



Code of Business Conduct and Ethics

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Letter from the Chairman and Chief Executive Officer

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Dear Colleague:

II-VI Incorporated's Code of Business Conduct and Ethics (the Code) are about the combined values and standards of behavior that make II-VI a trusted and respected organization. We are involved in competitive industry and our customers, suppliers, communities and shareholders are expecting and demanding more of us. These demands have an impact on you, no matter where you are in the organization. We are all challenged to find creative and innovative ways to get the job done. We applaud your efforts, and take this opportunity to thank you for the contributions you have made to II-VI's success.

It is each employee's responsibility to exercise sound business judgment and to act honestly and ethically. We are required not only to "do the job," but to "do it the right way." Doing it the right way goes past complying with laws and regulations. It means conducting ourselves with ethics and integrity in all that we do.

As your employer, II-VI's obligation goes beyond simply stating that you should always conduct yourself professionally and ethically at work. With this Code, we are formalizing the values that have made us the company we are today and which will carry us forward into the future. This Code describes the fundamental ethics policies that govern all of the work we do, and sets forth the duties and obligations of all our employees under those policies.

Please take the time to read this Code, and continue in the II-VI tradition of hard work with integrity.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Carl J. Johnson".

Chairman of the Board and Chief Executive Officer

Mission Statement

The Directors, officers and all employees of II-VI Incorporated (the Company) will conduct themselves in an ethical, balanced and fair manner that generates returns and rewards to the benefit of the Company's customers, vendors, employees, communities and shareholders.

The Company will identify the best business opportunities to be addressed by its existing and continuously improving competencies and capabilities. The Company will set goals and targets relative to these best opportunities, then establish and execute well-conceived plans to increase our likelihood of success.

The Company will accurately track, recognize and reward teamwork, individual contributions and success at all levels within the organization.

The Directors, officers and all employees will obey all laws and regulations that apply to our business around the world.

We will respect and work to enhance the contributions of every stakeholder in the success of our enterprise.

Introduction

At II-VI Incorporated, our values and standards have always formed the basis of our success. They inspire trust and confidence on the part of all who are essential to our success. Even more important, these values inspire the trust and confidence of our employees – creating a sense of pride and a desire in each of us to achieve and grow. Yes, we care a lot about the results we achieve—but we care just as much about how we achieve them.

This Code aims to illustrate how our values are applied through standards of conduct with each of our key stakeholders – customers, vendors, employees, communities and shareholders.

No guidelines, no matter how detailed, can possibly anticipate all of the challenges we may face on the job. That is why there are additional resources we can use when we have questions about business conduct.

This Code serves as a guide to some frequently asked questions and sets out basic guiding principles. It is not intended to be an exhaustive description of the Company's policies and standards.

If your questions are not fully addressed by these resources, your next step should be to discuss your questions with your manager. Other resources are also available, including the Human Resources Department. You can use any of these resources when you need clarification of policies, assistance in dealing with "gray areas," or when you are concerned about possible violations of our standards.

I. General Philosophy:

It is the policy of II-VI Incorporated (the Company) that all of its employees adhere to and advocate the following principles governing their honest, professional and ethical conduct in the fulfillment of their responsibilities and ensure the continuing integrity of the Company to protect the interest of the Company's shareholders. Any breach of this Code of Business Conduct and Ethics (the Code) shall result in disciplinary action. In some cases, disciplinary action may include dismissal. In addition, the Company may have a legal obligation to bring violators of the Code to the immediate attention of appropriate enforcement authorities (as some violations are also violations of the law). In such cases, civil or criminal penalties may be imposed.

II. Guiding Principles:

Employees must at all times in performing their duties:

1. Act with honesty, objectivity, integrity and the highest ethics, in handling actual or apparent conflicts between personal, private interests and the interests of the Company including receiving improper personal benefits as a result of his or her position.
2. Comply with federal, state, and local governmental laws, rules and regulations applicable to the Company and the rules and regulations of private and public regulatory agencies having jurisdiction over the Company, including regulations regarding insider trading and dissemination of insider information.
3. Act in good faith, responsibly, with due care and diligence, without misrepresenting or omitting material facts or allowing independent judgment to be compromised.
4. Respect the confidentiality of information acquired in the course of the performance of responsibilities except when authorized or otherwise legally obligated to disclose. Do not use confidential information acquired in the course of the performance of his or her responsibilities for personal advantage.
5. Proactively promote ethical behavior among subordinates and peers and ensure an atmosphere of continuing education and exchange of best practices.
6. Use corporate assets and resources employed or entrusted in a responsible manner.
7. Not use corporate information, corporate assets, corporate opportunities or one's position with the Company for personal gain. Do not compete directly or indirectly with the Company.

III. Duty To Report Violations; How To Report Violations; Anonymous Reporting

The II-VI Executive Management, with consultation from outside legal counsel as needed, and the Human Resources Department is responsible for applying these policies to specific situations in which questions may arise and has the authority to interpret these policies in any particular situation. Any questions relating to how these policies should be interpreted or applied should be addressed to the Human Resources Department.

Any employee who becomes aware of any existing or potential violation of laws, rules, regulations or this Code is required to notify the Human Resource Department or Executive Management promptly. Failure to do so is itself a violation of this Code. No one shall be subject to any disciplinary or retaliatory action solely for reporting any activity or violation of this Code of Ethics, absent a knowingly false report. Where possible, reports should be submitted either by telephone or in person. If for any reason this is not possible, contact the Human Resources Department for instructions concerning how to submit reports by e-mail, regular mail or by fax. If necessary or if you desire to remain anonymous, reports of violations may be submitted by contacting the following independent call center, which accesses the Audit Committee:

COMPLIANCE HOTLINE: 1-866-607-5893

The anonymous reports will be forwarded to the Chair of the Audit Committee of the II-VI Board of Directors. The Chair of the Audit Committee will then contact the outside legal counsel, or others as appropriate, to investigate reports as needed.

An employee who is unsure of whether a situation violates this Code should discuss the situation with Human Resources.

IV. Conflicts of Interest:

The Company expects employees to act in the best interests of the Company. Therefore, employees shall not engage in activities that give rise to a conflict of interest or even the appearance of a conflict of interest. A “conflict of interest” exists when a person’s obligations to the Company would reasonably be expected to compete with or be prejudiced by his or her own personal interests or financial affairs.

For the protection of both the Company and the employee, the employee must fully disclose the nature of any proposed conduct or transaction that involves or could involve a conflict of interest and obtain written approval before any action is undertaken. It is the responsibility of each employee to disclose to the Company all personal interests or circumstances that might constitute a conflict of interest as soon as the circumstances arise.

It is almost always a conflict of interest for a Company employee to work simultaneously for a competitor, customer or supplier. Employees are not permitted to work as an employee or

consultant of a competitor and should avoid any direct or indirect business connection with the Company's customers, suppliers or competitors, except on the Company's behalf.

Some conflicts of interest may arise innocently because of circumstances alone, without deliberate action on the part of an individual. If one finds himself or herself in such a position, the employee shall immediately notify the Human Resource Department for guidance.

V. Corporate Opportunities

The Company expects its employees to advance the Company's business interests when the opportunity to do so arises. Employees, officers and directors are prohibited from taking (or directing to a third party) a material business opportunity that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and has definitely and finally turned it down. More generally, employees, officers and directors are prohibited from using corporate property, information or position for improper personal gain and from competing with the Company.

Sometimes the line between personal and Company benefits is difficult to draw, and sometimes there are both personal and Company benefits in certain activities. The only prudent course of conduct for our employees is to make sure that any use of Company property or services that is not solely for the benefit of the Company is approved beforehand by the Human Resources Department.

VI. Confidential and Proprietary Information:

Employees must be aware that all information, including electronic information that is created or used in support of Company business activities is the property of the Company. Information is a valuable asset and employees are expected to protect it from unauthorized disclosure. This applies to Company, customer, vendor, business partner and employee data. Laws that protect Company assets and contractual arrangements between the Company and its customers, suppliers or business partners may restrict the use of such confidential and proprietary information.

VII. Fair Dealing

II-VI has a history of succeeding through fair and honest business competition. We do not seek competitive advantages through illegal or unethical business practices. Each employee should endeavor to deal fairly with the Company's service providers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice. If you have any questions concerning conduct that you are considering to undertake, you should contact the Human Resource Department.

VIII. Protection and Proper Use of Company Assets

All employees, officers and directors should protect the Company's assets and ensure their efficient use. All Company assets should be used only for legitimate business purposes.

IX. Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)

It is the Company's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each employee to adhere to the standards and restrictions imposed by those laws, rules and regulations. Although not all employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from managers or supervisors.

Employees who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of the Company's business. All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. In order to assist with compliance with laws against insider trading, the Company has adopted the II-VI Incorporated Policy of Insider Trading that has been distributed to every director, officer and employee.

X. Discrimination and Harassment

The Company is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances.

XI. Health and Safety

The Company strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs in the workplace will not be tolerated.

XII. Record-Keeping

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your manager or supervisor.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. Records should always be retained or destroyed according to the Company's record retention policies.

XIII. Payments to Government Personnel

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules that must be complied with.

XIV. Waivers

Any waiver of this Code for executive officers or directors may be granted only by the Board of Directors or a properly designated committee of the Board and will be publicly disclosed as required by law or regulation.