond to and manage these risks.

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.

Cyber security risk is reviewed and assessed by the ESG Committee.

Operational risk management is reviewed and assessed by the Subsidiary Committee.

The Board encourages management to promote a corporate culture that understands the importance of risk management and to incorporate it into the corporate strategy and day-to-day operations of the Company. The Company's risk management approach also includes an ongoing effort to assess and analyze the most likely areas of future risk for the Company and to address them in its long-term planning process.

COMMUNICATION WITH DIRECTORS

Shareholders wishing to communicate with the Board may send written communications addressed to the Lead Independent Director, or to any member of the Board individually, in care of II-VI Incorporated, Attn: Secretary, 375 Saxonburg Boulevard, Saxonburg, Pennsylvania 16056, U.S.A. Any communication addressed to a director that is received by the Company at this address will be delivered or forwarded to the individual director as soon as practicable, except for advertisements, solicitations or other matters unrelated to the Company. The Company will forward communications received from shareholders that are addressed to the Board, to the chair of the Board committee whose function is most closely related to the subject matter of the communication.

DIRECTOR MANDATORY SERVICE CONCLUSION AND SUCCESSION PLANNING

The Board has instituted a policy for directors, as set forth in the Company's Corporate Governance Guidelines. Under this policy, a director must tender a resignation to the ESG Committee, to be effective at the end of the last regularly scheduled Board meeting prior to the director's 76th birthday. The ESG Committee considers each case, and recommends to the Board the action to be taken. The Board in its discretion chooses to accept or reject the resignation. If rejected, the director's resignation will be deemed to be re-submitted to the ESG Committee annually thereafter, until such time as it is accepted by the Board. The Board has undertaken a succession planning process to proactively address future openings on the Board.

DIRECTOR OWNERSHIP REQUIREMENTS

The Board has established a stock ownership program that requires each non-employee director to own shares of the Company's Common Stock with a market value of at least \$150,000 no later than the third anniversary of the director joining the Board. In the event of non-compliance, the Board will consider measures appropriate to the circumstances.

STANDING BOARD LIMITS

Board members are limited to serving on a maximum of four public company boards, including the Board.

CHANGE IN DIRECTOR OCCUPATION

Under the Company's Corporate Governance Guidelines, when a director's principal occupation or business association changes substantially (including retirement), the director must tender a resignation for consideration by the ESG Committee. The ESG Committee then will recommend to the Board the action to be taken with respect to the resignation.

EXECUTIVE SESSIONS OF NON-EMPLOYEE DIRECTORS

Executive sessions of independent directors are held regularly, with the Lead Independent Director presiding.

DIRECTOR ATTENDANCE AT ANNUAL MEETING OF SHAREHOLDERS

Directors are expected to attend the Annual Meeting, in person or remotely. All directors attended last year's Annual Meeting.

CODE OF BUSINESS CONDUCT AND ETHICS

The Board has approved and adopted a Code of Ethical Business Conduct (the "Code of Conduct") applicable to everyone in the Company and its subsidiaries, including the Board. The Code of Conduct also applies to contractors, consultants, temporary workers, suppliers, and other third parties. This document is available on the Company's website at www.ii-vi.com/corporate-governance-documents. The Company will promptly disclose on its website any substantive amendments or waivers with respect to any provision of the Code of Conduct.

Employees are required and encouraged to report suspected violations of our Code of Conduct. Reports are forwarded for review by the Audit Committee.

COMPANY POLICY REGARDING EMPLOYEE, OFFICER, AND DIRECTOR HEDGING

The Company's insider trading policy prohibits the Company's directors and executive officers, as well as any other employee of the Company who possesses material, non-public information about the Company, from engaging in hedging transactions. The policy does not specifically define hedging transactions, but they are intended to include the purchase of financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds), or other transactions that are intended to hedge or offset any decrease in the market value of Company securities held by the individual.

REVIEW AND APPROVAL OF RELATED PERSON TRANSACTIONS

The Company's policies and procedures regarding related party transactions are included in the Code of Conduct. The Code of Conduct requires that all Company directors, officers and employees refrain from activities that might appear to involve a conflict of interest. Additionally, the Code of Conduct requires each Company director, officer and employee to disclose any situation that involves an actual or potential conflict of interest. Before making an investment, accepting a position or benefit, participating in a transaction or business arrangement, or otherwise acting in a manner that creates or appears to create a conflict of interest, a full disclosure of all relevant facts and circumstances must be made, and the Company's written approval obtained. Waivers under the Code of Conduct for any of the Company's executive officers or directors are granted only by the Board or a properly designated committee of the Board. It is expected that only those matters that are in the best interest of the Company would be approved or waived under our Code of Conduct.

DIRECTOR COMPENSATION IN FISCAL YEAR 2021

The Company uses a combination of cash and equity compensation to attract and retain qualified candidates to serve on the Company's Board. In setting director compensation, the Company consults with its independent compensation advisor, Radford, an Aon Hewitt company ("Radford"), and considers the significant amount of time and skill required for directors to fulfill their overall responsibilities. Director compensation is only paid to non-employee directors. For purposes of this section, all references to "directors" means non-employee directors.

The director compensation program is periodically reviewed by our Compensation Committee, with the help of the Company's independent compensation advisor, to ensure that the program remains competitive. As part of this review, the types and levels of compensation offered to our directors are compared to those offered by a select group of comparable companies. The comparable companies used are the same as those used for the Company's named executive officers (the "Comparator Group") and are listed in the "Compensation Discussion and Analysis" section of this proxy statement.

The components of our director compensation program for fiscal year 2021 are disclosed below. The Board is compensated based on a role-based compensation program, not on the number of meetings attended, except for the Subsidiary Committee. Attendance at Subsidiary Committee meetings is compensated on a per-meeting basis due to the fact that there is not a set number of meetings for which attendance is required. The Compensation Committee strives to set director compensation at levels that are competitive with our Comparator Group. Typically, the overall compensation level of the Company's directors ranges between the upper end of the second quartile and the lower end of the third quartile of the Comparator Group.

DIRECTOR COMPENSATION STRUCTURE FOR FISCAL YEAR 2021

DIRECTOR CASH COMPENSATION

| Compensation Item | Annual Retainer | | Meeting Fee |
|---------------------------|-----------------|----------------------|----------------------|
| | Member | Chair ⁽¹⁾ | |
| Full Board Membership | \$65,000 | \$125,000 | \$ — |
| Lead Independent Director | 20,000 | — | — |
| Audit Committee | 12,500 | 25,000 | — |
| Compensation Committee | 10,000 | 20,000 | — |
| ESG Committee | 7,500 | 15,000 | — |
| Subsidiary Committee | — | 10,000 | 2,000 ⁽²⁾ |

(1) Retainers paid to Chairs are in lieu of, and not in addition to, retainers otherwise paid to members.

(2) Per-day meeting fee.

DIRECTOR EQUITY PROGRAM

In addition to the cash compensation outlined above, directors receive annual equity awards, typically in August of each fiscal year. In setting the total dollar value of the equity awards, the Board takes into account cash compensation, limits in the Company's equity plan governing documents, recommendations of the Compensation Committee and its independent compensation advisor, and Comparator Group practices. For fiscal year 2021, the Company determined the number of restricted stock units awarded by dividing the dollar value of the grant by the closing stock price on the grant date, subject to rounding. For fiscal year 2021, the nominal value of the annual equity award for full-year directors was \$170,000. For Messrs. Motley and Pagliuca, the value of their equity awards was determined by prorating the fiscal year 2021 full-year award value of \$170,000 for their partial period of service. Restricted stock unit awards granted to directors also generally have the same terms as those granted to our employees, including annual vesting of one-third of the award over three years. They do not automatically vest upon a director's departure from the Board. The Compensation Committee may recommend, and the Board may in its sole judgment approve, vesting of a restricted stock unit award upon a director's departure from the Board if the departing director is found to be in good standing at the time of departure.

DIRECTOR COMPENSATION TABLE FOR FISCAL YEAR 2021

| Non-Employee Director | Fees Earned or Paid in Cash \$(1) | Stock Awards \$(2) | Total (\$) |
|-----------------------|--|--------------------------|---------------|
| Joseph J. Corasanti | \$100,000 | \$ 170,023 | \$ 270,023 |
| Enrico Digirolamo | 103,000 | 170,023 | 273,023 |
| Michael L. Dreyer | 94,500 | 170,023 | 264,523 |
| Patricia Hatter | 85,000 | 170,023 | 255,023 |
| Francis J. Kramer | 137,000 | 170,023 | 307,023 |
| David L. Motley | 58,750 | 71,318 | 130,068 |
| Stephen Pagliuca | 37,917 | 70,806 | 108,723 |
| Marc Y.E. Pelaez | 127,000 | 170,023 | 297,023 |
| Shaker Sadasivam | 99,500 | 170,023 | 269,523 |
| Howard H. Xia | 108,000 | 170,023 | 278,023 |

(1) Amounts reflect fees actually paid during fiscal year 2021. Director fees are usually paid in January of the applicable fiscal year.

(2) Represents the aggregate grant date fair value of restricted stock units issued to the non-employee directors under the Amended and Restated 2018 Omnibus Incentive Plan (rounded up to the nearest whole share), computed in accordance with Financial Accounting Standards Board ("FASB") ASC Topic 718 (excluding the effect of forfeitures). The fair value of restricted stock units was computed based on the closing price of the Company's Common Stock on August 28, 2020, for all directors except Messrs. Motley and Pagliuca. The restricted stock unit grant dates for Messrs. Motley and Pagliuca were February 28, 2021, and May 28, 2021, respectively.

DIRECTOR EQUITY AWARDS OUTSTANDING

The following table sets forth the aggregate number of restricted stock units, and the number of shares that underly exercisable stock options, that were held by the current directors as of June 30, 2021, including options exercisable within 60 days after June 30, 2021.

| Non-Employee Director | Restricted Stock Units (#) | Total Option Awards Held (#) | Exercisable Option Awards (#) |
|-----------------------|----------------------------------|------------------------------------|-------------------------------------|
| Joseph J. Corasanti | 5,924 | 62,072 | 58,161 |
| Enrico Digirolamo | 5,924 | 9,832 | 5,921 |
| Michael L. Dreyer | 5,438 | 6,000 | 1,500 |
| Patricia Hatter | 5,388 | 5,812 | 2,906 |
| Francis J. Kramer | 5,924 | 305,952 | 302,041 |
| David L. Motley | 846 | — | — |
| Stephen Pagliuca | 1,051 | — | — |
| Marc Y.E. Pelaez | 5,924 | 33,742 | 29,831 |
| Shaker Sadasivam | 5,924 | 24,772 | 20,861 |
| Howard H. Xia | 5,924 | 53,452 | 49,541 |

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

STOCK BENEFICIALLY OWNED BY PRINCIPAL SHAREHOLDERS

The following table sets forth certain information regarding the ownership by any person, including any “group” as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), known to us to be the beneficial owner of more than 5% of the issued and outstanding shares of Common Stock as of August 31, 2021. Unless otherwise indicated, each of the shareholders named in the table has sole voting and investment power with respect to the shares beneficially owned. Ownership information is as reported by shareholder in their respective filings with the SEC.

| Name and Address | Number of Shares of Common Stock | Percent of Common Stock ⁽¹⁾ |
|--|----------------------------------|--|
| BlackRock, Inc. ⁽²⁾ 55 East 52nd Street New York, NY 10055 | 12,610,275 | 11.93% |
| Wellington Management Group LLP ⁽³⁾ c/o Wellington Management Company 280 Congress Street Boston, MA 02210 | 12,181,530 | 11.52% |
| The Vanguard Group ⁽⁴⁾ 100 Vanguard Boulevard Malvern, PA 19355 | 9,892,527 | 9.36% |
| FMR, LLC ⁽⁵⁾ 245 Summer Street Boston, MA 02210 | 5,460,401 | 5.16% |

(1) There were 105,739,488 shares of our Common Stock outstanding as of August 31, 2021.

(2) Based solely on a Schedule 13G/A filed with the SEC on February 5, 2021. BlackRock, Inc., reported sole voting power over 12,470,317 shares of Common Stock and sole dispositive power over 12,610,275 shares of Common Stock. As reported in the Schedule 13G/A, certain shares reported by BlackRock, Inc., are owned by various subsidiaries of BlackRock, Inc.

(3) Based solely on a Schedule 13G/A filed with the SEC on February 4, 2021. Wellington Management Group LLP, Wellington Group Holdings LLP, and Wellington Investment Advisors Holdings LLP reported shared voting power over 9,471,783 shares of Common Stock and shared dispositive power over 12,181,530 shares of Common Stock. In addition, Wellington Management Company LLP reported shared voting power over 9,330,392 shares of Common Stock and shared dispositive power over 10,413,236 shares of Common Stock. As reported in the Schedule 13G/A, the shares of Common Stock are owned of record by clients of one or more investment advisers directly or indirectly owned by Wellington Management Group LLP. The Schedule 13G/A reports that no such client is known to have the right to receive, or the power to direct the receipt of, dividends from, or the proceeds from the sale of, shares of Common Stock.

(4) Based solely on a Schedule 13G/A filed with the SEC on February 10, 2021. The Vanguard Group, Inc., reported shared voting power over 222,372 shares, sole dispositive power over 9,590,129 shares, and shared dispositive power over 302,398 shares of Common Stock. As reported in the Schedule 13G/A, certain shares reported by The Vanguard Group are owned by various subsidiaries of the Vanguard Group.

(5) Based solely on a Schedule 13G/A filed with the SEC on May 10, 2021. FMR LLC reported sole voting power over 1,885,920 shares of Common Stock and sole dispositive power over 5,460,401 shares of Common Stock. Abigail P. Johnson reported sole dispositive power over 5,460,401 shares of Common Stock. Through their ownership of voting common shares and the execution of a shareholders' voting agreement, members of the Johnson family, including Abigail P. Johnson, may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC.

STOCK BENEFICIALLY OWNED BY DIRECTORS AND OFFICERS

The following table shows the number of shares of II-VI Common Stock beneficially owned by all directors, our named executive officers, and all of our directors and executive officers as a group, as of August 31, 2021. The beneficial ownership reflected in this table includes shares that could have been acquired within 60 days of that date through the exercise of stock options. The number of shares “beneficially owned” is defined by Rule 13d-3 under the Exchange Act. Unless otherwise indicated, each individual and member of the group has sole voting power and sole investment power with respect to shares owned. None of the shares reflected in the table below have been pledged as security.

| | Beneficial Ownership of Common Stock ⁽⁹⁾ | |
|---|---|-------------|
| | Shares | Percent |
| Joseph J. Corasanti ⁽¹⁾⁽²⁾ | 122,302 | * |
| Enrico Digirolamo ⁽¹⁾⁽²⁾ | 16,836 | * |
| Michael L. Dreyer ⁽¹⁾⁽²⁾ | 25,121 | * |
| Patricia Hatter ⁽¹⁾⁽²⁾ | 12,213 | * |
| Francis J. Kramer ⁽¹⁾⁽²⁾⁽³⁾ | 891,272 | * |
| Vincent D. Mattera, Jr. ⁽¹⁾⁽²⁾⁽⁴⁾ | 693,888 | * |
| David L. Motley ⁽²⁾ | 5,604 | * |
| Steven Pagliuca ⁽²⁾⁽⁵⁾ | 4,195 | * |
| Marc Y.E. Pelaez ⁽¹⁾⁽²⁾ | 101,318 | * |
| Shaker Sadasivam ⁽¹⁾⁽²⁾ | 52,002 | * |
| Howard H. Xia ⁽¹⁾⁽²⁾ | 85,287 | * |
| Giovanni Barbarossa ⁽¹⁾⁽²⁾ | 173,857 | * |
| Walter R. Bashaw II ⁽¹⁾⁽²⁾⁽⁶⁾ | 94,367 | * |
| Mary Jane Raymond ⁽¹⁾⁽²⁾ | 188,411 | * |
| Jo Anne Schwendinger ⁽¹⁾⁽²⁾ | 83,600 | * |
| All Executive Officers and Directors as a Group (16 persons)⁽⁸⁾ | 2,595,444 | 2.5% |

* Less than 1%

- (1) Includes the following amounts subject to stock options that are exercisable within 60 days of August 31, 2021: 58,161 options exercisable by Mr. Corasanti, 5,921 options exercisable by Mr. Digirolamo, 1,500 options exercisable by Mr. Dreyer, 2,906 options exercisable by Ms. Hatter, 302,041 options exercisable by Mr. Kramer, 253,859 options exercisable by Dr. Mattera, 29,831 options exercisable by Rear Admiral Pelaez, 20,861 options exercisable by Dr. Sadasivam, 49,541 options exercisable by Dr. Xia, 41,500 options exercisable by Dr. Barbarossa, 41,060 options exercisable by Mr. Bashaw, 69,764 options exercisable by Ms. Raymond, and 23,218 options exercisable by Ms. Schwendinger.
- (2) Includes 6,478 restricted stock units held by each of Mr. Corasanti, Mr. Digirolamo, Ms. Hatter, Mr. Kramer, Rear Admiral Pelaez, Dr. Sadasivam, and Dr. Xia, 8,582 restricted stock units held by Mr. Dreyer, 131,114 restricted stock units held by Dr. Mattera, 3,990 restricted stock units held by Mr. Motley, 4,195 restricted stock units held by Mr. Pagliuca, 35,874 restricted stock units held by Dr. Barbarossa, 36,731 restricted stock units held by Mr. Bashaw, 38,236 restricted stock units held by Ms. Raymond, and 23,739 restricted stock units held by Ms. Schwendinger.
- (3) Includes 285,401 shares held in a Spousal Limited Access Trust as to which Mr. Kramer disclaims beneficial ownership.
- (4) Includes 21,134 shares held on behalf of Dr. Mattera in the II-VI Incorporated Nonqualified Deferred Compensation Plan.
- (5) Excludes any shares issuable upon conversion of the Series B-1 Preferred Stock held by BCPE, an affiliate of Bain Capital, LP, of which Mr. Pagliuca is Co-Chairman.
- (6) Includes 1,480 shares held by Mr. Bashaw’s spouse and children, as to which Mr. Bashaw disclaims beneficial ownership.
- (7) Includes 2,000 shares held by Ms. Schwendinger’s spouse, as to which Ms. Schwendinger disclaims beneficial ownership.
- (8) Includes a total of 900,163 shares subject to stock options exercisable within 60 days of August 31, 2021, and 327,807 restricted stock units held by all executive officers and directors as a group.
- (9) There were 105,739,488 shares of our common stock outstanding as of August 31, 2021. In accordance with SEC rules and regulations, in computing the percentage ownership for each individual, any shares which that individual had the right to acquire within 60 days, and shares underlying restricted stock units, are deemed to be outstanding. However, shares which any other person had the right to acquire within 60 days, and restricted stock units held by other persons, are disregarded in the calculation. Therefore, the denominator used in calculating beneficial ownership may differ for each individual.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires the Company's directors, executive officers and persons who beneficially own more than 10% of a class of the Company's registered equity securities to file with the SEC and deliver to the Company initial reports of ownership, and reports of changes in ownership, of such securities. Based solely on our review of Section 16(a) reports, and written representations that our directors and executive officers have furnished to us, we believe that all reporting persons complied with all Section 16(a) filing requirements during our fiscal year 2021, other than the late reporting of a withholding of shares to cover tax obligations of Mr. Kramer, and the late reporting of an award to each of Messrs. Motley and Pagliuca.

EXECUTIVE OFFICERS

Set forth below is information concerning our executive officers as of June 30, 2021.

| Name | Age | Position |
|-------------------------|-----|--|
| Vincent D. Mattera, Jr. | 65 | Chief Executive Officer; Director |
| Mary Jane Raymond | 61 | Chief Financial Officer and Treasurer |
| Walter R. Bashaw II | 56 | President |
| Giovanni Barbarossa | 59 | Chief Strategy Officer and President Compound Semiconductors |
| Jo Anne Schwendinger | 65 | Chief Legal and Compliance Officer and Secretary |
| Chris Koeppen | 50 | Chief Technology Officer |

Biographical information for **VINCENT D. MATTERA, JR.** may be found in the "DIRECTORS" section of this proxy statement.

MARY JANE RAYMOND has been Chief Financial Officer and Treasurer of the Company since March 2014. Previously, Ms. Raymond was Executive Vice President and Chief Financial Officer of Hudson Global, Inc., from 2005 to 2013. Ms. Raymond was the Chief Risk Officer and Vice President and Corporate Controller at Dun and Bradstreet, Inc., from 2002 to 2005. In addition, she was the Vice President, Merger Integration, at Lucent Technologies, Inc., from 1997 to 2002, and held several management positions at Cummins Engine Company from 1988 to 1997. In 2019 Ms. Raymond was named to the Board of Directors and Audit Committee of Veeco, Inc. Ms. Raymond holds a B.A. degree in Public Management from St. Joseph's University, and an M.B.A. from Stanford University.

WALTER R. BASHAW II has served as the Company's President since July 1, 2019. Mr. Bashaw served as the Company's Senior Vice President, Corporate Strategy and Development, from October 2018 to July 2019. Previously, Mr. Bashaw served as the Company's Interim General Counsel and Secretary from December 2015 until March 2017. Mr. Bashaw was also a Managing Shareholder and a Director of the law firm of Sherrard, German & Kelly, P.C. ("SGK") in Pittsburgh, Pennsylvania until October 2018, and Of Counsel at SGK from October 2018 until June 30, 2019. Mr. Bashaw graduated from The Pennsylvania State University with a B.S. degree in Logistics and holds a J.D. degree from the University of Pittsburgh School of Law.

GIOVANNI BARBAROSSA joined II-VI in October 2012, and was the Company's Chief Technology Officer from 2012 through June 2019 and also served as the President of the Laser Solutions Segment from 2014 through June 2019. Dr. Barbarossa became the Company's Chief Strategy Officer and the President, Compound Semiconductor Segment, in June 2019. Dr. Barbarossa was employed at Avanex Corporation from 2000 through 2009, serving in various executive positions in product development and general management, ultimately serving as President and Chief Executive Officer. When Avanex merged with Bookham Technology, forming Oclaro, Dr. Barbarossa became a member of the board of directors of Oclaro, where he served from 2009 to 2011. Previously, he held senior management roles in the Optical

Networking Division of Agilent Technologies and in the Network Products Group of Lucent Technologies. He was previously a Member of Technical Staff, then Technical Manager, at AT&T Bell Labs, and a Research Associate at British Telecom Labs. Dr. Barbarossa graduated from the University of Bari, Italy, with a B.S. degree in Electrical Engineering, and holds a Ph.D. in Photonics from the University of Glasgow, U.K.

JO ANNE SCHWENDINGER was appointed to the position of General Counsel and Secretary of II-VI Incorporated in March 2017, and assumed the role of Chief Legal and Compliance Officer and Secretary in November 2017. Prior to joining II-VI, from August 2016 to March 2017, Ms. Schwendinger was in the private practice of law at Blank Rome LLP, where she was a member of the firm’s Corporate Mergers & Acquisitions and Securities group. Before joining Blank Rome, Ms. Schwendinger held various positions, from February 2000 to August 2016, at Deere & Company, including Regional General Counsel for Asia-Pacific and Sub-Saharan Africa. Ms. Schwendinger currently serves as the Chair of the global board of directors of the Association of Corporate Counsel. Ms. Schwendinger holds a Bachelor’s degree from the Université d’Avignon et des Pays de Vaucluse, and a Master’s degree from the Université de Strasbourg. Her Juris Doctor degree is from the University of Pittsburgh School of Law.

CHRIS KOEPPEN joined II-VI in 2011 via the acquisition of Aegis Lightwave, Inc., where he served as General Manager, Aegis-NJ. He was named General Manager of II-VI’s Agile Network Products Division in 2012 and Director of Corporate Strategic Technology Planning in 2015. He then served as Vice President of the Industrial Laser Group and Corporate Strategic Technology Planning from 2017 until his appointment as Chief Technology Officer in 2019. Previously, Dr. Koeppen was co-founder and CEO of CardinalPoint Optics, prior to its acquisition by Aegis Lightwave. He has more than two decades of progressively increasing general and technology management experience in high-tech companies, including at Meriton Networks, Mahi Networks, Photuris, and Lucent Technologies. Dr. Koeppen holds a Ph.D. in Physics from the University of Pennsylvania, where he was an AT&T Bell Laboratories Scholar, and B.S. degrees in Physics and Mathematics from the Pennsylvania State University.

EXECUTIVE COMPENSATION FISCAL YEAR 2021 COMPENSATION DISCUSSION AND ANALYSIS INTRODUCTION

The purpose of this Compensation Discussion and Analysis (“CD&A”) section of our proxy statement is to provide an overview of our executive compensation program, including the objectives of the program and the decisions we made with respect to each element of our executive compensation program.

The fiscal year 2021 Named Executive Officers (“NEO’s”) are listed below:

| Name | Position |
|-------------------------|--|
| Vincent D. Mattera, Jr. | Chief Executive Officer; Director |
| Mary Jane Raymond | Chief Financial Officer and Treasurer |
| Walter R. Bashaw II | President |
| Giovanni Barbarossa | Chief Strategy Officer and President Compound Semiconductors |
| Jo Anne Schwendinger | Chief Legal and Compliance Officer and Secretary |

This CD&A is organized as follows:

1. Executive Summary
2. Compensation Philosophy and Objectives
3. Executive Compensation Process
4. Elements of Executive Compensation
5. Fiscal Year 2021 Executive Compensation
6. Additional Information

EXECUTIVE SUMMARY

Company Performance. Fiscal year 2021 continued our transformation following the completion of the Finisar acquisition in fiscal year 2020. The Company achieved record results across multiple performance metrics, while facing unprecedented challenges resulting from the global COVID-19 pandemic. We achieved record revenue, operating cash flow, and profitability. We also continued to focus on the safety and well-being of our employees globally. Key milestones from fiscal year 2021 include:

- Record revenue of \$3,105.9 million, driven by revenue growth in both the Photonics Solutions and Compound Semiconductor segments;
- Record adjusted net income of \$297.6 million;
- Record cash flow from operations of \$574.4 million;
- Record free cash flow of \$428 million; and
- Three-year shareholder return was approximately 5% below the Russell 2000 75th percentile.

In addition, on March 25, 2021, we agreed to acquire Coherent, Inc. When completed, this transformative transaction will accelerate our vertical integration strategy. The completion of the acquisition of Coherent is subject to the satisfaction or waiver of certain additional customary closing conditions, including receipt of merger approval by the State Administration for Market Regulation in China, and the Korea Fair Trade Commission in South Korea. Subject to the satisfaction or waiver of each of the closing conditions, the Company expects the Merger will be completed during the first calendar quarter of 2022.

Fiscal Year 2021 Compensation Outcomes

As a result of our strong fiscal year 2021 financial performance, the NEOs received the following payouts under our annual and long-term incentive compensation programs:

- *Bonus Incentive Program (“BIP”)* — As a result of above target operating income, the BIP paid out at 118% of target;
- *Goals Results Incentive Program (“GRIP”)* — As a result of above target revenue and net income, the GRIP paid out at 180% of target;
- *Performance Share Units (“PSUs”)* — As a result of above target cash flow from operations and strong total shareholder return in excess of 50% over the three-year measurement period (July 1, 2019 — June 30, 2021), the fiscal year 2019 PSUs paid out at 244.98% of target.

Say-on-Pay Vote and Shareholder Outreach

At the 2020 Annual Meeting, the Company’s advisory vote on executive compensation received over 96% approval from the total shares voted. This level of support was viewed by our Compensation Committee as an indication that no significant changes to our executive compensation programs were required. The Compensation Committee will continue to consider shareholder input, including the advisory Say-on-Pay vote, as it considers the design of our executive compensation programs in the future.

With most meetings being virtual, the Company’s interaction with investors increased substantially in fiscal year 2021, to over 100 days, including 29 conferences. While most investor questions were about the pending Coherent transaction, a major change in investor focus was on environmental, social and governance, or ESG, topics. Investors asked about diversity on our board and in management; the impact of our manufacturing processes and products on the environment; and global social goals safety protocols. Recognizing the importance of ESG issues to shareholders and other stakeholders, the Company has established a management ESG Steering Committee.

COMPENSATION PHILOSOPHY AND OBJECTIVES

We have a pay-for-performance compensation program that is linked to our strategy and the drivers of long-term shareholder value. The primary objectives of our compensation program are to:

- Align pay with performance;
- Attract and retain executive talent; and
- Drive shareholder value by aligning the long-term interests of our executives and shareholders.

Our executive compensation philosophy is reviewed annually by our Compensation Committee to maintain alignment of our strategic priorities, corporate values, shareholder value and peer group practices, in accordance with the following principles.

| What we do: | What we do not do: |
|--|--|
| ✓ Pay for performance | ✗ No hedging or pledging of the Company's shares |
| ✓ Provide maximum payout caps under incentive plans | ✗ Limited perquisites |
| ✓ Conduct annual reviews, including validation of our peer group | ✗ No excise tax gross-ups for severance pay |
| ✓ Double-trigger equity vesting following a change in control | ✗ No discounting or repricing of stock options |
| ✓ Stock ownership guidelines and holding requirements | |
| ✓ Clawback policy | |
| ✓ Fully independent Compensation Committee | |
| ✓ Utilize an independent compensation consultant | |

EXECUTIVE COMPENSATION PROCESS

The Compensation Committee's Processes

The Compensation Committee utilizes several processes to assist it in ensuring that the Company's executive compensation program achieves its objectives. Among those are:

- **Meetings.** The Compensation Committee meets at least quarterly, and more often if needed. For fiscal year 2021, the Compensation Committee met seven times.
- **Independent Compensation Advisor.** The Compensation Committee engages an independent compensation advisor to assist the Compensation Committee in setting executive compensation. In selecting an advisor, the Compensation Committee evaluates all relevant factors pertaining to candidates, including their qualifications and independence from Company management. The Compensation Committee's independent advisor for fiscal year 2021 was Radford.
- **Assessment of Company Performance.** The Compensation Committee uses objective measures of Company performance in establishing total compensation targets.
- **Assessment of Shareholder Feedback.** The Compensation Committee, through its Chair, directs management to collect shareholder feedback on the Company's compensation program. Conversations are focused on general feedback, specific questions about the elements of the Company's compensation program, and key criteria investors use to evaluate pay-for-performance alignment.
- **Assessment of Individual Performance.** Individual performance has a strong impact on the compensation of all employees, including our NEOs. During the year, the Compensation Committee meets with the CEO, the Chief Human Resources Officer, and our independent compensation advisor to review recommendations on any changes in the compensation of each NEO, other than the CEO, based on individual performance. With respect to the CEO, the

Compensation Committee meets with the Chief Human Resources Officer and the independent compensation advisor to review Comparator Group market data and CEO performance, so that the Compensation Committee can recommend total direct compensation (“TDC”) targets to the full Board. TDC refers to the sum of base salary, annual cash incentives and annual equity-based awards, which collectively form the core of our executive compensation program.

- **Target Pay Philosophy.** The Compensation Committee considers relevant market pay practices when setting executive compensation, including the median range for TDC for similar roles in the Comparator Group. The Compensation Committee does not, however, formally benchmark NEO compensation at the competitive median, and target TDC for the NEOs may vary above or below the median range depending on the individual’s role, experience, and other factors. The Compensation Committee’s goal is to balance market alignment with the Company’s performance in a manner that allows the Company to recruit, motivate, and retain high caliber talent. Based on the Compensation Committee’s judgment, current market practices, compensation data from the Comparator Group, compensation data from the independent compensation advisor, and each NEO’s contributions to the Company, the Compensation Committee makes a recommendation to the full Board regarding targeted TDC and actual payouts at year-end.

Development of the Comparator Group

Our Comparator Group was constructed by the Compensation Committee with assistance from Radford, and includes companies we compete with for investor capital, talent, and market share. Because the Company provides a wide range of products serving multiple end markets, the Compensation Committee believes that it is important to consider peers with Global Industry Classification Standard (“GICS”) codes that align with the Company’s multiple segments. The Comparator Group for fiscal year 2021 consisted of 20 manufacturing companies with GICS codes that reflect the Company’s lines of business:

| GICS Code | # of Companies | Classification |
|-----------|----------------|---|
| 452030 | 8 | Technology Hardware & Equipment – Electronic Equipment, Instruments & Components |
| 452010 | 5 | Information Technology – Technology Hardware & Equipment – Communications Equipment |
| 453010 | 5 | Information Technology – Semiconductors & Semiconductor Equipment |
| 201010 | 1 | Industrials – Capital Goods – Aerospace & Defense |
| 201040 | 1 | Industrials – Capital Goods – Electrical Equipment |

Companies in the Comparator Group had revenues ranging from \$1.1 billion to \$8.0 billion, with median revenues of \$2.1 billion. In structuring the Comparator Group, the Compensation Committee focused on (a) industry, (b) total revenue and profitability, (c) compounded annual revenue growth and total shareholder return, and (d) global footprint and number of employees. The members of the Comparator Group also had executive officer functions that are generally comparable to ours in terms of complexity and scope of responsibilities. For fiscal year 2021 compensation decisions, the Comparator Group consisted of:

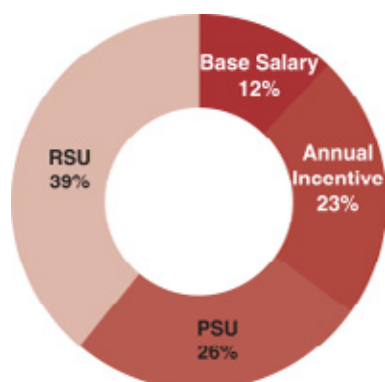
Fiscal Year 2021 Comparator Group

| | | |
|-----------------------|-----------------------------|------------------------------------|
| AMETEK, Inc. | Diodes Incorporated | MKS Instruments, Inc. |
| Arista Networks, Inc. | Entegris, Inc. | Skyworks Solutions, Inc. |
| Belden Inc. | FLIR Systems, Inc. | Teledyne Technologies Incorporated |
| Ciena Corporation | IPG Photonics | Trimble Inc. |
| Coherent, Inc. | Keysight Technologies, Inc. | Viavi Solutions, Inc. |
| CommScope | Littelfuse, Inc. | Vishay Intertechnology, Inc. |
| Cree, Inc. | Lumentum Holdings, Inc. | |

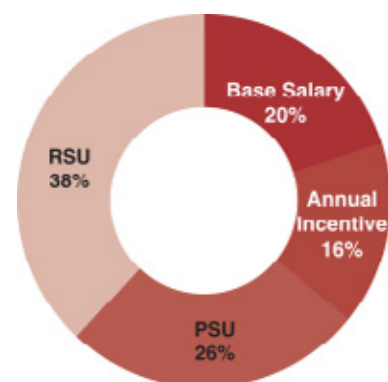
ELEMENTS OF EXECUTIVE COMPENSATION

Our executive compensation program combines both fixed and variable elements of compensation focusing on both annual and long-term incentives. The following charts show target TDC for fiscal year 2021.

CEO COMPENSATION MIX



NEO COMPENSATION MIX



The following chart summarizes the key elements of TDC for our NEOs for fiscal year 2021.

| Element | Description | Key Measures |
|--|--|---|
| Base Salary | Market-competitive fixed pay reflective of an NEO's role, responsibilities, and individual performance. | Comparator Group benchmarking |
| Bonus Incentive Program—Short-Term Cash Incentive | Management-based, annual, at-risk incentive designed to align management incentives with Company profitability targets. | Performance based financial metrics based on fiscal year 2021 "bonus operating profit." |
| Goals Results Incentive Program—Short-Term Cash Incentive | Management-based annual, at-risk incentive designed to align management incentives with key financial metrics driving the execution of our strategy | Performance-based financial metrics based on fiscal year 2021 revenue and net income targets. |
| Equity-Based Awards—Long-Term Incentive | Time-based and performance-based equity awards that provide incentive to focus on long-term growth and financial success, to balance short-term and long-term performance, and to align executive and shareholder interests. | 60% awarded as time-vesting RSUs and 40% as PSUs with two equally-weighted measures for a three-year performance period: (i) relative total shareholder return ("rTSR"), and (ii) cash flow from operations |

FISCAL YEAR 2021 EXECUTIVE COMPENSATION

Base Salary

The Compensation Committee annually reviews NEO base salaries. In August 2020, the Compensation Committee approved annual merit increases in base salary based on its assessment of current market data for similar positions in the Comparator Group and individual performance. The Compensation Committee's approval was then reviewed and ratified by the Board. The increases in NEO base salaries for fiscal year 2021 that appear in the chart below reflect these adjustments.

| NEO | Fiscal Year 2021 Base Salary | Fiscal Year 2020 Base Salary | Percentage Increase |
|-------------------------|------------------------------|------------------------------|---------------------|
| Vincent D. Mattera, Jr. | \$950,833 | \$920,200 | 3.33% |
| Mary Jane Raymond | 465,340 | 439,000 | 6.00 |
| Walter R. Bashaw II | 472,760 | 446,000 | 6.00 |
| Giovanni Barbarossa | 515,000 | 500,000 | 3.00 |
| Jo Anne Schwendinger | 438,267 | 420,000 | 4.35 |

Short-Term Incentives

We provided our NEOs with annual cash incentive award opportunities for fiscal year 2021 under two programs: (1) Bonus Incentive Program, and (2) Goals Results Incentive Program. Actual payouts under these programs for fiscal year 2021 are included under the “Non-Equity Incentive Plan Compensation” column in the Summary Compensation Table.

Bonus Incentive Program. The Bonus Incentive Program (“BIP”) is a broadly applied bonus program that has been successfully used by the Company throughout most of its history to tie the interests of our employees to the operating earnings of the Company. The BIP encourages a Company-wide focus on operating income, which we believe is a major driver of shareholder value. The performance metric for BIP is bonus operating profit (“BOP”). BOP is operating income, without the impact of cash and equity-based variable compensation. For fiscal year 2021, the BIP was measured over the entire fiscal year, rather than the two separate measurement periods that were utilized in fiscal year 2020, due to the Finisar acquisition.

The BOP target and adjusted results for fiscal year 2021 were:

| BIP (in millions) | Target BOP | Actual Performance | Approved Adjustments | Adjusted BOP |
|------------------------|------------|--------------------|----------------------|--------------|
| Bonus Operating Profit | \$526.9 | \$595.6 | \$1.3 | \$596.8 |

The NEO BIP payouts for fiscal year 2021 were:

| NEO | Fiscal Year 2021 BIP |
|-------------------------|----------------------|
| Vincent D. Mattera, Jr. | \$89,626 |
| Mary Jane Raymond | 43,813 |
| Walter R. Bashaw II | 44,513 |
| Giovanni Barbarossa | 48,550 |
| Jo Anne Schwendinger | 41,295 |

Goals Results Incentive Program. The Goals Results Incentive Program (“GRIP”) is designed to link the achievement of Company performance measures to our strategy. For fiscal year 2021, the GRIP performance measures were based on the achievement of revenue and net income targets. Consistent with BIP, there was only one measurement period for fiscal year 2021.

The GRIP revenue and net income targets, and performance results, for fiscal year 2021 were:

| GRIP (in millions) | | | | | | |
|--------------------|-----------|-----------|-----------|--------------------|----------------------|--|
| Metric | Entry | Target | Maximum | Actual Performance | Approved Adjustments | Adjusted Performance for GRIP Compensation |
| Revenues | \$2,481.2 | \$2,919.1 | \$3,357.0 | \$3,105.9 | \$69.8 | \$3,175.7 |
| Net Income | \$ 200.5 | \$ 235.9 | \$ 271.3 | \$ 297.6 | \$28.6 | \$ 326.2 |

For purposes of calculating net income, the Compensation Committee used adjusted net income, which excluded certain incremental and one-time costs.

Based on these results, the fiscal year 2021 GRIP was earned at 180% of target, and the GRIP payouts to our NEOs for fiscal year 2021 were:

| NEO | Fiscal Year 2021 GRIP |
|-------------------------|-----------------------|
| Vincent D. Mattera, Jr. | \$3,286,080 |
| Mary Jane Raymond | 811,285 |
| Walter R. Bashaw II | 639,096 |
| Giovanni Barbarossa | 617,940 |
| Jo Anne Schwendinger | 461,847 |

Long-Term Incentives

Equity Grants Made in Fiscal Year 2021. The equity compensation for our NEOs for fiscal year 2021 was composed of a mix of (a) RSUs (60%), and (b) PSUs (40%). Equity awards were targeted based on the Compensation Committee's assessment of market data and individual performance. The awards for all NEOs were made in August 2020, at the beginning of the 2021 fiscal year. We refer to these awards as the "2021 awards."

The "Stock Awards" column in the Summary Compensation Table and the Grants of Plan-Based Awards table later in this proxy statement, include the grant date fair value and other details for the 2021 awards.

RSUs. We use RSUs to align management incentives with long-term shareholder value while also providing for long-term retention of management talent. RSUs are increasingly common in the marketplace and are becoming a more important component of our competitive compensation opportunity.

The fiscal year 2021 RSUs were granted to our NEOs on August 28, 2020, with a fair market value of \$44.30 per share, the closing price of the Company's common stock on that date. The RSUs vest at the rate of one-third per year over a three-year period. RSUs granted to the NEOs for fiscal year 2021 were as follows:

| NEO | RSUs Granted | Grant Date Fair Value ⁽¹⁾ |
|-------------------------|--------------|--------------------------------------|
| Vincent D. Mattera, Jr. | 71,750 | \$ 3,178,525 |
| Mary Jane Raymond | 23,979 | 1,062,270 |
| Walter R. Bashaw II | 21,774 | 964,588 |
| Giovanni Barbarossa | 22,626 | 1,002,332 |
| Jo Anne Schwendinger | 14,829 | 656,925 |

(1) Grant date fair value is calculated by multiplying the number of RSUs granted by the closing stock price on August 28, 2020, of \$44.30 per share.

PSUs. We believe that long-term awards tied directly to key elements of long-term shareholder value are a critical element of NEO compensation. Our PSUs are designed to reward the NEOs for driving long-term value tied to the execution of our strategy. The fiscal year 2021 PSUs will be earned based on a combination of cumulative rTSR and cash flow from operations, each weighted 50%. The fiscal year 2021 PSUs will be measured over a 36-month period ending June 30, 2023. For purposes of the PSU awards, "cash flow from operations" means cash flow from operations as reported under U.S. GAAP in the Company's Consolidated Statement of Cash Flows, subject to certain permitted adjustments under the Company's Omnibus Incentive Plan (such as for certain unusual, infrequent, or non-recurring items).

PSUs were granted to the NEOs on August 28, 2020. The following tables outline the performance metrics of the fiscal year 2021 PSUs:

Cumulative rTSR:

| Cumulative rTSR | Payout vs. Target |
|---|-----------------------|
| Below the S&P Composite 1500 – Electronic Equipment, Instruments & Components 50th percentile by more than 40% | 0% |
| Between 0 and 40% below the S&P Composite 1500 – Electronic Equipment, Instruments & Components 50th percentile, and an absolute positive cumulative rTSR | 50.00% to 99.99% |
| Equal to the S&P Composite 1500 – Electronic Equipment, Instruments & Components 50th percentile | 100% |
| Between 0 and 40% above the S&P Composite 1500 – Electronic Equipment, Instruments & Components 50th percentile | 100.01% to 199.99%(1) |
| More than 40% above the S&P Composite 1500 – Electronic Equipment, Instruments & Components 50th percentile | 200%(1) |

(1) If there is a negative cumulative rTSR for the performance period, and cumulative rTSR is above Market 50th Percentile, the percentage of the Target Award earned will be capped at 100.00%

Cash Flow from Operations: For purposes of the fiscal year 2021 PSUs, target cash flow during the measurement period is \$1,792,000,000.

| Performance vs. Target | Payout vs. Target |
|------------------------|-------------------|
| 0.00% to 79.99% | 0% |
| 80.00% to 100% | 50.00% to 99.99% |
| 100% | 100% |
| 100% to 140% | 100% to 199.99% |
| Greater than 140% | 200% |

Target awards for the PSUs for fiscal year 2021, granted to the NEOs on August 28, 2020, are as follows:

| NEO | Target Performance Based Awards | Grant Date Fair Value at Target |
|-------------------------|---------------------------------|---------------------------------|
| Vincent D. Mattera, Jr. | 47,833 shares | \$2,433,271 |
| Mary Jane Raymond | 15,986 shares | 813,208 |
| Walter R. Bashaw II | 14,516 shares | 738,429 |
| Giovanni Barbarossa | 15,084 shares | 767,323 |
| Jo Anne Schwendinger | 9,886 shares | 502,901 |

PSUs Earned in Fiscal Year 2021

The NEOs were previously awarded PSUs in August 2018 that were earned based on the combination of the Company's cash flow from operations and rTSR for the 36-month performance period that ended on June 30, 2021 (the "2018 PSUs"). The payout of the 2018 PSUs is determined by calculating the cash flow from operations metric based on the table below. That value is then multiplied by the rTSR modifier, which results in the payout. The rTSR modifier is calculated based on the rTSR table below.

Cash flow from operations for the 36-month period that ended on June 30, 2021, was \$1,050,121,000, which was greater than 140% of target, resulting in a payout of 200% of target. The rTSR modifier, which was equal to 122.49% of target, was then applied, resulting in an aggregate payout of 244.98% of target.

Cash Flow from Operations:

| Performance vs. Target | Payout vs. Target |
|------------------------|--------------------|
| 0.00% to 74.99% | 0% |
| 75.00% to 99.99% | 50.00% to 99.99% |
| 100% | 100% |
| 100.01% to 139.99% | 100.01% to 199.99% |
| 140% or Greater | 200% |

rTSR Modifier:

| Cumulative rTSR | Modifier |
|---|-----------------------|
| Below the Russell 2000 75th percentile by more than 50% | 100% |
| Between 0 and 50% below the Russell 2000 75th percentile, <u>and</u> an absolute positive cumulative total shareholder return | 100.01% to 124.99% |
| Equal to the Russell 2000 75th percentile | 125% |
| Between 0 and 50% above the Russell 2000 75th percentile | 125.01% to 149.99%(1) |
| More than 50% above the Russell 2000 75th percentile | 150%(1) |

(1) If there is a negative cumulative total shareholder return for the performance period and cumulative rTSR is above Market 50th Percentile, the modifier will be capped at 100%

| NEO | TSR Based Awards Target | Payout % Based on Russell 2000 Performance | TSR Based Awards Earned |
|-------------------------|-------------------------|--|-------------------------|
| Vincent D. Mattera, Jr. | 28,896 | 244.98% | 70,789 |
| Mary Jane Raymond | 9,144 | 244.98% | 22,400 |
| Walter R. Bashaw II(1) | 0 | 0 | 0 |
| Giovanni Barbarossa | 9,480 | 244.98% | 23,224 |
| Jo Anne Schwendinger | 6,168 | 244.98% | 15,110 |

(1) Mr. Bashaw joined the Company in September 2018, as such he did not receive an award of these PSUs.

ADDITIONAL INFORMATION

Deferred Compensation. The II-VI Incorporated Nonqualified Deferred Compensation Plan (the “Deferred Compensation Plan”) is designed to allow executive officers and certain other highly compensated employees of the Company to defer receipt of compensation into a trust fund for retirement or other qualified purposes. As a further retention incentive for Dr. Mattera, the employment agreement that he and the Company entered in January 2020, provides for increasing annual contributions to the Deferred Compensation Plan from June 2020 to June 2023 in the following amounts on each of the following dates, subject to Dr. Mattera’s continued service with the Company through those dates:

| Date | Amount of Credit |
|---------------|------------------|
| June 30, 2020 | \$ 150,000 |
| June 30, 2021 | 450,000 |
| June 30, 2022 | 700,000 |
| June 30, 2023 | 1,000,000 |

For a description of the Deferred Compensation Plan and more information regarding the amounts deferred under the Deferred Compensation Plan, see the “Nonqualified Deferred Compensation Table” and accompanying narrative.

Retirement Savings. The Company maintains a 401(k) Retirement Savings Plan for all eligible employees, including the NEOs. The Company matches employee contributions at a rate of \$.50 per \$1.00 of contributions, up to 8% of eligible compensation. Additionally, the Company may make discretionary profit-sharing contributions, if the Company achieves specified levels of profitability. Company contributions to NEO accounts are set forth in the “All Other Compensation” column of the Summary Compensation Table.

Change in Control. Existing equity awards vest on an accelerated basis in the event of death, disability, or retirement. Performance-based awards generally vest pro rata based on the months employed during the relevant performance period. In case of a change in control of the Company, if an award is assumed by the new company, and if the participant’s employment is involuntarily terminated, without cause or with good reason, within two years of the change in control, then the award will vest in full, with performance-based awards vesting at the greater of target or actual performance up to the change in control date. These acceleration provisions reflect market practices that appropriately value the employees’ contributions to the Company prior to the event triggering the accelerated vesting and following a change in control. Additionally, these acceleration provisions help NEOs focus on delivering shareholder value without distractions.

The Company does not provide tax gross-ups on any excise taxes that may be triggered by change in control payments.

For additional information on payments on termination of employment or change in control, please refer to the “Potential Payments upon Change in Control and Employment Termination” section of this proxy statement.

Perquisites and Other Benefits. The Company provides limited perquisites or personal benefits to its NEOs. As Chief Executive Officer, Dr. Mattera is eligible for supplemental disability benefits and all NEOs are eligible for an annual physical examination.

Employment Agreements and Executive Severance Plan. Dr. Mattera and Dr. Barbarossa each have an employment agreement with the Company. The other NEOs participate in the Executive Severance Plan, which replaced their individual employment agreements. A summary description of the employment agreements and the Executive Severance Plan is included in the “Potential Payments upon Change in Control and Employment Termination” section of this proxy statement. The Compensation Committee believes that these arrangements serve the interests of shareholders by encouraging the retention of a stable management team.

Compensation and Risk. The Compensation Committee periodically reviews our compensation policies and practices to ensure that they do not encourage our executives or other employees to take excessive risks or emphasize short-term results at the expense of long-term shareholder value. Based on its review, the Compensation Committee believes that risks arising from our compensation policies and practices are not reasonably likely to have a material adverse effect on the Company. Compensation programs for our executives and other employees include the following risk mitigation features:

- **Balanced Pay Mix:** Our compensation program balances the mix of (i) cash and equity-based compensation and (ii) short-term and long-term award horizons.
- **Mix of Performance Metrics:** We do not rely on a single performance metric to determine payouts for performance-based awards. Instead, performance targets are tied to a variety of financial metrics, including earnings growth, revenue growth, cash flow from operations, free cash flow, and operating profits.
- **Calculation and Verification of Performance:** Controls are in place to ensure accuracy of calculations as to actual performance against the pre-established performance targets for each award.
- **Caps on Incentive Compensation Arrangements:** Long-term (PSUs) and short-term incentive awards (BIP and GRIP) each have a maximum payout percentage (generally 200%).

- **Multi-Year Vesting on Long-Term Equity-Based Compensation Awards:** Our long-term equity-based awards are subject to multi-year vesting, which requires a long-term commitment on the part of our employees.
- **Share Ownership Requirements:** This policy requires our CEO to own Company common stock and RSUs having an aggregate value of at least three times his annual base salary, and our other executive officers to own Company common stock and RSUs having an aggregate value at least equal to their annual base salary. The guidelines have a phase-in period to allow newly hired or promoted executives to acquire the requisite share levels over a period of three years. All NEOs are currently in compliance with this policy.
- **Holding Requirements:** In addition to satisfying share ownership requirements, executives must hold shares received from RSUs and PSUs (net of tax) for at least one year after vesting.
- **Clawback Policy:** If the Company must restate its financial statements due to material non-compliance with any financial reporting requirements (a “Restatement”), any current or former executive officer or other employee of the Company (i) who received incentive compensation based on financial information that is subject to restatement, and (ii) whose gross negligence, fraud or misconduct caused or contributed to the non-compliance resulting in the Restatement, would be required to reimburse the Company for any incentive compensation received in excess of what they would have received under the Restatement. In addition, if the Board in its sole judgment determines that the gross negligence, fraud or misconduct by a current or former executive officer or other employee caused or contributed to the need for the Restatement, then such person would be required to repay the net profits realized from any sales of shares of the Company’s Common Stock that were received as incentive compensation based on the restated financial statements.
- **Prohibition on Pledging and Anti-Hedging Policy:** To further demonstrate the Company’s commitment to align the interests of our officers and directors with those of our shareholders, the Board formalized a policy which prohibits hedging or pledging of Company stock by members of our Board and executive officers. Throughout the fiscal year, there were no such arrangements.

Tax Considerations. The Compensation Committee considers the impact that applicable tax laws may have with respect to executive compensation. In certain circumstances, tax laws impose penalties on compensation, or may result in a loss of deduction to the Company for such compensation. Participation in, and compensation paid under, our plans, contracts and compensation arrangements may result in the deferral of compensation that is subject to the requirements of Section 409A (“Section 409A”) of the Internal Revenue Code of 1986 (the “Code”). While the Company intends for its plans, contracts, and compensation arrangements to be structured and administered in a manner that complies with the requirements of Section 409A, to the extent that they fail to meet Section 409A, compensation earned under those arrangements may be subject to immediate taxation and tax penalties.

Section 162(m) of the Code limits the deductibility of compensation in excess of \$1 million paid to any one NEO in any calendar year. As a result, compensation paid in excess of \$1 million to our NEOs generally will not be deductible. The Compensation Committee designs compensation programs that are intended to be in the best long-term interests of the Company and our shareholders, with deductibility of compensation being one of a variety of considerations.

Fiscal Year 2022. The Compensation Committee carefully reviewed the incentive compensation approach for fiscal year 2022, in light of the pending Coherent acquisition, and in light of ongoing global economic uncertainty caused by events including COVID-19 and global trade uncertainty. Following is a summary of

the features of the fiscal year 2022 short-term (cash) and long-term (equity incentive awards) approved by the Compensation Committee and the Board.

- **BIP.** The Committee again will use a single, full-year target based on bonus operating profit (net income excluding the impact of variable compensation and equity awards). Payouts are capped at 200% of target.
- **GRIP.** The Committee returned to two, six-month performance grids (similar to fiscal year 2020), with payment at the end of the fiscal year. Each grid is based on a combination of revenue and after-tax profit. Payouts are capped at 200% of target.
- **Equity Award Mix.** The Committee maintained PSUs at 40% of the total target, with RSUs at 60% of the total target award. Stock options were not granted.
- **PSU Awards.** The Committee returned to rTSR as the single metric (similar to fiscal year 2020), and retained the S&P Composite 1500—Electronic Equipment, Instruments & Components (Industry) as the benchmark group.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has:

- (1) reviewed and discussed the Compensation Discussion and Analysis included in this proxy statement with management;
and
- (2) based on the review and discussions referred to in paragraph (1) above, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

The foregoing report of the Compensation Committee shall not be deemed to be “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates it by reference in such filing.

Compensation Committee

Shaker Sadasivam, *Chair*

Joseph J. Corasanti

Michael L. Dreyer

Marc Y.E. Pelaez

SUMMARY COMPENSATION TABLE

The following table summarizes the compensation of the NEOs for the fiscal years 2021, 2020 and 2019, discussed in this proxy document. All footnote references and explanatory statements relate to fiscal year 2021, unless otherwise noted.

| Name and Principal Position | Year | Salary | Stock Awards (\$)(1)(2) | Option Awards (\$)(3) | Non-Equity Incentive Plan Compensation (\$)(4) | All Other Compensation (\$)(5) | Total (\$) |
|--|------|-----------|----------------------------|--------------------------|---|--------------------------------------|---------------|
| Vincent D. Mattera, Jr. Chief Executive Officer | 2021 | \$950,833 | \$5,611,783 | \$ — | \$3,375,706 | \$521,214 | \$10,459,536 |
| | 2020 | 920,200 | 4,182,620 | 1,759,748 | 3,413,978 | 235,890 | 10,512,436 |
| | 2019 | 686,200 | 7,292,861 | 1,307,965 | 1,225,191 | 182,264 | 10,694,481 |
| Mary Jane Raymond Chief Financial Officer and Treasurer | 2021 | \$465,340 | \$1,875,478 | \$ — | \$ 855,098 | \$ 40,115 | \$ 3,236,031 |
| | 2020 | 439,000 | 1,290,792 | 426,705 | 898,784 | 40,423 | 3,095,704 |
| | 2019 | 399,300 | 915,751 | 389,673 | 477,952 | 48,948 | 2,231,624 |
| Walter R. Bashaw II President | 2021 | \$472,760 | \$1,703,017 | \$ — | \$ 683,609 | \$ 47,943 | \$ 2,907,329 |
| | 2020 | 446,000 | 1,169,680 | 386,714 | 716,977 | 45,069 | 2,764,440 |
| Giovanni Barbarossa Chief Strategy Officer and President Compound Semiconductor | 2021 | \$515,000 | \$1,769,655 | \$ — | \$ 666,490 | \$ 43,953 | \$ 2,995,098 |
| | 2020 | 500,000 | 1,227,769 | 405,900 | 688,075 | 39,844 | 2,861,588 |
| | 2019 | 450,000 | 948,791 | 403,297 | 465,292 | 53,812 | 2,321,192 |
| Jo Anne Schwendinger Chief Legal and Compliance Officer | 2021 | \$438,267 | \$1,159,826 | \$ — | \$ 503,142 | \$ 40,831 | \$ 2,142,066 |
| | 2020 | 420,000 | 930,067 | 307,513 | 436,732 | 47,740 | 2,142,052 |
| | 2019 | 333,000 | 616,611 | 261,598 | 256,335 | 41,842 | 1,509,386 |

- (1) Represents the aggregate grant date fair value of RSUs, and PSUs awarded by the Company during the fiscal years presented, computed in accordance with FASB ASC Topic 718 (excluding the effect of estimated forfeitures). The assumptions used by the Company in calculating these amounts are incorporated herein by reference to Note 14 to the Company's Consolidated Financial Statements included in its Annual Report on Form 10-K for the fiscal year that ended on June 30, 2021. For RSUs, the grant date fair value was computed based on the closing price of the Company's Common Stock on the date of grant, multiplied by the number of shares awarded.
- (2) The grant date fair value of the PSU awards included in this column was calculated based on the estimate of aggregate compensation expense to be recognized over the service period. For the fiscal year 2021 PSUs that are earned based on rTSP performance this was calculated based on a Monte Carlo simulation fair value as of the grant date of \$57.44 per share for the awards granted to the NEOs on August 28, 2020. For the fiscal year 2021 PSUs that are earned based on cash flow performance this was calculated based upon the number of shares projected to be earned, multiplied by the stock price at the date the fiscal year 2021 PSUs were awarded, based on a probable outcome at the date of grant, which was assumed to be target. The grant date fair value of the fiscal year 2021 PSUs that are earned based on cash flow performance reported in this column for fiscal year 2021 (measured at target) was as follows: Dr. Mattera \$ 1,059,523; Ms. Raymond \$ 354,090; Mr. Bashaw \$321,529; Dr. Barbarossa \$334,111; Ms. Schwendinger \$218,975. If these awards were to be paid out at maximum (200%), the payout would be as follows: Dr. Mattera, \$2,119,046; Ms. Raymond, \$708,180; Mr. Bashaw, \$643,059; Dr. Barbarossa, \$668,221; Ms. Schwendinger, \$437,950.
- (3) Represents the aggregate grant date fair value of stock option awards issued by the Company during the fiscal years presented, computed in accordance with FASB ASC Topic 718. Refer to Note 14 to the Company's Consolidated Financial Statements included in the Annual Report on Form 10-K for the fiscal year ended June 30, 2021, for the relevant weighted-average assumptions underlying the valuation of the option awards, except that any estimate of forfeitures for service-based conditions have been disregarded. The grant date fair value of stock option awards is based on the Black-Scholes option pricing model. The actual value a named executive officer may realize upon exercise of stock options, if any, will depend on the excess of the price of the underlying stock on the date of exercise over the grant date fair market value. As such, there is no assurance that the value realized by a named executive officer will be at or near the value estimated by the Black-Scholes model.
- (4) Amounts reflect the cash awards earned by our NEOs under the BIP and the GRIP, which are discussed in further detail in the "Compensation Discussion and Analysis" section of this proxy statement. The cash awards earned by Dr. Mattera, Mr. Bashaw, Ms. Raymond, Dr. Barbarossa and Ms. Schwendinger under the BIP for fiscal year 2021 were \$89,626, \$44,513, \$43,813, \$48,550, and \$41,295, respectively. The cash awards earned by Dr. Mattera, Mr. Bashaw, Ms. Raymond, Dr. Barbarossa and Ms. Schwendinger under the GRIP for fiscal year 2021 were \$3,286,080, \$639,096, \$811,285, \$617,940, and \$461,847, respectively.
- (5) Amounts reflect premiums paid for life and disability insurance and the Company's contributions under the Company's retirement plan, which is qualified under Section 401(a) of the Code, and the Deferred Compensation Plan, a non-qualified deferred compensation plan for certain management and certain other highly compensated employees.

We maintain an arrangement with a third-party travel service for use of chartered aircraft and associated ground travel as necessary. Infrequently, Dr. Mattera will use a flight for personal purposes, or his spouse may accompany him when a flight is already going to a specific destination for a business purpose. The incremental cost to the Company of personal flights has been calculated by determining the percentage of the hourly charges associated with Dr. Mattera's personal flights compared to the total monthly charges incurred by the Company for all such flights. No amounts were included in the Summary Compensation Table this year with respect to such personal flights.

| Name | Fiscal Year | Company Matching Contribution to 401k Plan | Company Discretionary Retirement Plan Contribution | Company Contribution to Deferred Contribution Plan |
|-------------------------|-------------|--|--|--|
| Vincent D. Mattera, Jr. | 2021 | \$9,750 | \$27,750 | \$478,630 |
| Mary Jane Raymond | 2021 | 9,750 | 26,340 | 461 |
| Walter R. Bashaw II | 2021 | 9,750 | 26,760 | 9,111 |
| Giovanni Barbarossa | 2021 | 9,750 | 27,750 | 3,558 |
| Jo Anne Schwendinger | 2021 | 8,749 | 25,224 | — |

GRANTS OF PLAN-BASED AWARDS FISCAL YEAR 2021

The following table sets forth each annual, non-equity cash incentive award and long-term equity-based award granted to the NEOs in fiscal year 2021.

| Name | Grant Date | Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1) | | | Estimated Future Payouts Under Equity Incentive Plan Awards(2) | | | All Other Stock Awards: Number of Shares of Stock (#)(3) | Grant Date Fair Value of Stock Awards \$(4) |
|------------------------|------------|--|-------------|-------------|--|----------|-----------|--|---|
| | | Threshold \$ | Target \$ | Maximum \$ | Threshold # | Target # | Maximum # | | |
| Vincent D. Mattera, Jr | | \$— | \$ 76,067 | \$ 152,134 | — | — | — | — | \$ — |
| | | \$— | \$1,825,600 | \$3,651,200 | — | — | — | — | \$ — |
| | 8/28/2020 | \$— | | | 23,917 | 47,833 | 95,666 | — | \$2,433,271 |
| | 8/28/2020 | \$— | | | — | — | — | 71,750 | \$3,178,525 |
| Mary Jane Raymond | | \$— | \$ 37,227 | \$ 74,454 | — | — | — | — | \$ — |
| | | \$— | \$ 450,714 | \$ 901,428 | — | — | — | — | \$ — |
| | 8/28/2020 | \$— | | | 7,993 | 15,986 | 31,972 | — | \$ 813,208 |
| | 8/28/2020 | \$— | | | — | — | — | 23,979 | \$1,062,270 |
| Walter R. Bashaw II | | \$— | \$ 37,821 | \$ 75,642 | — | — | — | — | \$ — |
| | | \$— | \$ 355,053 | \$ 710,106 | — | — | — | — | \$ — |
| | 8/28/2020 | \$— | | | 7,258 | 14,516 | 29,032 | — | \$ 738,429 |
| | 8/28/2020 | \$— | | | — | — | — | 21,774 | \$ 964,588 |
| Giovanni Barbarossa | | \$— | \$ 41,200 | \$ 82,400 | — | — | — | — | \$ — |
| | | \$— | \$ 343,300 | \$ 686,600 | — | — | — | — | \$ — |
| | 8/28/2020 | \$— | | | 7,542 | 15,084 | 30,168 | — | \$ 767,323 |
| | 8/28/2020 | \$— | | | — | — | — | 22,626 | \$1,002,332 |
| Jo Anne Schwendinger | | \$— | \$ 35,061 | \$ 70,122 | — | — | — | — | \$ — |
| | | \$— | \$ 256,582 | \$ 513,164 | — | — | — | — | \$ — |
| | 8/28/2020 | \$— | | | 4,943 | 9,886 | 19,772 | — | \$ 502,901 |
| | 8/28/2020 | \$— | | | — | — | — | 14,829 | \$ 656,925 |

- (1) These columns show the range of potential payouts for awards made to our NEOs in fiscal year 2021 under the GRIP and the BIP, assuming the target or maximum goals are satisfied with respect to the applicable performance measures underlying the awards. The business measurements and performance goals underlying these awards are described in the "Compensation Discussion and Analysis" section of this proxy statement. The aggregate amounts actually paid to our NEOs under these plans for fiscal year 2021 are set forth in the Summary Compensation Table in the column titled "Non-Equity Incentive Plan Compensation." Additional details regarding the specific pay-outs under each of the plans are provided in the footnotes.
- (2) These columns show the range of pay-outs of PSU awards granted to our NEOs in fiscal year 2021 under the Amended and Restated 2018 Omnibus Incentive Plan if threshold, target or maximum goals are achieved. See "Long-Term Incentives – PSUs" on page 27.
- (3) This column shows the number of shares underlying the RSU awards granted to our NEOs in fiscal year 2021 under the Amendment and Restated 2018 Omnibus Incentive Plan. These awards are subject to annual vesting of one-third of the award over three years.
- (4) This column shows the full grant date fair value of the stock awards reported in this table, which were computed in accordance with FASB ASC Topic 718. Generally, the full grant date fair value of an award is the amount the Company would expense in its financial statements over the award's vesting period as determined at the grant date. See footnotes 1 and 2 to the Summary Compensation Table and Note 14 to the Company's Consolidated Financial Statements included in the Annual Report on Form 10-K for fiscal year 2021 for additional information about the assumptions used in determining the grant date fair value of RSUs and PSUs (except that any estimate of forfeitures for service-based conditions have been disregarded).

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

This table summarizes the long-term equity-based awards held by our NEOs that were outstanding as of June 30, 2021.

| Name | Number of Securities Underlying Unexercised Options (#) Exercisable ⁽¹⁾ | Number of Securities Underlying Unexercised Options (#) Unexercisable ⁽¹⁾ | Option Price (\$) | Option Expiration Date | Number of Shares or Units of Stock That Have Not Vested (#) ⁽²⁾ | Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽³⁾ | Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) ⁽⁴⁾ | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ⁽³⁾ |
|-------------------------|--|--|-------------------|------------------------|--|---|--|---|
| Vincent D. Mattera, Jr. | 57,580 | 0 | \$ 17.84 | 8/15/2025 | 175,875 | \$ 12,766,797 | 152,281 | \$ 11,054,078 |
| | 71,040 | 0 | \$ 21.67 | 8/20/2026 | | | | |
| | 45,090 | 15,030 | \$ 35.25 | 8/18/2027 | | | | |
| | 27,090 | 27,090 | \$ 49.90 | 8/28/2028 | | | | |
| | 24,484 | 73,452 | \$ 36.08 | 1/28/2030 | | | | |
| Mary Jane Raymond | 24,780 | 0 | \$ 21.67 | 8/20/2026 | 56,260 | \$ 4,083,911 | 46,354 | \$ 3,364,837 |
| | 13,410 | 4,471 | \$ 35.25 | 8/18/2027 | | | | |
| | 8,580 | 8,580 | \$ 49.90 | 8/28/2028 | | | | |
| | 7,117 | 21,351 | \$ 36.56 | 8/28/2029 | | | | |
| Walter R. Bashaw II | 3,800 | 0 | \$ 18.73 | 11/7/2025 | 31,198 | \$ 2,264,663 | 42,034 | \$ 3,051,248 |
| | 14,820 | 0 | \$ 27.00 | 11/5/2025 | | | | |
| | 9,540 | 9,540 | \$ 39.95 | 10/5/2028 | | | | |
| | 6,450 | 19,350 | \$ 36.56 | 8/28/2029 | | | | |
| Giovanni Barbarossa | 10,980 | 3,660 | \$ 35.25 | 8/18/2027 | 55,440 | \$ 4,024,397 | 43,968 | \$ 3,191,637 |
| | 8,880 | 8,880 | \$ 49.90 | 8/28/2028 | | | | |
| | 6,770 | 20,310 | \$ 36.56 | 8/28/2029 | | | | |
| Jo Anne Schwendinger | 4,320 | 0 | \$ 35.50 | 3/6/2027 | 36,945 | \$ 2,681,864 | 31,768 | \$ 2,306,039 |
| | 5,760 | 5,760 | \$ 49.90 | 8/28/2028 | | | | |
| | 5,129 | 15,387 | \$ 36.56 | 8/28/2029 | | | | |

- (1) This column shows the number of shares underlying stock options that were outstanding as of June 30, 2021. Generally, awards granted in fiscal year 2017 and later vest over a four-year period, with 25% vesting occurring on each of the first, second, third, and fourth anniversaries of the grant date.
- (2) This column shows the number of restricted shares or RSUs outstanding as of June 30, 2021, and includes PSUs with a performance period ending on June 30, 2021, which are included in the column after adjustment for performance results. These awards are subject to our standard vesting schedule and will vest as set forth in the following table:

| Name | Shares Vesting in August 2021 | Shares Vesting in October 2021 | Shares Vesting in January 2022 | Shares Vesting in August 2022 | Shares Vesting in January 2023 | Shares Vesting in August 2023 | Total Unvested Shares |
|-------------------------|-------------------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|-----------------------|
| Vincent D. Mattera, Jr. | 101,930 | | 13,056 | 23,917 | 13,056 | 23,916 | 175,875 |
| Mary Jane Raymond | 36,478 | | | 11,789 | | 7,993 | 56,260 |
| Walter R. Bashaw II | 10,698 | 2,544 | | 10,698 | | 7,258 | 31,198 |
| Giovanni Barbarossa | 36,745 | | | 11,153 | | 7,542 | 55,440 |
| Jo Anne Schwendinger | 24,324 | | | 7,678 | | 4,943 | 36,945 |

- (3) These values are based on the closing market price of the Company's Common Stock on June 30, 2021, of \$ 72.59 per share.

- (4) This column shows the number of unvested PSUs outstanding as of June 30, 2021 that were granted for fiscal years 2020 and 2021. Based on performance through the end of the last fiscal year these amounts consist of shares underlying awards assuming maximum performance for the fiscal year 2020 PSUs and target performance for the fiscal year 2021 PSUs. These awards will vest as set forth in the following table, subject to actual performance results for the applicable performance period:

| Name | Fiscal Year 2020 PSU Shares Vesting in June 2022 | Fiscal Year 2021 PSU Shares Vesting in June 2023 | Total Unvested Shares |
|-------------------------|--|--|--------------------------|
| Vincent D. Mattera, Jr. | 104,448 | 47,833 | 152,281 |
| Mary Jane Raymond | 30,368 | 15,986 | 46,354 |
| Walter R. Bashaw II | 27,518 | 14,516 | 42,034 |
| Giovanni Barbarossa | 28,884 | 15,084 | 43,968 |
| Jo Anne Schwendinger | 21,882 | 9,886 | 31,768 |

OPTIONS EXERCISED AND STOCK VESTED IN FISCAL YEAR 2021

The following table provides information related to (1) stock options exercised by our NEOs in fiscal year 2021, including the number of shares acquired upon exercise and the value realized, and (2) the number of shares acquired upon the vesting of restricted stock and/or RSU awards and PSU awards in fiscal year 2021, and the value realized before payment of any applicable withholding tax or broker commissions.

| | Option Awards | | Stock Awards | |
|-------------------------|---|--|--|---|
| | Number of Shares Acquired on Exercise (#) | Value Realized on Exercise \$(¹) | Number of Shares Acquired Upon Vesting (#)(²) | Value Realized Upon Vesting \$(³) |
| Vincent D. Mattera, Jr. | 201,350 | \$8,710,617 | 92,424 | \$4,778,080 |
| Mary Jane Raymond | 30,360 | 1,486,651 | 27,524 | 1,247,974 |
| Walter R. Bashaw II | 20,500 | 1,041,957 | 5,984 | 251,630 |
| Giovanni Barbarossa | 106,620 | 4,467,280 | 23,531 | 1,063,870 |
| Jo Anne Schwendinger | 12,960 | 402,591 | 18,687 | 846,741 |

- (1) The value realized upon exercise of these option awards represents the difference between the market price of the underlying stock at exercise and the exercise price of the option, multiplied by the number of shares underlying the options exercised.
- (2) The amount in this column equals the gross number of shares or units that vested, multiplied by the closing price of our Common Stock on the applicable vesting date, and includes any amounts that were withheld for taxes.

NONQUALIFIED DEFERRED COMPENSATION FISCAL YEAR 2021

This table provides information regarding executive contributions to, and aggregate earnings under, the Deferred Compensation Plan for our NEOs as of and for the fiscal year ended 2021.

| Name | Executive Contributions FY2021 (\$) | Registrant Contributions FY2021 (\$) ⁽¹⁾ | Aggregate Earnings (Loss) in FY2021 (\$) ⁽²⁾ | Aggregate Withdrawals/ Distributions (\$) | Aggregate Balance at June 30, 2021 (\$) ⁽³⁾ |
|-------------------------|--|--|---|---|--|
| Vincent D. Mattera, Jr. | \$— | \$499,320 | \$696,744 | \$ | \$3,672,230 |
| Mary Jane Raymond | — | 8,329 | 2,017 | — | 17,522 |
| Walter R. Bashaw II | — | 8,617 | 437 | — | 9,054 |
| Giovanni Barbarossa | — | 19,906 | 2,819 | — | 31,065 |
| Jo Anne Schwendinger | — | — | — | — | — |

- (1) Amounts in this column represent certain matching contributions made under the Deferred Compensation Plan for the last fiscal year to make up for IRS limitations on matching contributions under the 401(k) Retirement Savings Plan. These amounts were included as fiscal year 2021 compensation under "All Other Compensation" in the Summary Compensation Table. In addition, and in accordance with his employment agreement entered into in January 2020, Dr. Mattera was credited with a Company contribution to the Deferred Compensation Plan in the amount of \$450,000 on June 30, 2021. This amount was also included as fiscal year 2021 compensation under "All Other Compensation" in the Summary Compensation Table.
- (2) Aggregate earnings include all changes in value based on performance of deemed investments elected by the NEO under the Deferred Compensation Plan. The Deferred Compensation Plan is administered by a third party and provides for deemed investment options similar to the investment options available under the Company's 401(k) Retirement Savings Plan, with the exception that amounts under the Deferred Compensation Plan may be invested in the Company's Common Stock. Amounts that are deferred into the Company's Common Stock must remain invested in the Company's Common Stock and must be paid out in shares of Company's Common Stock upon a qualifying distribution event.
- (3) Amounts shown in this column were reported in the Summary Compensation Table for previous fiscal years, other than earnings, although, for Dr. Mattera, for any PSUs that were deferred in prior years, the amount included in the column was the value of the PSUs at vesting rather than the grant date fair value at grant included in the Summary Compensation Table.

The Deferred Compensation Plan was established to provide retirement savings benefits for NEOs and certain other employees beyond what is available through the 401(k) Retirement Savings Plan, which is subject to IRS limitations on annual contributions and compensation. Under the Deferred Compensation Plan, eligible participants can elect to defer up to 100% of certain performance-based cash incentive compensation and certain equity awards into an account that will be credited with earnings at the same rate as one or more deemed investments chosen by the participant. The Company may make matching contributions and other Company contributions to the Deferred Compensation Plan. A participant's right to receive benefits under the Deferred Compensation Plan is an unfunded, unsecured right, no greater than the claim of a general creditor of the Company. Any assets that the Company sets aside to pay benefits under the Deferred Compensation Plan are the property of the Company and subject to claims of the Company's creditors in case of the Company's insolvency. Participants are eligible to receive distributions from the Deferred Compensation Plan upon a separation from service (as defined in the Deferred Compensation Plan) and may also receive in-service distributions in certain circumstances. They may also elect to receive payments in a lump sum or in annual installments over a specified term of years.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information about our Common Stock subject to our equity compensation plans that were in effect as of June 30, 2021.

| As of June 30, 2021 | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted-average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (Excluding securities reflected in column (a)) (c) |
|--|--|--|--|
| Equity compensation plans approved by security holders | 5,485,724 ⁽¹⁾ | \$ 29.26 ⁽²⁾ | 7,565,710 |
| Equity compensation plans not approved by security holders | — | — | |
| Total | 5,485,724 | \$ 29.26 | 7,565,710 |

(1) Represents outstanding awards pursuant to the Amended and Restated 2018 Omnibus Incentive Plan and includes both vested and unvested options, as well as 518,309 outstanding share-settled PSUs at target level of performance and 2,324,781 share-settled RSUs.

(2) Does not take into account outstanding share-settled PSUs or RSUs.

POTENTIAL PAYMENTS UPON CHANGE IN CONTROL AND EMPLOYMENT TERMINATION

Equity Awards. Treatment of equity awards upon a change in control of the Company depends on when the awards were granted and whether the awards are assumed or replaced by the buyer in the transaction. Awards vest upon closing of the transaction if the awards were granted before fiscal year 2017. For awards granted beginning with fiscal 2017, if the awards are assumed or replaced by the buyer, they do not vest upon closing of the transaction, but will vest if the employment relationship is terminated by the buyer without cause, or by the executive with good reason, within two years after the closing. Vesting upon the occurrence of the two events, a change in control, and termination as describe above, is often referred to as “double trigger” vesting.

Stock options accelerate and vest in their entirety in the event of death or disability and continue to vest as set forth in the applicable award upon retirement, as defined in the agreement. PSUs generally are prorated in the event of death, disability, or retirement, based on the months employed during the performance period, and remain subject to actual performance results. For PSUs awarded to the CEO for fiscal year 2020 and later, upon his retirement the PSUs continue to vest in full (not prorated) subject to actual performance results, provided that, for a retirement before August 1, 2023, the PSUs will be prorated if performance results are below target. RSUs accelerate and vest in their entirety in the event of death, disability or retirement from the Company. Certain performance awards for some NEOs also provide pro-rata vesting, subject to actual performance, if the NEO is terminated by the Company without cause or the NEO terminates for good reason during the performance period. In all other circumstances, the awards terminate upon termination of service. Eligibility for retirement for this purpose is determined under the Company’s Global Retirement Policy, which means the NEO attains at least age 65 with five years of service. As of June 30, 2021, Dr. Mattera is the only NEO that is eligible for retirement under this definition.

The following table provides the dollar amount each NEO would have been entitled to receive as a result of the acceleration of vesting of unvested stock options, PSUs and RSUs caused by (i) a change in control of the Company (and a subsequent termination without cause or with good reason, if applicable), (ii) the death or disability of the NEO, (iii) retirement of the NEO, or (iv) for some NEOs, termination by the Company without “Cause” (as those terms are defined in the NEO’s employment agreement described below), in each case assuming the triggering event occurred on June 30, 2021. The values shown are calculated based on the closing price of the Company’s Common Stock on June 30, 2021, of \$72.59 per share, and, for stock options, are calculated based on the difference between the exercise price of the unvested options and

\$72.59. These benefits are in addition to benefits available generally to salaried employees, such as accrued vacation pay. Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed below, such as the timing during the year of an event and the Company's stock price, actual amounts paid or distributed may be different.

| Named Executive Officer | Acceleration of Equity Awards Upon Change in Control (\$) | Acceleration of Equity Awards Upon Death or Disability (\$) | Acceleration of Equity Awards Upon Retirement (\$) | Acceleration of Equity Awards Upon Termination Without Cause ⁽¹⁾ (\$) |
|-------------------------|---|---|--|--|
| Vincent D. Mattera, Jr. | \$ 27,678,499 | \$22,837,778 | \$27,678,499 | \$ 27,678,499 |
| Mary Jane Raymond | 8,579,615 | 7,071,542 | — | 1,856,765 |
| Walter R. Bashaw II | 6,324,477 | 4,956,470 | — | 1,683,241 |
| Giovanni Barbarossa | 8,285,955 | 6,857,428 | — | 1,763,109 |
| Jo Anne Schwendinger | 5,118,598 | 4,111,718 | — | 1,299,159 |

(1) For Dr. Mattera, in accordance with his employment agreement, he also has vesting protection for PSUs in connection with termination for good reason. In addition, because Dr. Mattera is retirement eligible, his termination without cause or for good reason would receive the same vesting treatment as his retirement.

Employment Agreements. The Company has entered into employment agreements or participation agreements for the Executive Severance Plan with each of the NEOs. The following terms are commonly used in the NEO employment agreements and Executive Severance Plan:

- **“Cause”** means a determination by our Board, in the exercise of its reasonable judgment, that any of the following has occurred: (i) the willful and continued failure by the NEO to perform his or her duties and responsibilities under the agreement (after notice and a 30-day cure period); (ii) the willful engaging by the NEO in any act which is materially damaging to the Company; (iii) the conviction of an NEO of, or a plea of “guilty” or “no contest” to, a felony or a criminal offense involving fraud, dishonesty or other moral turpitude; (iv) any material breach by an NEO of the terms of the agreement, or any other written agreement between the NEO and the Company relating to proprietary information, confidentiality, non-competition or non-solicitation; or (v) the engaging by the NEO in any intentional act of dishonesty resulting, or intended to result, directly or indirectly, in personal gain to the NEO at the Company's expense.
- **“Change in Control” or “CIC”** means (i) the Company is merged or consolidated with another entity and following such transaction (A) the persons who were our shareholders immediately prior to such a transaction have less than a majority of the voting power over the Company or the entity owning or controlling the Company, or (B) individuals who comprise our Board immediately prior to such transactions cease to be at least a majority of the Board, or of an entity controlling the Company; or (ii) a majority of our assets are sold or otherwise transferred to another corporation not controlled by or under common control with us, or to a partnership, firm, entity or individuals not so controlled; or (iii) a majority of the members of our Board consists of persons who were not nominated for election by or on behalf of our Board, or with their concurrence; or (iv) a single person, or group of persons, obtains voting control over a majority of our outstanding shares.
- **“Good Reason”** means, without the NEO's express written consent: (i) a material reduction of the NEO's employment responsibilities; (ii) a material reduction by the Company of the NEO's eligibility for total direct compensation (or for purposes of the Executive Severance Plan discussed below, a material reduction in an NEO's base salary); (iii) a material increase in the amount of the NEO's business travel, which produces a constructive relocation of the NEO; (iv) a material reduction by the Company of the level of employee benefits provided to the NEO with the result that overall benefits to such NEO are significantly reduced; or (v) for the NEOs other than Dr. Mattera, the relocation of the NEO to a facility or a location more than 30 miles from the NEOs primary work location.

Employment Agreement – Dr. Mattera. Dr. Mattera’s employment agreement provides for an annual base salary to be determined by the Company, with the potential to earn cash bonuses and other bonuses in the judgment of the Company. The agreement also provides Dr. Mattera with other benefits which are routinely provided to the employees of the Company, including participation in our equity incentive plans.

If Dr. Mattera’s employment is terminated as a result of death or permanent disability, the Company will pay to him or his representatives his annual base salary through the last day of the fiscal year in which the date of death or disability occurs, and bonuses that would have been paid to him for the full year had he remained employed by the Company. Any such payments shall be made not later than the 15th day of the third month following the end of the Company’s fiscal year in which Dr. Mattera dies or becomes totally disabled. If Dr. Mattera terminates employment other than for Good Reason, he will receive his remaining fiscal year salary and bonuses earned during the fiscal year of termination.

If the Company terminates Dr. Mattera’s employment without Cause, or if Dr. Mattera terminates employment for Good Reason, except when such termination is coincident with, or within 24 months following, the occurrence of a CIC, after Dr. Mattera’s execution of a release, the Company will pay him severance of two times his Average Annual Income. Average Annual Income for such payment is the sum of his annual base pay and annual cash bonuses for the preceding three fiscal years, divided by three. The severance will be paid no later than 60 days after the date of termination (following the expiration of any applicable revocation periods set forth in the release). The Company also will pay Dr. Mattera a lump sum equal to 18 months of his applicable COBRA monthly premiums. If Dr. Mattera’s employment is terminated by the Company without Cause, or by him for Good Reason, and such termination is coincident with or within the 24 months following the occurrence of a Change in Control, after his execution of a release, the Company will pay to him severance in an amount equal to three times his Average Annual Income. The severance will be paid in a lump sum no later than 60 days after the date of termination. The Company will also pay, no later than 60 days after the date of termination, a lump sum payment equal to 24 months of Dr. Mattera’s applicable COBRA monthly premiums, a lump sum cash payment of \$40,000 to cover the cost of his post-termination benefit coverage, and expenses associated with his seeking another position.

Dr. Mattera’s employment agreement does not provide gross-up payments for excise taxes. Instead, the agreement requires payments to be scaled back to an amount that would not trigger the excise taxes, if such reduction would result in Dr. Mattera retaining a larger amount on an after-tax basis.

Dr. Mattera is subject to undertakings, including restrictions on the assignment of inventions, confidentiality, and one-year non-solicitation and non-competition covenants, which survive the termination of his employment. If he engages in activities that violate any of these undertakings, he will have no right to unpaid severance benefits.

The following table summarizes the estimated severance payments that Dr. Mattera would have been entitled to receive assuming that a termination of his employment had occurred as of June 30, 2021, under any of the circumstances described below.

| Payments | Termination For Death or Disability or for Good Reason (No Change in Control) | Termination With Cause or Without Good Reason | Termination Without Cause or for Good Reason (No Change in Control) | Termination Without Cause or for Good Reason (After Change in Control) |
|---------------------------|---|---|---|--|
| Cash Severance | \$ — | \$ — | \$ 7,048,072 | \$ 10,572,108 |
| Health Benefits | — | — | 14,346 | 19,128 |
| Post-termination Benefits | — | — | — | 40,000 |
| | \$ — | \$ — | \$ 7,062,418 | \$ 10,631,236 |

Employment Agreement – Dr. Barbarossa. Dr. Barbarossa’s employment agreement provides for an annual base salary and the potential to earn cash bonuses and other bonuses in the judgment of the Company. The agreement also provides Dr. Barbarossa with other benefits that are routinely provided to the employees of the Company, including participation in our equity incentive plans and bonus plans.

If Dr. Barbarossa’s employment is terminated by the Company without Cause, except when such termination is coincident with or within an 18-month period following the occurrence of a Change in Control, after execution of a release, the Company will pay to Dr. Barbarossa up to nine times his then current monthly salary. The severance will be paid no later than 60 days after the date of termination. The Company also will pay the premiums for health insurance coverage for a period of up to nine months.

If employment is terminated by the Company without Cause, or by Dr. Barbarossa with Good Reason, and such termination is coincident with or within the 18 month period following the occurrence of a CIC, after execution of a release, the Company will pay him severance in an amount equal to one-half his average annual base salary, multiplied by his number of years of service with the Company as of the date of termination, up to four (i.e., for a maximum severance equal to two years’ of average annual base salary). Average annual base salary is annual base pay for the preceding five fiscal years (or fiscal years employed if less than five years), divided by the lesser of years of service or five years. The severance will be paid in a lump sum, no later than 60 days after the date of termination. The Company will pay the premiums for health insurance coverage for a period of up to 18 months and shall also pay, no later than 60 days after the date of termination, a lump sum cash payment of \$10,000 to cover expenses associated with seeking another position.

Payments received in connection with a Change in Control can potentially trigger excise taxes under Sections 280G and 4999 of the Code. Dr. Barbarossa’s employment agreement does not provide gross-up payments for excise taxes. Instead, the agreement requires payments to be scaled back to an amount that would not trigger the excise taxes, if such reduction would result in Dr. Barbarossa retaining a larger amount on an after-tax basis.

Dr. Barbarossa is subject to undertakings including restrictions on the assignment of inventions, confidentiality, and one-year non-solicitation and non-competition covenants, which survive the termination of employment. If he engages in activities that violate any of these covenants, he will have no right to any unpaid severance benefits.

The following tables summarize the estimated severance payments that Dr. Barbarossa would have been entitled to receive assuming that a termination of his employment occurred as of June 30, 2021.

| Payments | Termination For Death or Disability or for Good Reason (No Change in Control) | Termination With Cause or Without Good Reason | Termination Without Cause or for Good Reason (No Change in Control) | Termination Without Cause or for Good Reason (After Change in Control) |
|---------------------------|---|---|---|--|
| Cash Severance | \$ — | \$ — | \$ 386,250 | \$ 1,100,000 |
| Health Benefits | — | — | — | — |
| Post-termination Benefits | — | — | — | 10,000 |
| | \$ — | \$ — | \$ 386,250 | \$ 1,110,000 |

Executive Severance Plan. On August 16, 2019, the Board adopted the II-VI Incorporated Executive Severance Plan (the “Executive Severance Plan”). The Executive Severance Plan provides severance benefits upon a qualifying termination of employment to selected employees of the Company. By executing a Participation Agreement for the Executive Severance Plan, each participating NEO agreed that the NEO’s employment agreement was terminated. The Executive Severance Plan also contains certain non-duplication provisions such that the severance payments and benefits under the Executive Severance Plan are offset or reduced by any severance payments and benefits that otherwise would be received by a participant under the terms of any other agreement, policy, or plan maintained by the Company that provides for severance benefits. Currently, the participating NEOs are Walter R. Bashaw II, Mary Jane Raymond, and Jo Anne Schwendinger.

In the event of a termination by the Company without “cause” or by an NEO for “good reason,” the NEO will be eligible to receive the following under the Executive Severance Plan:

- If the termination takes place outside of a CIC Period (which is a period of 18 months beginning on a CIC), an amount equal to 12 months of then-current annual base salary, payable in accordance with the Company’s regular pay schedule, over the 12 months following the qualifying termination;
- If the termination takes place during a CIC Period, (i) a lump sum cash payment equal to the sum of (A) 24 months of then-current annual base salary, plus (B) the NEO’s annual target bonus for the year in which the termination occurs, and (ii) accelerated vesting of all outstanding equity compensation awards; and
- A lump sum cash payment by the Company equal to the cost of the NEO’s health care insurance premiums for a period of (x) 12 months in the event of a qualifying termination other than during a CIC Period, or (y) 18 months in the event of a qualifying termination during a CIC Period.

Severance benefits are conditioned upon the NEO’s giving the Company a general release of claims at the time of separation.

Benefits are also conditioned upon the NEO’s compliance with certain covenants regarding confidentiality, assignment of inventions, non-competition, and non-solicitation. The Executive Severance Plan does not provide any gross-up payment for excise taxes. Instead, the plan requires payments to be scaled back to an amount that would not trigger the excise taxes, if such reduction would result in the participant retaining a larger amount on an after-tax basis.

The following tables summarize the estimated severance payments that the Company’s participating NEOs would have been entitled to receive assuming that a termination of their employment occurred as of June 30, 2021, under any of the circumstances described below.

MARY JANE RAYMOND

| Payments | Termination For Death or Disability | Termination With Cause or Without Good Reason | Termination Without Cause or for Good Reason (No Change in Control) | Termination Without Cause or for Good Reason (After Change in Control) |
|---------------------------|-------------------------------------|---|---|--|
| Cash Severance | \$— | \$— | \$465,340 | \$1,391,407 |
| Health Benefits | — | — | \$ 7,800 | 11,700 |
| Post-termination benefits | — | — | — | — |
| | \$— | \$— | \$473,140 | \$1,403,107 |

WALTER R. BASHAW II

| Payments | Termination For Death or Disability | Termination With Cause or Without Good Reason | Termination Without Cause or for Good Reason (No Change in Control) | Termination Without Cause or for Good Reason (After Change in Control) |
|---------------------------|-------------------------------------|---|---|--|
| Cash Severance | \$— | \$— | \$472,760 | \$1,342,070 |
| Health Benefits | — | — | \$ 18,132 | 27,198 |
| Post-termination benefits | — | — | — | — |
| | \$— | \$— | \$490,892 | \$1,369,268 |

JO ANNE SCHWENDINGER

| Payments | Termination For Death or Disability | Termination With Cause or Without Good Reason | Termination Without Cause or for Good Reason (No Change in Control) | Termination Without Cause or for Good Reason (After Change in Control) |
|---------------------------|-------------------------------------|---|---|--|
| Cash Severance | \$— | \$— | \$438,267 | \$1,181,584 |
| Health Benefits | — | — | \$ 15,288 | \$ 22,932 |
| Post-termination benefits | — | — | — | — |
| | \$— | \$— | \$453,555 | \$1,204,516 |

CEO PAY RATIO

Information about the relationship of the annual total compensation of our employees and the annual total compensation of Dr. Mattera, our CEO, is provided below.

For fiscal year 2021, our last completed fiscal year:

- The median of the annual total compensation of all our employees (other than our CEO) was \$15,808; and
- The annual total compensation of our CEO, as reported in the Summary Compensation Table included elsewhere in this proxy statement, was \$10,459,536.

Based on this information, for fiscal year 2021 the ratio of the annual total compensation of Dr. Mattera to the median of the annual total compensation of all our employees was 662 to 1.


We took the following steps to identify the median of the annual total compensation of all our employees, as well as to determine the annual total compensation of our median employee and our CEO.

1. We determined that, as of June 30, 2021, our employee population consisted of approximately 19,629 individuals, other than the CEO. This population consisted of our full-time, part-time, and temporary employees as of the determination date.
2. To identify the “median employee” from our employee population we used base salary, as reflected in our payroll records, for fiscal year 2021. For gross wages, we generally used the total amount of compensation the employees were paid before any taxes, deductions, insurance premiums, and other payroll withholding. We did not use any statistical sampling techniques.
3. For the annual total compensation of our median employee, we then identified and calculated the elements of that employee’s compensation for fiscal year 2021 in accordance with the requirements of Item 402(c)(2)(x), resulting in annual total compensation of \$15,808.
4. For the annual total compensation of our CEO, we used the amount reported in the “Total” column of our fiscal year 2021 Summary Compensation Table included in this proxy statement.
5. For currency conversion, the prevailing rates as of June 30, 2021, were used to reflect all gross wages in U.S. dollars.

The CEO pay ratio reported above is a reasonable estimate, calculated in a manner consistent with SEC rules, based on the methodologies and assumptions described above. SEC rules for identifying the median employee and determining the CEO pay ratio permit companies to employ a wide range of methodologies, estimates, and assumptions. As a result, the CEO pay ratios reported by other companies, which may have employed other permitted methodologies or assumptions, and which may have a significantly different work force structure from ours, might not be comparable to our CEO pay ratio.

NON-BINDING ADVISORY VOTE TO APPROVE THE COMPANY'S 2021 NAMED EXECUTIVE OFFICER COMPENSATION, AS DISCLOSED IN THIS PROXY STATEMENT (PROPOSAL 2)

In accordance with the requirements of Section 14A of the Securities Exchange Act of 1934, as amended, we are asking our shareholders to approve, on a non-binding, advisory basis, the compensation of our NEOs for fiscal year 2021, as disclosed in this proxy statement. This "Say on Pay" vote is not intended to address any specific item of compensation, but rather the overall compensation paid to our NEOs in fiscal year 2021, as disclosed in this proxy statement. At the Company's 2017 Annual Meeting of Shareholders, shareholders voted to hold an annual advisory vote to approve executive compensation.

*The Board of Directors
recommends a vote*
FOR *this proposal.* 

As described in the "Compensation Discussion and Analysis" section of this proxy statement, we believe that we have created a pay-for-performance executive compensation program that is linked to our strategy and the drivers of long-term shareholder value, helps us attract and retain executive talent, and aligns the long-term interests of our executives and shareholders.

We urge shareholders to read the Compensation Discussion and Analysis, as well as the Summary Compensation Table, and the related compensation tables and narratives of this proxy statement. This information provides detailed information regarding our executive compensation philosophy, program, policies and processes, as well as the compensation paid to our NEOs. As has been our practice, the Company will continue to respond to investor questions during meetings occurring throughout the year.

The Board requests shareholders to vote to approve the following advisory resolution at the Annual Meeting:

RESOLVED, that the shareholders of II-VI Incorporated (the "Company") approve, on an advisory basis, the compensation of the Company's Named Executive Officers as described and disclosed in the Compensation Discussion and Analysis, the compensation tables, and any related material contained in the proxy statement for the Company's 2021 Annual Meeting of Shareholders.

Because this vote is advisory, it will not be binding upon the Board or the Compensation Committee. However, the Compensation Committee will take the outcome of the vote into account when considering future executive compensation arrangements.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE RESOLUTION APPROVING, ON A NON-BINDING ADVISORY BASIS, THE COMPANY'S 2021 NAMED EXECUTIVE OFFICER COMPENSATION AS DISCLOSED IN THIS PROXY STATEMENT.

REPORT OF THE AUDIT COMMITTEE

The following is the report of the Audit Committee with respect to the Company's audited financial statements for the fiscal year ended June 30, 2021, included in the Company's Annual Report on Form 10-K. The information contained in this report shall not be deemed to be "soliciting material" or to be "filed" with the SEC. Likewise, it shall not be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates it by reference in such filing.

Membership and Role of Audit Committee

Each member of the Audit Committee is an "Independent Director" as defined under Nasdaq rules. The Audit Committee operates under a written charter adopted by the Board.

Review with Management

The Audit Committee reviews each of the Company's quarterly and annual reports, including management's Discussion and Analysis of Financial Condition and Results of Operations. As part of this review, the Audit Committee discusses the reports with the Company's management. It also considers the audit reports prepared by the Independent Accountants about the Company's annual report, and related matters like the quality of the Company's accounting principles; alternative methods of accounting under Generally Accepted Accounting Principles, and the Independent Accountant's preferences in this regard; the Company's critical accounting policies; and the clarity and completeness of the Company's financial and other disclosures.

The Audit Committee reviewed management's report on internal control over financial reporting, required under Section 404 of the Sarbanes-Oxley Act of 2002 and related rules. As part of this review, the Audit Committee reviewed the bases for management's conclusions in that report, and the report of the Independent Accountants on internal control over financial reporting. Throughout the fiscal year ended June 30, 2021, the Audit Committee reviewed management's plan for documenting and testing controls, the results of their documentation and testing, any deficiencies, and the remediation of the deficiencies.

Review and Discussions with Independent Accountants

The Audit Committee has discussed with EY the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (PCAOB) relating to communication with audit committees.

The Audit Committee has also received written disclosures and the letter from EY required by the applicable requirements of the PCAOB and has discussed with EY their independence from the Company.

Conclusion


Based on the review and discussions referred to above, the Audit Committee recommended to the Board that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2021.

Audit Committee

Joseph J. Corasanti, *Chair*
Enrico Digirolamo
Patricia Hatter
Shaker Sadasivam
Howard H. Xia

RATIFICATION OF THE AUDIT COMMITTEE'S SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PROPOSAL 3)

EY has served as the Company's independent registered public accountants since fiscal year 2008. For fiscal year 2021, EY rendered professional services in connection with the audit of our financial statements, including review of quarterly reports and other filings with the SEC. EY is knowledgeable about our operations and accounting practices, and well qualified to act as our independent registered public accounting firm for fiscal year 2022, and the Audit Committee has selected it as such.

The Board of Directors
recommends a vote
FOR this proposal. 

The Company incurred the following fees and expenses for services performed by its Independent Registered Public Accounting Firm during fiscal years 2021 and 2020:

| | 2021 | 2020 |
|---------------------------|--------------------|--------------------|
| Audit Fees ⁽¹⁾ | \$4,017,000 | \$4,163,000 |
| Audit-Related Fees | — | 15,000 |
| Tax Fees | 405,000 | 296,447 |
| All Other Fees | — | — |
| Total Fees | \$4,422,000 | \$4,474,447 |

(1) Includes fees and expenses associated with the annual audit, including the audit of the effectiveness of the Company's internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, and audit fees for the Company's statutory audit requirements.

- The Audit Committee pre-approves the retention of the Independent Accountants, and its fees for all audit and non-audit services, and determines whether the provision of non-audit services is compatible with maintaining its independence.
- A representative of EY is expected to be present at the Annual Meeting to respond to questions, and will have the opportunity to make a statement.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE RATIFICATION OF THE AUDIT COMMITTEE'S SELECTION OF ERNST & YOUNG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2022.

OTHER INFORMATION

The Company will pay the expense of the printing, assembling and mailing to the holders of the Company's Common Stock the notice of meeting, this proxy statement and the accompanying form of proxy. In addition to proxy solicitation by mail, proxies may be solicited by directors, officers or employees of the Company personally, via the internet or by telephone. The Company may request the persons holding stock in their names, or in the names of their nominees, to send proxy material to, and obtain proxies from, their principals, and will reimburse such persons for their expense in so doing.

SHAREHOLDER PROPOSALS

Proposals by shareholders intended for inclusion in the Company's proxy statement and form of proxy for the annual meeting of the Company expected to be held in November 2022 must be delivered to the Secretary of II-VI Incorporated at 375 Saxonburg Boulevard, Saxonburg, Pennsylvania 16056, by June 10, 2022. Rules under the Securities Exchange Act of 1934, as amended, describe the standards as to the submission of shareholder proposals. Additionally, the Board-appointed proxies will have discretionary

authority to vote on any proposals by shareholders that are not intended to be included in the Company's proxy materials for the 2022 Annual Meeting, but are intended to be presented by the shareholder from the floor, if notice of the intent to make such proposal is received by the Secretary at the above address no later than the close of business on July 21, 2022, and no earlier than the close of business on June 21, 2022. Otherwise, such proposals will be considered untimely. Any such notice of intent by a shareholder must also comply with the requirements contained in the Company's Amended and Restated Bylaws.

HOUSEHOLDING

The term "householding," means that we will deliver only one copy of our annual report and proxy statement to shareholders of record who share the same address and last name unless we have received contrary instructions from you. This procedure reduces our printing costs and mailing costs and fees. Upon written or oral request, we will promptly deliver a separate annual report and proxy statement to any shareholder at a shared address to which a single copy of either of those documents was delivered.

If you would like to receive a separate copy of the annual report for proxy statement for this meeting or opt out of householding, or if you are a shareholder eligible for householding and would like to participate in householding, please send a request addressed to Jo Anne Schwendinger, Chief Legal and Compliance Officer and Secretary of II-VI Incorporated, 375 Saxonburg Boulevard, Saxonburg, Pennsylvania 16056 or by calling +1(724)352-4455. Many brokerage firms have instituted householding. If you hold your shares in "street name," please contact your bank, broker or other holder of record to request information about householding.

RELATED PARTY TRANSACTIONS

The husband of Jo Anne Schwendinger, our Chief Legal and Compliance Officer and Secretary, is a Shareholder and Director of SGK. SGK has provided legal services to the Company for over 40 years. In the fiscal year ended June 30, 2021, SGK performed legal services for the Company for which it was paid approximately \$460,000 in the aggregate. Ms. Schwendinger's husband does not work on any matters involving the Company. Ms. Schwendinger's husband does not share, and has not shared, in any revenues, and he does not have, and has not had, any other direct financial benefit, from the work SGK performs for the Company. We expect SGK to continue to perform legal services that we request during the fiscal year ending June 30, 2022.

Pursuant to the terms of the Amended and Restated Investment Agreement, on March 31, 2021, the Company issued, sold and delivered to BCPE 75,000 shares of Series B-1 Preferred Stock for \$10,000 per share (the "Equity Per Share Price"), resulting in an aggregate purchase price of \$750.0 million. In addition, subject to the terms and conditions set forth in the Amended and Restated Investment Agreement, the Company agreed to issue, sell and deliver to BCPE 105,000 shares of a new Series B-2 Convertible Preferred Stock, no par value ("Series B-2 Preferred Stock"), for a purchase price per share equal to the Equity Per Share Price, resulting in an aggregate purchase price of \$1.05 billion, immediately prior to the closing (the "Closing") of the Company's pending business combination with Coherent, Inc. The Company has elected to issue, sell and deliver to BCPE, and BCPE has agreed to purchase from the Company, an additional 35,000 shares of Series B-2 Convertible Preferred Stock for a price per share equal to the Equity Per Share Price, resulting in an aggregate additional purchase price of \$350.0 million, pursuant to the terms of the Amended and Restated Investment Agreement.

OTHER MATTERS

The Company knows of no other matters to be presented for action at the meeting. However, if other matters properly come before the meeting, votes will be cast on those matters in accordance with the best judgment of the persons acting as proxies.

ANNUAL REPORT ON FORM 10-K TO THE SECURITIES AND EXCHANGE COMMISSION

A copy of the Company's Annual Report on Form 10-K for fiscal year 2021, as filed with the SEC, is being furnished with this proxy statement. A shareholder may obtain additional copies of the Annual Report on Form 10-K without charge, and a copy of any exhibits upon payment of a reasonable charge limited to the Company's costs of providing the exhibits, by writing to Jo Anne Schwendinger, Chief Legal and Compliance Officer and Secretary of II-VI Incorporated, 375 Saxonburg Boulevard, Saxonburg, Pennsylvania 16056, or by calling +1(724)352-4455. As noted previously, this proxy statement and the Annual Report to Shareholders have been posted on the Internet at www.proxyvote.com.

II-VI INCORPORATED
 375 SAXONBURG BOULEVARD
 SAXONBURG, PA 16056-9499

VOTE BY INTERNET

Before The Meeting - Go to www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to www.virtualshareholdermeeting.com/IIVI2021

You may attend the Meeting via the Internet and vote during the Meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

D60750-Z81102

KEEP THIS PORTION FOR YOUR RECORDS
 DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

II-VI INCORPORATED

THE BOARD OF DIRECTORS RECOMMENDS A
 VOTE "FOR" PROPOSALS NUMBERED 1. a., b., c.,
 d., 2 AND 3.

1. Election of four Class Four Directors
 nominated by the Board of Directors for a
 three-year term to expire at the annual meeting
 of shareholders in 2024.

Nominees:

| | For | Against | Abstain |
|-----------------------------|--------------------------|--------------------------|--------------------------|
| 1a. Howard H. Xia | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 1b. Vincent D. Mattera, Jr. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 1c. Michael L. Dreyer | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 1d. Stephen Pagliuca | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

For Against Abstain

2. Non-binding advisory vote to approve compensation paid to named executive officers in fiscal year 2021.

3. Ratification of the Audit Committee's selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2022.

NOTE: Such other business as may properly come before the meeting or any adjournment thereof.

PLEASE MARK, SIGN, DATE AND RETURN IMMEDIATELY.

Important: Shareholders sign here exactly as name appears hereon.

| | |
|--|--|
| | |
|--|--|

Signature [PLEASE SIGN WITHIN BOX]

Date

| | |
|--|--|
| | |
|--|--|

Signature (Joint Owners)

Date

Important Notice Regarding Internet Availability of Proxy Materials for the Annual Meeting to be held on November 18, 2021: The Notice and Proxy Statement and Annual Report to Shareholders are available at www.proxyvote.com.

**Please date, sign and mail your
Proxy card back as soon as possible!**

D60751-Z81102

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**II-VI INCORPORATED
Annual Meeting of Shareholders**

November 18, 2021

**THIS PROXY IS SOLICITED ON BEHALF OF THE
BOARD OF DIRECTORS OF THE COMPANY**

The undersigned hereby appoints Vincent D. Mattera, Jr. and Mary Jane Raymond or either of them, with power of substitution to each, as proxies to represent and to vote as designated on the reverse all of the shares of Common Stock held of record at the close of business on September 15, 2021 by the undersigned at the annual meeting of shareholders of II-VI Incorporated to be held online at www.virtualshareholdermeeting.com/IIVI2021, on November 18, 2021 at 3:00 p.m. Eastern U.S. time, and at any adjournment thereof.

This proxy will be voted by the proxies as directed, or if no direction is indicated herein, the proxies shall vote in the election of the four Class Four Directors (Proposal Number 1) FOR ALL the nominees listed and FOR Proposal Numbers 2 and 3.

(PLEASE SIGN ON REVERSE SIDE AND RETURN PROMPTLY)