PVH CORP. /DE/
Form PRE 14A
April 11, 2019

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

x Preliminary Proxy Statement

¨ **Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

¨ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Under Rule 14a-12

PVH CORP.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(1) Title of each class of securities to which transaction applies:

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Our Business

PVH is one of the largest branded apparel companies in the world, with a history going back over 135 years. We have over 38,000 associates operating in over 40 countries and generated $9.7 billion in revenues in 2018. Our brand portfolio consists of nationally and internationally recognized trademarks, including the global designer lifestyle brands, *Tommy Hilfiger* and *CALVIN KLEIN*, as well as *Van Heusen*, *IZOD*, *ARROW*, *Warner's*, *Olga, True&Co*., and *Geoffrey Beene*. We also license brands from third parties, including *Speedo*, *Kenneth Cole New York*, *Kenneth Cole Reaction, Unlisted, a Kenneth Cole Production, MICHAEL Michael Kors*, *Michael Kors Collection, DKNY* and *Chaps*. Our brand portfolio also includes various other owned, licensed, and private label brands.

We design and market branded dress shirts, neckwear, sportswear, jeanswear, performance apparel, intimate apparel, underwear, swimwear, swim products, handbags, accessories, footwear, and other related products. Our brands are positioned to sell globally at various price points and in multiple channels of distribution. This enables us to offer products to a broad range of consumers, while minimizing competition among our brands and reducing our reliance on any one demographic group, product category, price point, distribution channel, or region. We also license the use of our trademarks to third parties and joint ventures for product categories and in regions where we believe our licensees' expertise can better serve our brands.

Our directly operated businesses in North America in 2018 consisted principally of wholesale sales under our *TOMMY HILFIGER, CALVIN KLEIN*, *Van Heusen*, *IZOD*, *ARROW*, *Speedo*, *Warner's, Olga* and *Geoffrey Beene* trademarks; the operation of digital commerce sites under the *TOMMY HILFIGER*, *CALVIN KLEIN*, *Speedo, True&Co., Van Heusen* and *IZOD* trademarks, and the *styleBureau*.com digital commerce site; and the operation of retail stores, principally in premium outlet centers, primarily under our *TOMMY HILFIGER*, *CALVIN KLEIN,* and certain of our heritage brand trademarks. Our directly operated businesses outside of North America consisted principally of our wholesale and retail sales in Europe and Asia under our *TOMMY HILFIGER* trademarks; our wholesale and retail sales in Europe, Asia and Latin America under our *CALVIN KLEIN* trademarks; and the operation of digital commerce sites under the *TOMMY HILFIGER* and *CALVIN KLEIN* trademarks. Our licensing activities principally related to the licensing worldwide of our *TOMMY HILFIGER* and *CALVIN KLEIN* trademarks for a broad array of product categories and for use in numerous discrete jurisdictions.

PVH CORP.

NOTICE OF ANNUAL MEETING
OF STOCKHOLDERS

Date, Time and Location:

Date: Thursday, June 20, 2019

Time: 8:45 a.m. Eastern Daylight Saving Time

Place: The Graduate Center
City University of New York
365 Fifth Avenue
Elebash Recital Hall
Main Level
New York, New York 10016

Purposes:

1- Vote on the election of 12 nominees for director to serve a one-year term

2- Vote on an advisory resolution to approve our executive compensation

3- Vote to approve an amendment to our Certificate of Incorporation to eliminate the requirement of an 80% supermajority vote for stockholders to approve certain transactions with certain stockholders

4- Vote to approve an amendment to our Certificate of Incorporation to eliminate the requirement of an 80% supermajority vote for stockholders to amend our By-Laws

5- Vote to ratify the appointment of auditors to serve for the current fiscal year

6- Transact other business that may properly come before the meeting

Who Can Attend:

* Holders of record as of the record date of PVH Corp. common stock or their proxies

* Beneficial owners with evidence of ownership

* Invited guests of PVH

Who Can Vote:

* Stockholders of record at the close of business on April 23, 2019

You must present a picture ID to be admitted to the annual meeting. If you hold stock through a bank or broker, you should bring an account statement as of the record date as evidence of ownership.

Even if you plan to attend the annual meeting, we encourage you to vote your shares in advance to ensure they are counted.

By order of the Board of Directors,

Mark D. Fischer
Secretary

New York, New York
May 7, 2019

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 20, 2019
Our Annual Report to Stockholders for our fiscal year ended February 3, 2019, this Proxy Statement and all other proxy materials are available at www.pvhannualmeetingmaterials.com.

TABLE OF CONTENTS

PVH CORP.

PROXY SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement and does not contain all of the information you should consider. Please read the entire Proxy Statement carefully before voting. Disclosures in this Proxy Statement generally pertain to matters related to our most recently completed fiscal year, which began on February 5, 2018, and ended on February 3, 2019. References to “2018” and other years refer to fiscal years, which are designated by the calendar year in which they begin.

Annual Meeting of Stockholders

Date	*	Thursday, June 20, 2019
Time	*	8:45 a.m., Eastern Daylight Saving Time
Place	*	The Graduate Center — City University of New York 365 Fifth Avenue Elebash Recital Hall Main Level New York, New York
Record Date	*	April 23, 2019
Voting	*	Stockholders as of the record date are entitled to vote.
	*	Each share of our common stock is entitled to one vote.
Admission	*	Attendance at the meeting will be limited to holders of record as of the record date of our common stock or their proxies, beneficial owners with evidence of ownership and guests of PVH.
	*	If you hold stock through a bank or broker, you can bring an account statement as of the record date as evidence of ownership.
	*	Attendees must present a picture ID.

Voting Matters and Vote Recommendation

Proposal	**Board vote recommendation**	**Page to find more information**
Election of directors	FOR each Director nominee	7

What's New?

We have reorganized and redesigned our Proxy Statement. It features new and expanded disclosures, as well as improved graphics. This was intended to improve transparency, readability and comprehension. Perhaps more significantly, even though we already had strong corporate governance practices, we took measures to improve them further. In April 2019, our Board adopted proxy access, without having ever been approached by an investor to do so. Please *see* page 15. In addition, we are asking stockholders to approve at the Annual Meeting two amendments to our Certificate of Incorporation to eliminate supermajority requirements for certain transactions with certain stockholders and for stockholders to approve amendments of our By-Laws.

Director Election (page 7)

The following table introduces our director nominees, all of whom currently serve on our Board. All directors are elected annually by a majority of votes cast. **All of our directors are independent except Mr. Chirico.**

Name	Age	Director Since (Years Tenure)	Principal Occupation	Committee Memberships AC	CC	CR	NC	Other Public Company Boards
Mary Baglivo	61	2007 (12)	Chief Executive Officer, /The Baglivo Group; Former Vice Chancellor of Communications and Marketing at Rutgers University					2
Brent Callinicos	53	2014 (5)	Former Chief Operating and Chief Financial Officer, Virgin Hyperloop One; Former Chief Financial Officer, Uber Technologies, Inc.					1
Emanuel Chirico	61	2005 (14)	Chairman and Chief Executive Officer, PVH Corp.					1
Juan R. Figuereo	63	2011 (8)	Venture Partner, Ocean Azul Partners; Former Executive Vice President and Chief Financial Officer, Revlon, Inc.	C				0
Joseph B. Fuller	62	1991 (28)	Professor of Management Practice in Business Administration, Harvard Business School; Visiting Fellow, American Enterprise Institute; Founder, Joseph Fuller LLC				C	0
V. James Marino	68	2007 (12)	Retired Chief Executive Officer, Alberto-Culver Company					1
G. Penny McIntyre	57	2015 (4)	Former Chief Executive Officer, Sunrise Senior Living, LLC			C		0
Amy McPherson	57	2017 (2)	Principal investor and consultant; Retired President and Managing Director, Europe, Marriott International, Inc.					0
Henry Nasella	72	2003 (16)	Presiding Director, PVH Corp.; Partner and Co-Founder, LNK Partners		C			0
Edward R. Rosenfeld	43	2014 (5)	Chief Executive Officer, Steven Madden, Ltd.					1
Craig Rydin	67	2006 (13)	Operating Partner, LNK Partners; Former Chairman of the Board of Directors, Yankee Holding Corp.; Former Non-Executive Chairman, The Yankee					1

			Candle Company, Inc.	
Amanda Sourry (Judith Amanda Sourry Knox)	55	2016 (2)	President, Unilever North America	0

Key:	AC	Audit & Risk Management Committee	NC	Nominating, Governance & Management Development Committee
	CC	Compensation Committee	C	Committee Chair
	CR	Corporate Responsibility Committee		

Director Diversity

2

Director Skills

Our Board embodies a broad and diverse set of experiences, qualifications, attributes and skills that are vital to the success of our business.

Business Highlights for 2018

PVH demonstrated the power of its diversified business model throughout 2018. We leveraged our portfolio of iconic brands, our strong global platforms and our multi-channel distribution model to grow revenues and earnings. Through the passion and dedication of our associates and our collective focus on continual evolution, our results exceeded our initial expectations despite weaker than expected results at Calvin Klein, the challenging retail landscape (including several retail bankruptcies), geopolitical pressures and a weakening macro-economic picture. That we were able to exceed our financial plans against this backdrop demonstrates the "Power of PVH" – the incredible makeup of our organization that encompasses our iconic brands, our talented teams and the wide range of our global growth opportunities.

For 2018:

* Revenues were a record $9.7 billion, an increase of 8% over 2017.
* GAAP earnings per share was $9.65, compared to $6.84 in 2017.
* Non-GAAP earnings per share was $9.60,* compared to $7.94* in 2017.

* Reconciliations to GAAP amounts appear in Exhibit A.

We have outperformed our peer group for the one-, two- and three-year periods ended 2018 based on revenue growth and earnings per share (on a non-GAAP basis as reported by us), and, other than the one-year period, based on total stockholder return ("TSR").

Executive Compensation Highlights (page 46)

Our compensation program is a pay-for-performance model based upon the philosophy that we should incentivize our executive officers to improve our financial performance, profitably grow our businesses and increase stockholder value, and reward them only if they attain these objectives.

Compensation changes from fiscal 2017 to fiscal 2018

	Base Salary	**Bonus**	**Restricted Stock Units[1]**	**Stock Options**	**Performance Share Units**
Emanuel Chirico	Increased $150,000 to $1,500,000	Threshold bonus opportunity increased to 100% of base salary from 75%; target bonus opportunity increased to 200% from 150%; maximum bonus opportunity increased to 400% from 300%	Increased to $3,000,000 grant date value from $1,850,000	Decreased to $2,000,000 target grant date value from $2,775,000	Unchanged
Michael Shaffer	Increased $25,000 to $925,000	Unchanged	Increased to $800,000 grant date value from $750,000	Increased to $800,000 target grant date value from $750,000	Unchanged
Francis K. Duane[2]	Increased $25,000 to $1,150,000	Unchanged	Increased to $3,300,000 grant date value from $550,000	None granted; previously received $550,000	Unchanged
Daniel Grieder	Increased 25,000 to 1,000,000[3]	Unchanged	Unchanged[4]	Unchanged	Unchanged
Steven Shiffman	Increased $25,000 to $975,000	Unchanged	Unchanged	Unchanged	Unchanged

[1] RSUs awards made prior to 2018 to Messrs. Chirico, Shaffer, Duane and Shiffman, who are based in the U.S., were subject to a condition intended to satisfy the requirement for deductibility under Section 162(m) of the U.S. Internal Revenue Code (the "Code"). No similar condition was included on the 2018 awards, as the changes to the Code under the Tax Cuts and Jobs Act of 2017 eliminated the deduction.

[2] We entered into a new employment agreement with Mr. Duane in March 2018 under which his salary and the terms of his bonus and equity awards are fixed. The agreement sets forth the equity awards to be granted to Mr. Duane during the three-year term, including a one-time award of RSUs in lieu of the annual grant of RSUs and stock options. The grant date target value ($3.3 million) was equal to three times the aggregate target grant date value of his annual award of RSUs ($550,000) and stock options ($550,000) in 2017. *See* discussion on page 36.

[3] Mr. Grieder's base salary is tied to Swiss francs because he is a resident of Switzerland. *See* discussion on page 30.

[4] Mr. Grieder had received an incremental increase to his annual award of RSUs in 2017 to reflect outperformance in 2016. The incremental award was not repeated in 2018.

5

Governance Highlights

PVH is committed to excellence in corporate governance, as evidenced by the policies and practices summarized below.

INDEPENDENCE

- ü All non-employee directors are independent
- ü Independent directors meet regularly in executive session
- ü All members of the Board's standing committees are independent

ACCOUNTABILITY

- ü Directors are elected annually by a majority vote (in uncontested elections)
- ü We have held an annual stockholder advisory vote to approve named executive officer compensation since 2012
- ü Incentive compensation for executives is subject to our Clawback Policy

ALIGNMENT WITH STOCKHOLDER INTERESTS

- ü Our executive compensation program emphasizes pay for performance
- ü We have established robust stock ownership guidelines for executive officers and directors
- ü Directors and officers are prohibited from hedging and pledging our common stock

BOARD PRACTICES

- ü We have an independent presiding director
- ü Our Corporate Governance Guidelines are publicly available and reviewed annually
- ü We have a rigorous annual Board, committee and individual director self-evaluation process
- ü We have formal succession planning processes—both for the Board and for the CEO and other members of senior management

CORPORATE RESPONSIBILITY AND GOVERNANCE

- ü We are committed to driving "fashion forward—for good," and provide substantial information about our corporate responsibility practices and policies on our website and in our annual Corporate Responsibility Report

- ü We first adopted our *A Shared Commitment* code of conduct for suppliers and business partners in 1991 and have since expanded its scope and evolved its goals to improve the lives of the over one million people across our value chain and to improve the communities and preserve the environment in the places we live and work
- ü We promote our values of individuality, partnership, passion, integrity and accountability
- ü We are committed to the development of our associates and recognize that they are our greatest asset and key to our continued success
- ü We continuously review governance practices and consider adoption of best practice principles
- ü We embrace clear, understandable and detailed financial reporting and corporate disclosure
- ü Our Code of Business Conduct and Ethics, our Code of Ethics for Chief Executive Officer and Senior Financial Officers, and the charters for all of our Board committees are available on our website

6

Proposal 1: ELECTION OF DIRECTORS

Our Board of Directors has 12 members, all of whom are nominees for election at the 2019 Annual Meeting of Stockholders. All nominees elected as directors at the annual meeting will serve for a term of one year or until their successors are elected and qualified. The Board of Directors is not currently aware of any reason why any nominee might be unable to serve.

The Board of Directors recommends a vote FOR the election of the 12 nominees named below. Proxies received in response to this solicitation will be voted FOR the election of the nominees unless the stockholder specifies otherwise.

Mary Baglivo

Chief Executive Officer, /The Baglivo Group

Age: 61

Director since: 2007

Corporate Responsibility Committee

Professional experience: Ms. Baglivo founded /The Baglivo Group (a brand strategy advisory consultancy) in July 2018. From October 2017 through December 2018, she was Vice Chancellor of Communications and Marketing at Rutgers University. Prior to that, she was Chief Marketing Officer/VP Global Marketing at Northwestern University from October 2013 to October 2017. Ms. Baglivo had an extensive career at major advertising agencies, including serving for six years as Chairman & Chief Executive Officer, The Americas, and three years before that as Chief Executive Officer, New York, at Saatchi & Saatchi Worldwide.

Relevant expertise: Ms. Baglivo brings to the Board valuable marketing, advertising and strategic planning expertise along with general management know-how. She has extensive experience building high-performing brands via creative integrated programs and has led digital transformations for brand and agency organizations. Her clients have included leading global companies in consumer package goods, healthcare, retail, hospitality, spirits and financial services.

Other public company boards: Host Hotels & Resorts, L.P. (since 2013), Ruth's Hospitality Group, Inc. (since 2017)

Brent Callinicos

Former Chief Operating and Chief Financial Officer, Virgin Hyperloop One; Former Chief Financial Officer of Uber Technologies, Inc.

Age: 53

Director since: 2014

Corporate Responsibility Committee

Professional experience: Mr. Callinicos was Chief Operating and Chief Financial Officer of Virgin Hyperloop One (an autonomous transportation company) from January 2017 to March 2018. Before that, he was an advisor at Uber Technologies Inc. (an on-demand car service company) from 2015 to 2016 and Uber's Chief Financial Officer from 2013 to 2015. Mr. Callinicos was Vice President, Treasurer and Chief Accounting Officer of Google Inc. (a global technology leader) from 2012 to 2013 and Vice President and Treasurer of Google for five years before that.

Relevant expertise: Mr. Callinicos is a CPA with extensive experience working in treasury, financial and accounting roles in public companies and working with public company boards. He has been a senior executive at four companies and has served in several board advisory roles. He has substantial experience with corporate responsibility initiatives, including having run Green Energy Investing at Google.

Other public company boards: Baidu, Inc. (since 2015)

Emanuel Chirico

Chairman and Chief Executive Officer, PVH Corp.

Age: 61

Director since: 2005

Professional experience: Mr. Chirico has had a 25-year career at PVH Corp. He became Chief Executive Officer in 2006 and added the Chairman role in 2007. Before that, he served in roles of increasing responsibility, including six years as Controller, six years as Chief Financial Officer, and several months as President and Chief Operating Officer. Prior to joining PVH, Mr. Chirico was a Partner at the international accounting firm Ernst & Young LLP, running its Retail and Apparel Practice Group.

Relevant expertise: Mr. Chirico has extensive knowledge of the operational and financial aspects of PVH developed during his many executive positions in the company, as well as during his service as audit partner on the PVH account. In addition, Mr. Chirico provides the Board with valuable insight into PVH's business and management's strategic vision.

Other public company boards: Dick's Sporting Goods, Inc. (since 2003)

Juan R. Figuereo

Venture Partner, Ocean Azul Partners; Former Executive Vice President and Chief Financial Officer, Revlon, Inc.

Age: 63

Director since: 2011

Audit & Risk Management Committee (Chair)

Professional experience: Mr. Figuereo has been a Venture Partner in Ocean Azul Partners (an early stage venture capital fund) since 2018. He was Executive Vice President and Chief Financial Officer of Revlon, Inc. (a global beauty and personal care products company) from April 2016 to June 2017. Before that, he served as Executive Vice President and Chief Financial Officer of NII Holdings, Inc. (a provider of differentiated mobile communications in Latin America) from 2012 to 2015[5]; Executive Vice President and Chief Financial Officer of Newell Rubbermaid, Inc. (a consumer and commercial products company now known as Newell Brands, Inc.) from 2009 to 2012; Executive Vice President and Chief Financial Officer of Cott Corporation (a Canada-based beverage and foodservice company) from 2007 to 2009; and Vice President of Mergers & Acquisitions at Wal-Mart International from 2003 to 2007.

Relevant expertise: Mr. Figuereo has a strong background in finance and accounting—principally with large multinational public companies. He also has extensive experience in the consumer goods and retail industries, including brand building and driving innovation. He has lived and worked in international markets where PVH has significant operations or is planning to expand operations. In particular, Mr. Figuereo provided leadership to

Wal-Mart’s international growth strategy through acquisitions, partnerships and joint ventures in global markets.

Joseph B. Fuller

Professor of Management Practice in Business Administration, Harvard Business School

Age: 62

Director since: 1991

Nominating, Governance & Management Development Committee (Chair)

Professional experience: Mr. Fuller joined the faculty at Harvard Business School in 2013, where he teaches general management classes and co-leads an initiative called “Managing the Future of Work.” Before that, he was Founder, Director and Vice-Chairman of Monitor Company LP (an international management consulting firm) from 1983 to 2013.[6] Mr. Fuller is a Visiting Fellow at the American Enterprise Institute and founded Joseph Fuller LLC, a business consulting firm, in 2013.

Relevant expertise: Mr. Fuller has extensive experience advising management with respect to strategy, corporate finance, governance and marketing (including with respect to channel management, pricing trends and pressures, and innovation). In addition, as a professor at a renowned business school, he has knowledge of management principles used by leading businesses worldwide.

5 On September 15, 2014, NII Holdings, Inc. filed for bankruptcy protection in New York, New York.

6 On January 11, 2013, Deloitte Consulting LLP acquired all of the business of Monitor Company pursuant to an agreement entered into on November 7, 2012. To help facilitate the acquisition, Monitor Company filed for bankruptcy protection on November 7, 2012, in Wilmington, Delaware. The sale was accomplished by means of a bankruptcy court-approved sale under the U.S. Bankruptcy Code.

V. James Marino

Retired Chief Executive Officer, Alberto-Culver Company

Age: 68

Director since: 2007

Audit & Risk Management Committee

Professional experience: Mr. Marino was President and Chief Executive Officer of Alberto-Culver Company (a global consumer products company) for five years until his retirement in 2011. Before that, he served in roles of increasing responsibility for 10 years, including President of Alberto-Culver Consumer Products Worldwide from 2004 to November 2006, and President of Alberto Personal Care Worldwide, a division of Alberto-Culver Company, from 2002 to 2004.

Relevant expertise: Mr. Marino has significant senior executive leadership experience in the consumer products industry. During his tenure at Alberto-Culver, he developed expertise on both a domestic and an international basis in areas including corporate strategy development and execution, brand building and multichannel distribution. He also has in-depth knowledge of public company reporting. In addition, his work on the Boards of Directors of OfficeMax and Office Depot has provided him with perspective on the retail landscape, consumer goods, and governance of public companies.

Other public company boards: Office Depot, Inc. (since 2013), OfficeMax Incorporated (from 2011 to 2013, when OfficeMax merged into Office Depot), and Alberto-Culver Company (2006 to 2011).

G. Penny McIntyre

Former Chief Executive Officer, Sunrise Senior Living, LLC

Age: 57

Director since: 2015

Corporate Responsibility Committee (Chair)

Professional experience: Ms. McIntyre was Chief Executive Officer of Sunrise Senior Living, LLC (a provider of senior living services) from November 2013 to May 2014. Before that, she served as President of the Consumer Group of Newell Brands for one year, and Group President of Newell Brands' Office Products Group for three years. Earlier in her career, she spent almost 11 years at The Coca-Cola Company, including as Senior Vice President, General Manager, Functional Beverages (overseeing still beverages, such as water, tea and coffee), as well as in a series of marketing positions of escalating responsibility, including Group Marketing Director, Europe, Asia and Middle East.

Relevant expertise: Ms. McIntyre has extensive general management experience gained through operating consumer packaged goods businesses in multiple channels and across multiple geographies. She has led sales, marketing and operations teams in Europe, Africa, Japan and the U.S. She has a background in consumer insights, brand building and digital commerce gained through her employment with Coca-Cola, Newell Brands and SC Johnson Wax.

Amy McPherson

Principal investor and consultant; Retired President and Managing Director, Europe, Marriott International, Inc.

Age: 57

Director since: 2017

Audit & Risk Management Committee

Professional experience: Ms. McPherson recently retired as President and Managing Director, Europe at Marriott (a global lodging company) and is taking on a role as a principal investor and consultant to a children-focused media business. She joined Marriott in 1986 and served in roles of increasing responsibility, including Executive Vice President of Global Sales and Marketing, Senior Vice President of Business Transformation and Integration, and Vice President of Finance and Business Development.

Relevant expertise: Ms. McPherson has considerable experience in overseeing business operations and development in Europe, having overseen multiple brands of hotels for Marriott, the world's largest hotel company. She has overseen acquisitions and strategic partnerships and implemented and executed strategies on both a regional and global basis. In addition, Ms. McPherson has experience managing Marriott's global and field sales, marketing, loyalty program, revenue management, e-commerce, worldwide reservation sales and customer care, and sales channel strategy and analysis.

Henry Nasella

Partner and Co-Founder, LNK Partners

Age: 72

Director since: 2003

Presiding director since: 2007

Compensation Committee (Chair); Nominating, Governance & Management Development Committee

Professional experience: Mr. Nasella has been a partner at LNK Partners (a private equity investment firm) since he co-founded the firm in 2005. Earlier in his career, Mr. Nasella was a Venture Partner at Apax Partners, where he was a senior member of the U.S. Consumer and Retail Group. Before Apax, Mr. Nasella led the successful buyout of Star Markets (a regional supermarket chain), and served as Chairman and CEO of the company until it was sold to Sainsbury Plc. He was the first President of Staples, where he built the company from a startup into a global leader in office supply retailing.

Relevant expertise: Mr. Nasella has significant management experience gained in senior executive positions in publicly- traded retail companies and as a partner in private equity firms. In addition, Mr. Nasella has extensive experience serving on boards of directors and board committees of several retail companies.

Other public company boards: Staples, Inc. (1988 to 1993), Panera Bread Co. (1995 to 2001), and Dennys Corp. (2004 to 2008).

Edward R. Rosenfeld

Chief Executive Officer, Steven Madden, Ltd.

Age: 43

Director since: 2014

Audit & Risk Management Committee

Professional experience: Mr. Rosenfeld has been part of the executive management team of Steven Madden (a fashion footwear and accessories company) since 2005, serving in finance and strategic planning roles before becoming Chief Executive Officer in 2008. Before joining Steven Madden, he was an investment banker in a mergers and acquisitions practice focused on the retail and apparel industries.

Relevant expertise: Mr. Rosenfeld brings over 20 years of experience focused on the retail, apparel, and footwear industries as both an executive and an investment banker.

Other public company boards: Steven Madden, Ltd. (since 2008).

Craig Rydin

Operating Partner, LNK Partners

Age: 67

Director since: 2006

Compensation Committee; Nominating, Governance & Management Development Committee

Professional experience: Mr. Rydin has been an operating partner at LNK Partners (a private equity investment firm) since 2014. Before that, he was Chairman of the Board of Directors of Yankee Holding Corp., and Non-Executive Chairman of The Yankee Candle Company, Inc. (a designer, manufacturer, and branded marketer of premium scented candles) for 12 years. He spent 23 years at Campbell Soup Company, where he held positions of increasing responsibility, including President of Godiva Chocolatier Worldwide and senior management and marketing positions at Pepperidge Farm.

Relevant expertise: Mr. Rydin has significant management and leadership experience, which he gained in over 30 years in various executive positions in the consumer products and retail industry. In addition, Mr. Rydin has extensive experience serving on the audit and compensation committees of several public and private company boards of directors.

Other public company boards: Booking Holdings Inc. (since 2005), and Yankee Holding Corp. (2001 to 2013).

Amanda Sourry

President, Unilever North America

Age: 55

Director since: 2016

Compensation Committee; Nominating, Governance & Management Development Committee

Professional experience: Ms. Sourry assumed her current role at Unilever (a personal care, foods, refreshment, and home care consumer products company) in 2018. She also held the title Head of Global Customer Development, Unilever, from 2018 to 2019. Ms. Sourry has spent almost her entire career – over 30 years – in roles of increasing responsibility at Unilever, including President, Global Foods Category of Unilever plc from 2015 to 2017; Executive Vice President, Global Haircare from 2014 to 2015; and Executive Vice President, U.K. and Ireland from 2010 to 2014.

Relevant expertise: Ms. Sourry has extensive global marketing and business experience in consumer product goods, as well as consumer development, including overseeing Unilever's digital efforts. She has held roles in the U.S. and throughout Europe and served in global product positions. Ms. Sourry is actively involved in Unilever's global diversity, gender balance and sustainable living initiatives.

Corporate Governance

Independence

The Board of Directors has evaluated the independence of each of the directors and nominees for director in relation to the rules of the New York Stock Exchange ("NYSE"). The independence inquiry included the additional criteria for service on the Audit & Risk Management Committee and the Compensation Committee for the directors who are members of those committees. The Board determined that Mr. Chirico, as our only management director, is not independent, and that each of our other current directors is independent.

In making these independence determinations, the Board of Directors considers whether a director has or had a relationship with PVH that would disqualify the individual under applicable regulation from being considered independent, that would be disclosable under applicable regulation, or that might otherwise be deemed material to the director, the director's family or PVH. None of the directors, other than Mr. Chirico, has a material relationship with PVH, either directly or as a partner, stockholder, or officer of an organization that has a relationship with PVH, nor does any other director have a direct or indirect material interest in any transaction involving PVH.

The Board of Directors did consider that PVH employs Ms. Baglivo's daughter when making its independence decision with respect to her. In concluding that Ms. Baglivo is independent, the Board noted that her daughter's annual compensation is well below the threshold of $120,000 that would require disclosure under applicable SEC rules.

No family relationship exists between any director or executive officer of PVH with any other director or executive officer.

Leadership Structure of the Board

Our Chief Executive Officer currently serves as Chairman of the Board of Directors. The Board believes that no single leadership model is necessarily best for PVH, and that the decision to combine or separate the offices of Chief Executive Officer and Chairman should depend on the circumstances. Right now, the Board believes that combining these two roles is the most effective leadership structure for us. Mr. Chirico's combined role has promoted unified leadership and direction for the Board and executive management, and has allowed for a single, clear focus for the chain of command to execute our strategic initiatives and business plans. Mr. Chirico's extensive knowledge of and tenure at PVH makes him uniquely qualified for this leadership role.

Our Corporate Governance Guidelines provide that, if the Chief Executive Officer serves as Chairman, the independent directors must elect an independent director to serve as presiding director. The Nominating, Governance & Management Development Committee is responsible for nominating the director to serve in such role.

Mr. Nasella has been our presiding director since 2007. The duties of the presiding director include:

- leading all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
- serving as liaison between the Chairman and the non-management directors;
- guiding the annual review of the Chief Executive Officer's performance and compensation;
- serving as a sounding board for, and providing advice and guidance to, the Chief Executive Officer;
- discussing with management or approving non-routine information sent to the Board;
- reviewing and approving meeting agendas;
- ensuring there is sufficient time for discussion of all agenda items;
- calling meetings of the independent directors, if appropriate; and
- participating in, or consulting on, communications with stockholders, when appropriate.

In addition to creating a strong, independent, clearly-defined presiding director role, the Board has adopted a number of governance practices to ensure effective independent oversight. The members of all key Board committees must meet the independence requirements prescribed by the NYSE. The Board holds executive sessions of the independent directors at the end of every Board meeting, as well as at other times the independent directors choose.

Risk Oversight

The Board of Directors oversees the management of risks related to the operation of our business. As part of its oversight, the Board receives periodic reports from members of senior management on various aspects of risk, including our enterprise risk management program, business continuity planning and cybersecurity. Each Board committee oversees the management of risks that fall within its area of responsibility. In performing this function, each committee has full access to management, as well as the authority to engage advisors. Committee Chairpersons report on their Committee's activities, including agenda items relating to risk, at each Board meeting following a Committee meeting and can raise risk issues with the full Board at that time.

The Audit & Risk Management Committee has principal responsibility for risk assessment and risk management. As part of this role, the Audit & Risk Management Committee:

- monitors the operation of our enterprise risk management program;
- receives an annual enterprise risk management report, in which management identifies our most significant operating risks and the mitigating factors that exist to control those risks, based on the results of an annual, in-depth exercise in which a broad spectrum of associates and executives from key areas and all regions work with an outside expert to identify relevant areas of risks and mitigating factors;
- receives reports at its in-person meetings on our cybersecurity and data privacy efforts, including an annual in-depth review of strategy and initiatives for the coming year, presented by our Vice President, Information Security;
-

receives reports on risks and developments relating to our IT systems upgrades, financial reporting, security issues, insurance, legal matters, compliance training and reporting, and other areas of risk and risk management; and

- meets privately on a regular basis with representatives of our independent auditors to discuss our auditing and accounting processes and management.

The Compensation Committee considers as part of its oversight of our executive compensation program whether the incentive awards it administers are properly aligned with stockholder value creation, corporate objectives, and our Code of Business Conduct and Ethics. As part of this role, the Compensation Committee:

- receives an annual risk assessment from its compensation consultant that analyzes the risks represented by each component of the program, as well as mitigating factors; and
- develops policies, such as our Clawback Policy, to mitigate potential risks.

The Compensation Committee performed in 2018 an extensive analysis of incentive compensation arrangements throughout the company to ensure they do not create excessive or unwanted risk. The review was initiated in light of certain news reports over the year involving poor pay practices at other companies. When the review was completed, the Compensation Committee determined that our incentive compensation programs are appropriate and do not encourage excessive risk. In addition, the Committee adopted a Clawback Policy to provide for the recoupment of incentive compensation from certain current and former executives for material violations of our Code of Business Conduct and Ethics policy and other material policies. The Clawback Policy extended the existing recoupment provisions of our incentive compensation plans, which had covered a more limited set of executives and only related to certain restatements of our financial statements. For more information, *see* “Risk Considerations in Compensation Programs,” which begins on page 44.

The Nominating, Governance & Management Development Committee oversees risks related to governance issues. As part of this role, the Nominating, Governance & Management Development Committee:

- administers an active succession planning process for the Chief Executive Officer to reduce risks in the event our Chief Executive Officer needs to be replaced on an emergency basis, as well as in anticipation of his eventual retirement;
- considers changes in principal employment of directors and new directorships sought by directors to ensure there are no conflicts of interest or loss of skill set; and
- conducts an annual evaluation program to determine if the directors, Board and Board committees are performing effectively and in the best interests of PVH and our stockholders.

The Corporate Responsibility Committee is responsible for advising the Board and management with respect to potential risks to PVH's reputation and our role as a socially responsible organization. As part of this role, the Corporate Responsibility Committee:

- monitors human rights, work conditions, and environmental programs administered by our Global Compliance teams, mainly with respect to the operations of suppliers and factories in our supply chain; and
- monitors significant events and activities in the industry generally, such as our participation in the Accord on Fire and Building Safety in Bangladesh, a binding commitment of over 200 brand owners and retailers to remediate safety issues in garment factories in Bangladesh in the wake of the Rana Plaza disaster.

Board, Committee and Director Evaluations

The Board believes it is important to address its role, the presentation topics at its meetings, and its capabilities and effectiveness on a regular basis. Conducting Board, director and committee evaluations—and discussing the results of those evaluations—are an important part of this process. The Nominating, Governance & Management Development Committee oversees the annual Board evaluation process.

Questionnaires designed and distributed. The Nominating, Governance & Management Development Committee uses comprehensive questionnaires covering the Board and each committee, as well as individual director self-assessments. The Board questionnaire includes rated and open-ended questions about the individual performance of each director (in regard to commitment, participation, preparedness, and contributions) and the willingness of directors to act independently and to constructively challenge management on strategy, decisions, and performance. The Board and committee questionnaires also contain questions relevant to management on topics such as support of and responsiveness to the Board, availability of management outside of meetings, the content of presentations, the appropriateness of agenda items, and the sufficiency and timeliness of information provided to the Board in advance of or between meetings. The form and content of all our questionnaires are reviewed annually and revised as necessary.

Responses collected. All directors are required to complete these questionnaires and the self-assessment. The questionnaires for each committee also are also completed by executives and outside advisors who regularly attend the relevant committee's meetings. In addition, members of management provide separate feedback on the Board and individual director performance.

Results reviewed. The results of all questionnaires and self-assessments, along with management's feedback, are initially reviewed by the Nominating, Governance & Management Development Committee to determine the key issues to be presented to the full Board and the manner of presentation, as well as any issues to be addressed with individual directors. The aggregated results for the Board, along with comments (without attribution), are provided to the full Board, and the input regarding individual committees is provided to relevant committee members, in each case to facilitate discussion at subsequent meetings. The independent directors hold a meeting annually without Mr. Chirico or any member of management present to discuss the results of and comments received on the Board questionnaires and to develop and implement plans for improvement. Similarly, the members of each committee consider their survey results and comments at a regular meeting.

Feedback delivered. The presiding director or the Chair of the Nominating, Governance & Management Development Committee will speak to individual directors about personal performance issues raised, and provide suggestions for improving performance or addressing particular needs. The presiding director also meets individually with each of the other independent directors on an annual basis to discuss their performance based on his own observations, management feedback and discussion at meetings of the Nominating, Governance & Management Development Committee. In addition, relevant findings are communicated to management in order to improve the effectiveness of the Board and Board meetings.

The Nominating, Governance & Management Development Committee determined in 2018 that it intends to undertake within the next year an assessment of the Board and directors in conjunction with an outside consultant. The Committee intends to undertake similar exercises periodically.

Board Refreshment

Evaluating current Board composition

The Nominating, Governance & Management Development Committee initiated a formal, ongoing process for director succession in 2016. The process had several goals:

- identifying qualities and skills needed for service on our Board;
- identifying the qualities and skills each current director possesses;
- assessing how the current directors exercise their qualities and skills;
- determining whether any additional skill sets or other attributes are necessary to fill gaps in the current Board;
- establishing a succession strategy and executing against the strategy, including planning well in advance of upcoming mandatory retirements; and
- performing on-boarding and transitioning for new directors.

The Nominating, Governance & Management Development Committee uses a skills matrix to assess the strengths and needs of the Board in relation to our current business strategy, expected future strategic needs, and the current state of our industry. The matrix incorporates areas of operating and industry experience that Committee members have determined should be represented on our Board. Using directors' self-assessments and assessments from the other directors and management, including our Executive Vice President, Global Talent Management, the Committee populates the matrix, showing the extent to which each current director has the desired qualities and skills.

The Nominating, Governance & Management Development Committee reviews the skills matrix, along with individual director demographics, tenure and committee memberships, and considers our total Board composition and demographics compared to our peers, to determine whether we need to add a director with specific qualities or skills. The Committee believes our Board of Directors is most effective when its members represent a mix of the attributes, skills and experience shown below.

14

Identifying potential new directors

In evaluating potential new directors, the Nominating, Governance & Management Development Committee will consider the needs identified by our formal review process and the resulting skills matrix, and also may consider factors such as each candidate's professional experience; business, charitable, or educational background; performance in current position; reputation; age; and service on other boards of directors. Potential candidates have been identified at various times by members of the Board, by a third-party search and recruiting firm retained for that purpose, and by senior executives.

The Nominating, Governance & Management Development Committee will consider a nominee recommended by a stockholder if the recommendation is made in writing and includes (i) the qualifications of the proposed nominee to serve on the Board, (ii) the principal occupations and employment of the proposed nominee during the past five years, (iii) each directorship currently held by the proposed nominee, and (iv) a statement that the proposed nominee has consented to the nomination. The recommendation should be addressed to our Secretary. The expectation is that candidates recommended by stockholders would be evaluated in a similar manner as candidates identified by the Committee.

Proxy access

We amended our By-Laws in April 2019 to adopt a proxy access provision. This provision allows stockholders to nominate director candidates for election to our Board, and for those director candidates to be included in our proxy materials. Under our proxy access by-law, a group of up to 20 stockholders that collectively has owned at least 3% of our common stock for at least three years may nominate director candidates constituting up to the lesser of two directors and 20% of our Board, subject to certain informational and procedural requirements.

The Nominating, Governance & Management Development Committee evaluated a number of different factors and potential formulations in adopting our proxy access by-law before recommending it to the Board for approval. We believe the version we adopted provides stockholders with meaningful participation in the director nomination process, while also imposing reasonable thresholds to avoid unnecessary administrative costs and to ensure the nominating stockholders have an appropriate and genuine interest in PVH and its governance.

Diversity

The Nominating, Governance & Management Development Committee considers the diversity of the Board and potential candidates in selecting new directors but does not have a specific policy in that regard. In practice, the Committee reviews whether a candidate would contribute to the diversity of skills, abilities, and experiences represented in our skills matrix, as well as the candidate's race, ethnicity, and gender. We are proud of the diversity of backgrounds that characterize our current Board of Directors, including that one-third of our directors are women, and believe that our diversity provides significant benefits to PVH.

Mandatory retirement

Directors cannot be nominated for re-election if they will be 72 on the date of the applicable annual meeting, absent a waiver by the Nominating, Governance & Management Development Committee and the full Board. The Board has granted a waiver to Mr. Nasella due to his continued strong leadership, performance, and contributions to the Board and the committees on which he sits. The Board believes that imposing a mandatory retirement age is an effective way to ensure director refreshment. To that end, two of the directors who have joined the Board in recent years were nominated in anticipation of then upcoming retirements, which have now occurred.

Stockholder Engagement

We regularly engage with stockholders to understand their perspectives on our company, our business and their concerns. We held discussions during 2018 with almost 80% of our top 15 stockholders who are active managers (*i.e.*, excluding index funds and others who do not meet with management). We meet with stockholders during appearances by management at scheduled events, as well as in private meetings held throughout the year.

Our discussions with stockholders cover a wide range of topics, but generally our conversations involve the following issues:

- Our acquisition strategy and plans, including with regard to our stated intention to continue to assert more direct control over our global lifestyle brands, *TOMMY HILFIGER* and *CALVIN KLEIN*
- Our growth opportunities for each of our branded businesses, including regional and category opportunities
- Our long-term growth targets
- Our plans and perspectives on, as well as expected impact on us of, macroenvironmental issues, such as the prospect of additional tariffs on imports to the United States of goods manufactured in China, tax reform in the United States and elsewhere, the economic slowdown in China, and rising labor and raw material costs
- The competitive landscape and how we are positioned to gain market share
- Our consumer engagement initiatives, both globally and regionally
- Our initiatives to grow digital commerce
- Infrastructure investments, including developing a consumer data platform for improving insights and data analytics, as well as for supply chain optimization and speed to market initiatives
- Capital allocation, including stock repurchases and dividend policy
- Our corporate responsibility program

We also engage with stockholders on our compensation practices, most notably on CEO compensation, and periodically seek input from them regarding our compensation program and the compensation paid to Mr. Chirico and the other senior executives. The Compensation Committee has discussed and considered communications received from stockholders relating to our compensation program, and the Committee Chairman has responded to inquiries, where appropriate. In addition, the members of the Compensation Committee typically attend our Annual Meeting and are available to answer questions regarding our compensation program.

In general, feedback from our stockholders is positive and we have not generally received any requests to undertake changes to our compensation practices, adopt corporate governance measures, undertake additional (or enhance existing) corporate responsibility initiatives, or expand our engagement practices.

Director Resignation Policy

The election of directors in an uncontested election requires the affirmative vote of a majority of the votes cast at an annual meeting. Our Corporate Governance Guidelines provide that a director seeking re-election who does not obtain a majority vote of stockholders must offer a letter of resignation. The Nominating, Governance & Management Development Committee will make a recommendation to the full Board on whether to accept or reject any such resignation, or whether other action should be taken. The Board must act on the Committee’s recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date election results are certified. Our Corporate Governance Guidelines provide that the Nominating, Governance & Management Development Committee and the Board may consider any factors and information that they consider appropriate and relevant in making their respective decisions. The director who has tendered a resignation cannot participate in the Committee or Board discussions regarding that resignation.

Director On-Boarding

We conduct a comprehensive on-boarding process for new directors. We believe a wide-ranging orientation is important in positioning new directors for success. The process includes pairing a new director with a seasoned member of the Board who serves as a peer mentor for the first three to six months. In addition, new directors participate in a corporate, business and financial orientation program that involves substantive individual meetings with senior executives. For example, the Chief Executive Officer will brief new directors on current business and strategy; the Chief Operating & Financial Officer will speak about our financial performance; the Treasurer and Senior Vice President, Business Development and Investor Relations will discuss our capital structure, the stockholder base and investor relations; the General Counsel will discuss corporate governance, periodic reporting and stock-related matters; and the Chief Human Resources Officer will report on human resources strategies, key talent and succession planning. In addition, senior executives in our Tommy Hilfiger, Calvin Klein and Heritage Brands businesses provide an overview of their respective businesses. The orientation also includes an introductory session with the Chair or members of the Board committee on which the new director will sit and may also include executives and outside advisors who work with that committee. SEC filings and other information are provided as a background resource. We endeavor to have all new directors visit our European headquarters in Amsterdam within their first year of service.

Ongoing Director Education

We have created a website for directors that is part of our PVH University learning management system. The site provides directors with access to information on director educational conferences and programs, our PVH Complies compliance training courses, and the extensive library of courses we offer to our associates. The site identifies programs, conferences and classes recommended by other directors and our Talent Development Team.

We encourage directors to pursue educational opportunities to enable them to better perform their duties and to learn about emerging issues. In addition, we provide access to educational materials and resources, including subscriptions to outside publications relevant to governance and our industry, and membership in governance organizations. We do not limit the amount of time or money that can be spent on director education, although we do evaluate the courses and conferences to make certain that the subject matter is appropriate for the director and their role. Directors are allowed to determine the amount of education they deem appropriate. However, our Corporate Governance Guidelines strongly encourage directors to attend at least one external director education program per year.

The Nominating, Governance & Management Development Committee may request that directors seek out particular education programs or that the Board receive presentations based on results from the Board questionnaires and individual director self-assessments.

We often incorporate travel to PVH facilities and facilities operated by business partners to educate directors on our global operations, as well as matters related to the committees on which they serve. For example, the entire Board traveled in 2018 to Hong Kong, Shanghai and Tokyo to visit our offices and retail operations there, and members of the Corporate Responsibility Committee have traveled to see factories where our goods are produced.

Management Succession Planning

The Nominating, Governance & Management Development Committee has implemented a detailed plan regarding succession planning. Succession plans for the Chief Executive Officer and the senior management team are updated at least annually, and the Committee presents a status report on succession plans annually to the full Board. The succession-planning process includes both identifying and developing plans for promising internal candidates and identifying external candidates. The plan includes mid-term and long-term solutions and arrangements in the event an emergency arises.

Political and Lobbying Activities

PVH does not contribute to political candidates, parties or causes. We do occasionally participate in lobbying activities, principally through our membership in industry associations. For example, we are involved in ongoing efforts not to have apparel and footwear imported into the U.S. from China subjected to additional tariffs. We believe additional tariffs would be damaging to retail sales, cause price increases and job losses, and would be excessive given the already elevated level of tariffs on these imports as compared to other product categories.

We were involved in 2017 in industry efforts on proposed U.S. tax reform and, in particular, lobbying against the suggestion that a border adjustment tax on imports be included in the broader reform plan. We were actively involved in 2014 and 2015 in seeking an extension of the African Growth and Opportunity Act ("AGOA"), which offers incentives for African countries to continue their efforts to open their economies and build free markets. We believe East Africa provides a potential opportunity for us to be involved in the vertically integrated production of apparel in an environment where our corporate responsibility standards can be implemented from the outset, including adherence to best practices in working conditions, workers' rights, building and fire safety, and use of green energy sources. We continue to monitor the eligibility of the countries in sub-Saharan Africa where we produce in order to participate in AGOA benefits, which, for producers like PVH, allows us to import goods into the U.S. on a duty-free basis.

Values and Corporate Responsibility

We believe that PVH is truly a unique organization, from our associates' embodiment of our values – individuality, partnership, passion, integrity and accountability – to our ongoing commitment to Corporate Responsibility ("CR"), to our efforts to invest in the long-term success of our associates. We recognize our responsibility as an industry leader to consider CR throughout our strategic business decisions to positively affect human rights, protect the environment, foster inclusion and diversity, and sponsor community engagement. We believe that our success is not only measured by our business results, but how we achieve them.

As the conscience of our industry shifts toward more responsible, sustainable practices, we are positioning our business to be at the forefront of what's next. We recently unveiled the next evolution of our CR strategy – *Forward Fashion*. The heart of this ambitious vision for the future is to reduce negative impact to zero, increase positive impacts to 100% and improve the over one million lives across our value chain. We believe that this strategy truly represents our purpose and the way we should all do business.

PVH would not be where it is today without our industry-leading talent. We believe our associates are a reflection of our organization and that it is our responsibility to encourage an inclusive environment, which ultimately inspires change from within. We believe we are developing a strong foundation for continued success by creating a workplace that appreciates our associates and acknowledges that our people are our greatest asset. We are proud to note that our efforts regularly are recognized publicly in a variety of ways, including appearing on *Forbes*' list of Best Employers for Diversity, *Fortune* magazine's list of the World's Most Admired Companies, *Forbes*' inaugural list of Best Employers for Women, and Top Five Lead Awards from HR.com in five categories, including Best Corporate University.

We invite you to read our annual CR Report and learn more about how we drive fashion forward – for good – by visiting the Corporate Responsibility section of our website at PVH.com/responsibility.

You can learn more about our recognitions – which highlight the Power of PVH – by visiting the Recognitions section of our website at PVH.com/company/recognitions.

Meetings

Our Corporate Governance Guidelines require all members of the Board of Directors to use reasonable efforts to attend, in person or by telephone or video conference, all meetings of the Board and of any committees on which they serve, as well as the annual meeting of stockholders. All of our directors attended the 2018 Annual Meeting of Stockholders, and we expect them all to attend the 2019 meeting as well. There were five meetings of the Board of Directors during 2018. All but one of the directors attended 100% of the aggregate number of meetings of the Board and the committees on which they served. One director missed one Board meeting.

Board meetings typically cover four categories of business, as described below.

Corporate governance matters. These discussions include approval of minutes and dividends, committee reports and the review of Board and committee charters, Board policies, and Securities and Exchange Commission (“SEC”) filings.

Standing agenda items. These discussions address matters such as business and financial updates, budget review and approval, corporate strategy and strategic opportunities/alternatives, capital structure, and updates on enterprise risk management, corporate responsibility and other programs.

Topical issues. The Board receives presentations on and, as appropriate, considers, matters such as competitive and industry developments, advertising and marketing campaigns, regulatory updates, capital programs, and initiatives like speed-to-market, Africa sourcing and organizational restructurings.

Transaction-related discussions and approvals. The Board discusses issues such as financings, acquisitions and joint ventures when they arise.

To ensure that the Board is fully informed about issues under discussion, meetings often include presentations by our corporate officers, senior executives or internal subject matter experts, and outside advisors and consultants. One meeting each year is convened offsite for several days to give directors an opportunity to consider and discuss matters such as strategy, opportunities, business strengths and weaknesses, and competitive threats at length. The offsite meeting also provides the directors with exposure to and the opportunity to interact with a large contingent of executives from the global management team. These interactions help the Board assess the talent pool globally.

Executive Sessions

Each Board meeting begins in an executive session of all of the directors (along with the Corporate Secretary). This session includes an overview of the agenda by the Chairman and Chief Executive Officer and a preview of some of the key issues confronting management. In addition, the executive session gives directors an opportunity to prepare possible lines of questioning for management and outside advisors and enables the Board to discuss issues that they do not want to raise with the rest of management present. On occasion, other members of management other than the CEO will be invited to participate with respect to discrete items.

Our independent directors also meet at the end of each regular meeting (and other times) in executive session to discuss Board presentations, management performance and the performance of our Chief Executive Officer. Mr. Nasella, our presiding director, leads these executive sessions.

CEO Evaluation

Mr. Nasella meets with our Chief Executive Officer at least annually to discuss the Board's feedback on the CEO's performance and areas for improvement. The feedback is elicited through a written performance evaluation completed by each director that solicits both quantitative and qualitative responses regarding five key areas of performance: Leadership and People; Strategic Planning; Financial Results; External Relations; and Board Relations.

Transactions with Related Persons

SEC rules require us to disclose certain transactions with "related persons." These are transactions, subject to certain exceptions, involving amounts in excess of $120,000 between PVH on one side and one of the following categories of people on the other side:

- a current director or executive officer;
- a person who, during our most recently completed fiscal year, served as a director or executive officer;
- a nominee for director;
- a holder of more than 5% of our common stock; or
- an immediate family member of any of the foregoing persons.

The only transaction that meets these criteria is that Dominic Chirico, a son of Emanuel Chirico, has worked in our Calvin Klein business since September 2010. In 2018, Dominic Chirico received compensation of $295,611 consisting of salary and bonus.

The Audit & Risk Management Committee is required to review and approve any transaction between PVH and any director or executive officer that will, or is reasonably likely to, require disclosure under SEC rules. In determining whether to approve any such transaction, the Committee will consider the following factors, among others, to the extent relevant to the transaction:

- whether the terms of the transaction are fair to PVH and on the same basis as would apply if the transaction did not involve a related person;

- whether there are business reasons for PVH to enter into the transaction;
- whether the transaction would impair the independence of an outside director; and
- whether the transaction would present an improper conflict of interest for a director or executive officer, taking into consideration such factors as the Committee deems relevant, such as the size of the transaction, the overall financial position of the individual, the direct or indirect nature of the individual's interest in the transaction, and the ongoing nature of any proposed relationship.

Additionally, under our Code of Business Conduct & Ethics and our Conflict of Interest Policy, our directors and associates, including executive officers, have a duty to report all potential conflicts of interest, including transactions with related persons. We have established procedures for reviewing and approving disclosures under the Conflict of Interest Policy and all disclosures are discussed annually with the Audit & Risk Management Committee.

Governing Documents

Corporate Governance Guidelines. Our Corporate Governance Guidelines address matters such as director qualifications and responsibilities, Board committees and their charters, the responsibilities of the presiding director, director independence, director access to management, director compensation, director orientation and education, evaluation of management, management development and succession planning, and annual performance evaluations for the Board. The Nominating, Governance & Management Development Committee reviews the Corporate Governance Guidelines annually and determines whether to recommend changes to the Board.

Code of Ethics for Chief Executive Officer and Senior Financial Officers. Our Code of Ethics is designed to ensure full, fair, accurate, timely and understandable disclosure in the periodic reports we file with the SEC. We intend to disclose on our website any amendments to, or waivers of, the Code of Ethics that would otherwise be reportable on a Current Report on Form 8-K. Any such disclosure will be posted within four business days following the date of the amendment or waiver.

Code of Business Conduct and Ethics. The Code of Conduct, which applies to all PVH directors, officers, and associates, addresses matters such as conflicts of interest, insider trading, confidentiality of PVH's proprietary information, and discrimination and harassment.

All of these documents are posted on our website at PVH.com/investor-relations/governance.

How to Contact the Board

Stockholders and other interested parties may send communications to the Board of Directors (or specified group of individual directors, such as the non-management directors and the presiding director). Any such communication should be addressed to the Board (or individual director) in care of the Secretary of PVH Corp., 200 Madison Avenue, New York, New York, 10016-3903.

Committees

The Board of Directors has four standing committees: Audit & Risk Management; Compensation; Nominating, Governance & Management Development; and Corporate Responsibility. Each committee has a written charter adopted by the Board of Directors that is available on our website at PVH.com/investor-relations/governance.

Audit & Risk Management Committee

Juan Figuereo (Chairman), V. James Marino, Amy McPherson and Edward Rosenfeld

Eleven meetings in 2018

The Audit & Risk Management Committee is directly responsible for the appointment, compensation, and oversight of the work of the outside auditing firm. In addition, the Audit & Risk Management Committee helps the Board fulfill its oversight functions relating to the quality and integrity of our financial reports by:

- monitoring our financial reporting process and internal audit function;
- monitoring the outside auditing firm's qualifications, independence, and performance; and
- performing such other activities consistent with its charter and our By-laws as the Committee or the Board deems appropriate.

The Board has determined that all members of the Audit & Risk Management Committee are independent for purposes of audit committee service under NYSE listing standards and SEC rules, and each also qualifies as an "audit committee financial expert," as defined in SEC rules.

Compensation Committee

Henry Nasella (Chairman), Craig Rydin and Amanda Sourry

Seven meetings in 2018

The Compensation Committee discharges the Board's responsibilities relating to the compensation of our executive officers. The Compensation Committee also has overall responsibility for evaluating and approving, or recommending to the Board approval of, all of our compensation plans, policies, and programs, and is responsible for preparing the Compensation Committee Report that appears in this Proxy Statement. The Compensation Committee is authorized to delegate limited authority to enable the Chief Executive Officer to make equity awards subject to parameters the Committee establishes. For more information on the CEO's ability to grant equity awards, *see* "Compensation Committee Process," which begins on page 30.

Our Chief Executive Officer; Chief Human Resources Officer; Senior Vice President, Global Compensation, Benefits and HR Systems; and General Counsel regularly attend and participate in Compensation Committee meetings, as do representatives of ClearBridge Compensation Group, the Committee's independent compensation consultant since 2009. For more information on the independent compensation advisor, *see* "Independent Compensation Consultant," which begins on page 32.

The Board has determined that all members of the Compensation Committee satisfy the independence requirements under NYSE listing standards and SEC rules. Each member also qualifies as an "outside" director, as defined under Section 162(m) of the Internal Revenue Code of 1986 (the "Code"), as such section was in effect immediately before it was amended pursuant to the U.S. Tax Cuts and Jobs Act of 2017, and as a "non-employee" director under SEC Rule 16b-3.

There were no interlocks or relationships involving any member of the Compensation Committee during 2018 that are required to be disclosed under the SEC's rules or proxy regulations.

Nominating, Governance & Management Development Committee

Joseph Fuller (Chairman), Henry Nasella, Craig Rydin and, since June 2018, Amanda Sourry

Five meetings in 2018

The Nominating, Governance & Management Development Committee is charged with:

- identifying individuals qualified to become Board members;
- recommending director nominees to the Board;
- recommending members for each Board committee;
- recommending the Corporate Governance Guidelines relating to Board service;
- conducting Chief Executive Officer succession planning, and monitoring succession planning for senior management;
- monitoring senior management development; and
- overseeing Board evaluations.

The Board has determined that all members of the Nominating, Governance & Management Development Committee satisfy the independence requirements under NYSE listing standards.

Corporate Responsibility Committee

G. Penny McIntyre (Chairperson), Mary Baglivo and Brent Callinicos

Four meetings in 2018

The Corporate Responsibility Committee is charged with acting in an advisory capacity to the Board and management with respect to policies and strategies that affect PVH’s role as a socially responsible organization. The Committee also receives reports on our Inclusion & Diversity program, PVH University, The PVH Foundation (our charitable and philanthropic organization), our business resource groups (affinity groups for working parents, Black associates, members of the LGBTQ community and other communities within PVH), and other ways we advance our core values.

The Board has determined that all members of the Corporate Responsibility Committee satisfy the independence requirements under NYSE listing standards.

Director Compensation

Annual Retainers

Non-employee directors are paid annually in a combination of cash and restricted stock units ("RSUs"), as shown below.

Recipient	**Type of payment**
Each non-employee director	$85,000, in cash
Each non-employee director	RSUs of our common stock with a value of approximately $145,000 on the grant date[1]
Chairperson of the Audit & Risk Management Committee	$40,000, in cash
Other members of the Audit & Risk Management Committee	$20,000, in cash
Chairperson of the Compensation Committee	$35,000, in cash
Other members of the Compensation Committee	$15,000, in cash
Chairpersons of the Nominating, Governance & Management Development Committee and the Corporate Responsibility Committee	$25,000, in cash
Other members of the Nominating, Governance & Management Development Committee and the Corporate Responsibility Committee	$10,000, in cash
Presiding director	$30,000, in cash

[1] Each of our non-employee directors who was elected on June 21, 2018 received a grant of 940 RSUs.

In addition to these annual retainers, non-employee directors are reimbursed for their meeting-related expenses.

Directors who join the Board after our annual meeting are paid a pro rata portion of the applicable fees for the year but do not receive an award of RSUs. We do not pay fees or make equity grants to non-employee directors who are designated for election by a stockholder having director nomination rights. We currently have no such directors.

Our non-employee directors receive very limited benefits and perquisites. They are entitled to the same discounts at our retail stores as are available to all associates. In addition, we provide business accident travel insurance for directors and their spouses, which is at no additional cost to us because we maintain coverage for our associates globally. Finally, non-employee directors are eligible to participate at their own cost in our group umbrella insurance program, which may offer more favorable rates than they can obtain on their own.

Stock Ownership Guidelines

Our non-employee directors are required under our stock ownership guidelines to own shares of our common stock with an aggregate value equal to five times the annual cash retainer payable to directors. New directors have five years from the date they are elected to attain this ownership level. All of our non-employee directors who have served on the Board for five years or more are currently in compliance with this requirement. Our stock ownership guidelines require directors to hold 50% of the shares received upon the vesting of their equity awards (after payment of taxes) until they satisfy the guideline. There are no stock ownership guidelines for directors designated for election by a stockholder having director nomination rights, of which we currently have none.

The following table provides information concerning the compensation of all individuals who served as directors during any portion of 2018, other than Mr. Chirico, whose compensation as an executive is set forth on the Summary Compensation Table on page 46.

Name	**Fees Earned or Paid in Cash[1] ($)**	**Stock Awards[2,3] ($)**	**Option Awards[3] ($)**	**All Other Compensation ($)**	**Total ($)**
Mary Baglivo	102,500	145,136	N/A	N/A	247,636
Brent Callinicos	95,000	145,136	N/A	N/A	240,136
Juan R. Figuereo	125,000	145,136	N/A	N/A	270,136
Joseph B. Fuller	110,000	145,136	N/A	N/A	255,136
V. James Marino	105,000	145,136	N/A	N/A	250,136
G. Penny McIntyre	110,000	145,136	N/A	N/A	255,136
Amy McPherson	105,000	145,136	N/A	N/A	250,136
Henry Nasella	160,000	145,136	N/A	N/A	305,136
Edward R. Rosenfeld	105,000	145,136	N/A	N/A	250,136
Craig Rydin	110,000	145,136	N/A	N/A	255,136
Amanda Sourry	105,000	145,136	N/A	N/A	250,136

[1] The fees earned or paid in cash to the directors consist of the following:

Name	**Annual Director Fees ($)**	**Committee Chair Fees ($)**	**Committee Member Fees ($)**	**Presiding Director Fee ($)**	**Total ($)**
Mary Baglivo	85,000	N/A	17,500	N/A	102,500
Brent Callinicos	85,000	N/A	10,000	N/A	95,000
Juan R. Figuereo	85,000	40,000	N/A	N/A	125,000
Joseph B. Fuller	85,000	25,000	N/A	N/A	110,000
V. James Marino	85,000	N/A	20,000	N/A	105,000
G. Penny McIntyre	85,000	25,000	N/A	N/A	110,000
Amy McPherson	85,000	N/A	20,000	N/A	105,000
Henry Nasella	85,000	35,000	10,000	30,000	160,000
Edward R. Rosenfeld	85,000	N/A	20,000	N/A	105,000
Craig Rydin	85,000	N/A	25,000	N/A	110,000
Amanda Sourry	85,000	N/A	20,000	N/A	105,000

2 The amounts are the aggregate grant date fair value of RSUs granted in 2018, which were the only equity awards granted to our directors in 2018. The fair value is equal to $154.40, the closing price of our common stock on the date of grant, multiplied by the number of RSUs granted.

3 The number of unexercised stock options and aggregate number of unvested RSUs for each of our directors as of February 3, 2019, were as follows:

Name	**Option Awards (#)**	**Stock Awards[a] (#)**
Mary Baglivo	N/A	940
Brent Callinicos	N/A	940
Juan R. Figuereo	N/A	6,129[b]
Joseph B. Fuller	N/A	22,080[c]
V. James Marino	N/A	940
G. Penny McIntyre	N/A	5,006[d]
Amy McPherson	N/A	940
Henry Nasella	N/A	22,080[c]
Edward R. Rosenfeld	N/A	6,170[e]
Craig Rydin	N/A	12,028[f]
Amanda Sourry	N/A	940

a Stock awards consist of unvested restricted stock units, which vest on the first anniversary of the date of grant.

b Settlement of 5,189 of these outstanding awards has been deferred pursuant to the director's election, as permitted under our 2006 Stock Incentive Plan.

c Settlement of 21,140 of these outstanding awards has been deferred pursuant to the director's election, as permitted under our 2006 Stock Incentive Plan.

d Settlement of 4,066 of these outstanding awards has been deferred pursuant to the director's election, as permitted under our 2006 Stock Incentive Plan.

e Settlement of 5,230 of these outstanding awards has been deferred pursuant to the director's election, as permitted under our 2006 Stock Incentive Plan.

f Settlement of 11,088 of these outstanding awards has been deferred pursuant to the director's election, as permitted under our 2006 Stock Incentive Plan.

Proposal 2: ADVISORY VOTE ON EXECUTIVE COMPENSATION

We are asking stockholders to provide advisory approval of the compensation of our Named Executive Officers, as described in the Compensation Discussion and Analysis and Executive Compensation Tables sections that follow. While the results of this vote are non-binding, the Compensation Committee intends to consider carefully those results when making future compensation decisions.

The following is a summary of key points that stockholders may wish to consider in connection with their voting decision. We encourage you to review the entire Compensation Discussion and Analysis for detailed information on our executive compensation program.

Our compensation program emphasizes performance-based variable pay and equity performance to ensure a rigorous pay-for-performance culture. A significant majority (approximately 74% to 90% based on target level compensation) of each NEO’s compensation package consists of short-term and long-term awards that pay out only upon the achievement of specific financial targets, and equity awards that are linked to increases in stock price and stockholder value over time.

Our performance targets are meaningful and are designed to encourage our executives to perform at high levels. We must achieve earnings per share that falls within the earnings per share guidance range that management provides to the financial market at the beginning of each fiscal year to pay out bonuses at the target level, and business unit executives must achieve earnings goals for their respective business units. In both cases, the goals are based on the annual budget reviewed and approved by the Board of Directors, and the target levels typically are established above the prior year’s performance.

Our compensation program reflects sound pay practices.

ü We generally do not provide our NEOs with any guarantees as to salary increases, bonuses, incentive plan awards or equity compensation.

ü Our perquisites are very modest and do not include tax reimbursements or “gross-ups” for severance payments.

ü We have adopted stock ownership guidelines (including holding requirements until ownership levels are achieved) for our NEOs that are intended to align their long-term interests with those of our stockholders and to encourage a long-term focus.

Our total compensation packages are comparable to our peers. When we establish compensation packages each year, we compare the total compensation that each NEO can earn to compensation for the most comparable executives at the companies in our peer group. We confirm the accuracy of such comparisons by reviewing actual amounts paid or expected to be paid at the end of each year. The compensation package for our Chief Executive Officer, consistent with our emphasis on pay for performance, is more heavily weighted on long-term and performance-based elements than we find in compensation packages for chief executive officers at most of our peer companies. Compensation packages for our other NEOs are consistent with those of their counterparts at our peers.

Our compensation program works as intended. We believe the information disclosed in this Proxy Statement, in particular the Compensation Discussion and Analysis and Executive Compensation Tables sections, demonstrates that our executive compensation program is well-designed, is working as intended, emphasizes pay for performance without encouraging undue risk, incorporates sound corporate governance practices, and foregoes elements that are considered poor pay practices.

The Board submits the following resolution to stockholders to indicate their non-binding advisory approval:

RESOLVED, that the compensation paid to PVH's Named Executive Officers, as disclosed in this Proxy Statement pursuant to the rules of the SEC, including the Compensation Discussion and Analysis, compensation tables, and any related narrative discussion, is hereby APPROVED.

The Board of Directors recommends a vote FOR approval of the compensation paid to our Named Executive Officers. Proxies received in response to this solicitation will be voted FOR this proposal unless the stockholder specifies otherwise.

COMPENSATION DISCUSSION AND ANALYSIS

This section explains our compensation program for the following individuals, who we refer to as our Named Executive Officers or NEOs:

Emanuel Chirico, 61, Chairman and Chief Executive Officer, PVH Corp. (25 years with PVH)

Michael A. Shaffer, 56, Executive Vice President and Chief Operating & Financial Officer, PVH Corp. (28 years with PVH)

Francis K. Duane, 62, Vice Chairman, PVH Corp. and Chief Executive Officer, Heritage Brands (20 years with PVH)

Daniel Grieder, 57, Chief Executive Officer, Tommy Hilfiger Global and PVH Europe (22 years with PVH[7])

Steven B. Shiffman, 61, Chief Executive Officer, Calvin Klein (26 years with PVH)

Executive Summary

2018 Performance Highlights

Our 2018 results exceeded our plans and our long-term growth targets despite weaker than expected results in our Calvin Klein business, several department store bankruptcies and continued store closings, geopolitical pressures and a weakening macro-economic picture. We believe the ability of our teams to over-deliver against our Board-approved financial plans against this backdrop demonstrates the "Power of PVH" – the combination of our iconic brands, our talented teams and the wide range of global growth opportunities in front of us.

We believe that significant opportunities for growth remain, as we continue to execute on our strategic priorities with an emphasis on driving long-term stockholder value creation. We expect these priorities, which include global expansion, a focus on driving consumer experience, investing in our operating platforms, and using our balance sheet to drive returns, will enable us to attain top line and bottom line growth over the next several years.

For 2018:

- Earnings per share was $9.65, compared to $6.84 in 2017 ($9.60* vs. $7.94*on a non-GAAP basis).
- Revenue was $9.7 billion, an 8% increase over 2017. The revenue increase included:
  - A 12% increase (10%* increase on a constant currency basis) in our Tommy Hilfiger business, driven principally by strong performance in all regions and channels.
  - An 8% increase (7%* increase on a constant currency basis) in our Calvin Klein business, driven by growth in Europe and Asia, as well as in our North America wholesale business.
  - A 1% increase in the Heritage Brands business.
- Earnings before interest and taxes ("EBIT") increased to $892 million, inclusive of a $5 million positive impact due to foreign currency translation, from $632 million in 2017. EBIT on a non-GAAP basis for 2018 was $971 million*, inclusive of a $5 million positive impact due to foreign currency translation, compared to $864 million* on a non-GAAP basis in 2017.

[7] Includes service with Tommy Hilfiger prior to our 2010 acquisition, as well as service as an independent sales agent for Tommy Hilfiger.

* Reconciliations to GAAP amounts appear in Exhibit A.

Our earnings per share, revenue, and EBIT performance over the past three years was as follows:

2018 Compensation Highlights

The following table shows the principal elements of the compensation program for our Named Executive Officers and the value attributable to each element for 2018, with the following conditions:

- Base salaries are shown at the highest level for the year for NEOs who received mid-year salary increases.
- Annual bonuses are shown at the target level payouts.
- RSUs, stock options and PSUs are shown at the grant date value.

Some of the compensation figures discussed in this section will not be the same as the figures provided in the Executive Compensation Tables section that begins on page 46 because of the foregoing conditions or for reasons otherwise explained.

COMPENSATION ELEMENT	BASE SALARY	ANNUAL BONUS	RESTRICTED STOCK UNITS	STOCK OPTIONS	PERFORMAN SHARE UNITS
FREQUENCY	Reviewed annually	Eligibility reviewed annually	Eligibility reviewed annually	Eligibility reviewed annually	Eligibility revie annually
FORM	Cash		Equity		
FIXED VS. AT RISK	Fixed	At risk			
PERFORMANCE CYCLE/VESTING	N/A	1 year	4 years – vesting 25% on each of the first four anniversaries of the grant date[1]	4 years – vesting 25% on each of the first four anniversaries of the grant date	3 years
PERFORMANCE MEASURES	N/A	EPS for all NEOs Business unit operating income for NEOs with divisional responsibilities Awards may be modified based on individualized non-financial strategic goals	N/A	N/A	Absolute stock price growth (5(and relative TSF (50%)
2018 VALUES					
Emanuel Chirico	$1,500,000	$3,000,000	$3,000,067	$2,054,910	$5,008,641
Michael A. Shaffer	$925,000	$925,000	$800,577	$809,280	$599,235
Francis K. Duane	$1,150,000	$862,500	$3,300,264	N/A	$399,546
Daniel Grieder	€877,504[2]	€877,504[2]	$700,270	$708,120	$199,857
Steven B. Shiffman	$975,000	$731,250	$600,589	$606,960	$399,546

[1] Mr. Duane's restricted stock unit grant was subject to a three-year ratable vesting period, vesting on each of the first three anniversaries of the grant date pursuant to the terms of his employment agreement. Please *see* discussion on

page 36.

2 Mr. Grieder's salary and bonus are paid in euros and have been converted from Swiss francs at a franc-to-euro exchange rate of 0.8775, which was the closing rate on February 1, 2019, the last business day of 2018. *See* "Special note about compensation for Mr. Grieder" on page 30.

Compensation Best Practices

We follow the practices described below because we believe they align our compensation program, and the interests of our NEOs, with the interests of our stockholders and avoid excessive risk.

Things We Do

We engage with stockholders regarding our compensation practices.

The Chairman of the Compensation Committee is available at our Annual Meeting to answer questions.

Most executive compensation varies based on long-term performance of PVH and our common stock.

Performance targets for our incentive plans are rigorous but do not encourage excessive risk.

We use different financial metrics as performance measures for annual bonuses and PSU awards so executives focus on the business as a whole and not on any one particular metric.

We regularly reassess the financial measures used with our performance-based awards, as well as the mix of elements that make up our compensation program, to ensure they promote increases in stockholder value and align with investor priorities.

Our NEOs are subject to stringent stock ownership guidelines—6x base salary for the CEO and 3x base salary for the other NEOs—and there are limits on the amount of stock they can dispose of before they satisfy the applicable guideline.

Our change-in-control arrangements are “double trigger.”

We provide comprehensive and transparent disclosure of our compensation program and each NEO’s compensation package, with thorough explanations of performance measures, goal setting, targets, and payouts.

We have a Clawback Policy that allows us to recover or cancel incentive compensation awards and payouts in the event of a restatement of our financial statements or a material breach of a material company policy.[8]

The Compensation Committee consists of three independent directors who have engaged the services of an independent compensation advisor.

Awards under our incentive plans are capped to prevent undue efforts to surpass the target for any particular metric.

We conduct an annual risk assessment of our executive compensation program.

Our compensation peer group is realistic, comprising a mix (by revenue) of larger and smaller companies in our industry.

Things We Do Not Do

We do not make awards to our NEOs solely based on retention or to replace awards that did not or are not expected to pay out.

We do not grant discretionary awards that are not substantiated by company and individual performance.

We do not allow “retesting” or use multiple one-year targets with our annual bonus awards that provide NEOs with more than one opportunity to receive the same payout.

We do not permit repricing of underwater stock options.

We do not accrue dividends or dividend equivalents on PSUs during the performance cycle.

Pension and welfare benefits and perquisites are not a significant part of our NEOs' compensation.

NEO employment agreements do not provide for tax gross-ups.

We do not provide any special benefits or compensation upon the death of an NEO.

We do not permit our NEOs to pledge our securities, hold securities in a margin account, or engage in hedging or similar transactions.

Our employment agreements do not provide for tax gross-ups or include long-term compensation in the calculation of the amount of severance payable.

2018 Executive Compensation Program

Philosophy and Approach

Our compensation program is a pay-for-performance model. We believe we should incentivize our executive officers to improve our financial performance, profitably grow our businesses and increase stockholder value, and reward them only if they attain these objectives. To that end, the bulk of each Named Executive Officer's compensation package consists of short-term and long-term incentive awards that pay out only if we achieve specific financial and strategic targets, and equity awards that are linked to increases in stock value over time. Our strategic targets include advancing our corporate responsibility commitments to our associates, the workers in our value chain, and the communities where we live and work, as we firmly believe these efforts help strengthen our organization and improve our performance by managing risk, maximizing efficiencies and driving value.

[8] This policy was adopted in 2018. Previously, all of our incentive compensation plans included clawback provisions. *See* "Clawback Policy" on page 42.

We also believe our compensation program should be competitive. An organization of our size and breadth can only operate effectively and profitably if it is managed by a team of talented executives, and executives with the right background and skill sets are in demand. To ensure that we can recruit and retain the right people for PVH, when we establish compensation packages each year, we compare the total potential compensation that each Named Executive Officer can earn to the compensation awarded to the most comparable executives at the companies in our peer group. (For more information on the peer group, *see* “Peer Group,” which begins on page 38.)

Our compensation program and plans have flexibility that permits the use of a variety of compensation elements and varying terms. The Compensation Committee reviews the program annually, keeping abreast of regulatory changes, following marketplace developments and analyzing practices within our peer group. This effort is intended to ensure that our practices are consistent with stockholder interests and enable us to recruit, retain and motivate qualified associates. In administering the program each year, the Compensation Committee determines what elements to use, the terms of all awards and, with respect to performance cycles concluded, the achievement of financial goals and any payouts to be made.

Special note about compensation for Mr. Grieder

The compensation package for Mr. Grieder is somewhat different from the compensation paid to the other NEOs due to a number of factors, including his employment outside of the U.S. and his status as a non-U.S. taxpayer. Accordingly, not all of the discussion regarding our NEOs pertains to him. The principal differences relate to benefits (which are largely dictated by statute in Europe) and currency. Mr. Grieder’s cash compensation is paid in euros but is based on a base salary level tied to Swiss francs because he is a resident of Switzerland. The Swiss franc-to-euro exchange rate we use to determine salary payments to Mr. Grieder is reset quarterly. Historically, the construction of the compensation packages for our U.S.-based NEOs took into consideration the tax deductibility of performance-based compensation. This consideration was not relevant to Mr. Grieder’s compensation. As a result, there were some differences in the design of his compensation package. We have largely left the design of our U.S.-based NEO compensation packages intact even though the tax deduction for performance-based compensation has been eliminated (effective for compensation awarded beginning in 2018).

Executive Compensation Overview

Elements of Compensation

Our executive compensation program currently consists of six components with the following purposes:

1. **Base salary**, which provides a competitive amount of fixed compensation.
2. **Bonus awards** under the Performance Incentive Bonus Plan, which provide an annual opportunity to earn additional cash if PVH achieves predetermined objective performance goals.
3. **Stock options** under the 2006 Stock Incentive Plan, which provide an opportunity to benefit from long-term appreciation in the price of our common stock.
4. **Restricted stock units** under the 2006 Stock Incentive Plan, which directly align recipients' long-term interests with those of our stockholders by constantly mimicking the value of our common stock.
5. **Performance share units** under the 2006 Stock Incentive Plan, which provide an opportunity to earn equity if PVH achieves predetermined long-term objective performance goals.
6. **GRIP ("growth and retention incentive plan") awards** under the Long-Term Incentive Plan, which provide an opportunity to earn additional cash if predetermined long-term objective performance goals are achieved.

Individual NEOs may not receive all six forms of compensation every year. Awards under the Long-Term Incentive Plan, in particular, are only made from time to time; no GRIP awards were made in 2018. Messrs. Duane, Grieder and Shiffman are the only NEOs who currently have outstanding GRIP awards. Payouts under those awards require their respective business units to achieve predetermined levels of earnings over a three-year period ending at the end of 2019.

Compensation Committee Process

Considerations when setting compensation

The Compensation Committee reviews annually the compensation packages for each of our Named Executive Officers. This includes their base salaries, annual and long-term bonus opportunities, the value of their unvested stock options and RSU awards, and the allocation among these elements. We do not prescribe a specific formula for the mix of pay elements other than to favor variable performance-based pay over fixed pay and long-term pay over short-term.

30

When setting the compensation packages for the NEOs, the Compensation Committee starts by looking at the median compensation for comparable executives within our peer group. (For more information, *see* "Peer Group," which begins on page 38.) Then we consider both objective and subjective factors, such as:

- job responsibility;
- individual, business unit, and company performance;
- potential for advancement;
- tenure in role and with PVH;
- internal pay equity;
- pay history;
- retention considerations; and
- alignment with stockholder interests.

The Compensation Committee also receives input from management, particularly Mr. Chirico and the Chief Human Resources Officer, about compensation for the other NEOs.

Mr. Chirico's compensation package is determined based upon the Board's assessment of his performance. Input from each director on several performance metrics leads to the cumulative assessment of his performance (*see* discussion on page 19), which guides the Compensation Committee's recommendation and the Board's approval of his compensation package for the upcoming year. Generally speaking, we adjust Mr. Chirico's compensation package less frequently than we adjust compensation for the other NEOs because the CEO's compensation is more heavily weighted toward long-term elements than the compensation packages for the other NEOs, and the Committee prefers to look at several years of compensation results to determine whether preceding compensation adjustments worked as intended.

Authority to grant equity awards

The Compensation Committee has sole authority to grant equity awards to the NEOs. The Committee has annually delegated limited authority to our Chief Executive Officer to make equity awards to other PVH associates—principally in connection with promotions and new hires. Pursuant to this authority, the Chief Executive Officer may grant, on an annual basis, restricted stock units with an aggregate grant date value of $5 million and a maximum value in a year to any one associate of $300,000. In addition, in 2017 and 2018, the Committee delegated limited authority to our Chief Executive Officer to make discretionary equity awards to high-potential and high-performing executives below the senior executive level. Any awards made are in addition to an individual's standard annual grant and subject to the parameters established by the Committee. For 2018, these awards were not permitted to exceed $5 million in the aggregate and generally did not exceed 50% of the individual's standard annual award. The Committee receives a report annually on the awards granted pursuant to these delegations of authority.

Schedule for Compensation Committee meetings

The Compensation Committee generally makes decisions during the first quarter of each year about payouts of incentive plan awards for the recently completed fiscal year, and about base salaries, performance-based awards and equity grants for the current fiscal year. (*See* "Timing of Equity Awards" on page 42.) In addition, the Committee uses these first quarter meetings to consider and approve any new incentive compensation plans or arrangements that require Board or stockholder approval. The Compensation Committee's other meetings typically are focused on reviewing our compensation programs generally and discussing potential changes to the program, including to address corporate governance and regulatory developments. The Committee also uses these other meetings to address compensation issues relating to changes in executives and promotions among the executive ranks. In addition, the Committee regularly reviews the types and mix of incentive awards included in our compensation program, the financial measures used in incentive awards, and alternative plans and financial measures.

Use of tally sheets

The Compensation Committee reviews tally sheets annually. Each NEO's tally sheet covers prior year compensation and proposed compensation for the then-current year, including all elements of cash compensation, incentive compensation, perquisites, and benefits. Tally sheets also illustrate compensation opportunities and benefits and quantify payments and other value an executive would receive in various termination of employment scenarios, meaning they show full "walk away" values. As such, they enable the Compensation Committee to see and evaluate the full range of executive compensation; understand the magnitude of potential payouts as a result of retirement, change in control, and other events resulting in termination of employment; and consider changes to our compensation program, arrangements and plans in light of "best practices" and emerging trends.

Independent Compensation Consultant

The Compensation Committee has retained ClearBridge Compensation Group ("ClearBridge") as its independent compensation consultant since 2009. The Compensation Committee directs the compensation consultant, approves the scope of the compensation consultant's work each year, and approves the associated fees.

ClearBridge meets and works with the Committee, our Chief Executive Officer, our Chief Human Resources Officer and our Senior Vice President, Global Compensation, Benefits and HR Systems, to develop each year's compensation packages and overall compensation program. The Committee reviews the compensation program and related matters annually, and instructs the compensation consultant to provide information, analysis and recommendations to facilitate that review. Areas of focus in 2018 included performance measures, the relative allocation of target pay among the compensation elements, and whether to change the compensation program or the approach to constructing the NEO compensation packages in light of the change to the deductibility of performance-based compensation under U.S. tax law. The compensation consultant also assists the Committee in regard to its assessment of risks in our compensation program and consideration of tally sheets.

ClearBridge is engaged by, and reports directly to, the Compensation Committee, and has been determined by the Committee to be independent under SEC rules and NYSE listing standards. ClearBridge also advises, and reports to, the Nominating, Governance & Management Development Committee on matters relating to non-employee director compensation. Management is prohibited from retaining the compensation consultant without the prior approval of the Compensation Committee. No such approval has been sought.

Role of Management

The Chief Human Resources Officer, Senior Vice President, Global Compensation, Benefits and HR Systems, and the General Counsel review drafts of the materials the compensation consultant prepares for the Committee to ensure the accuracy of our internal data. These executives also provide guidance to the Committee regarding applicable matters such as associate perceptions and reactions, and legal and disclosure developments.

Compensation Decisions for 2018

Base Salaries

Objective

Base salaries provide our Named Executive Officers with a stable and secure source of income at a market-competitive level, and also serve to retain and motivate these individuals.

Considerations

Base salaries are established for each NEO primarily based upon market considerations, peer data, PVH's overall performance, our expected performance, individual performance, and (for Messrs. Duane, Grieder and Shiffman) the performance of the business units for which an NEO has responsibility. For any particular NEO, the Compensation Committee also may consider time between salary increases, whether the NEO was recently promoted or assumed additional responsibilities, the NEO's advancement potential and whether the NEO executed special or difficult assignments during the year. Finally, the Compensation Committee takes into account the relative salaries of our Named Executive Officers. Ultimately, base salary decisions are subjective; no specific weight is assigned to any deciding factor.

2018 decisions

Base salaries for our NEOs are shown below. The salary increases shown were effective on June 1, 2018.

Name	2018 base salary	2017 base salary	Increase %
Emanuel Chirico	$1,500,000	$1,350,000	11.1%
Michael A. Shaffer	$ 925,000	$ 900,000	2.8%
Francis K. Duane	$1,150,000	$1,125,000	2.2%
Daniel Grieder	1,000,000	975,000	2.6%
Steven B. Shiffman	$ 975,000	$ 950,000	2.6%

Mr. Chirico’s base salary had last been increased in 2012.

Short-Term Incentives—Performance Incentive Bonus Plan

Objective

Annual bonus awards under our Performance Incentive Bonus Plan provide cash compensation that is at risk and contingent on the achievement of short-term company and, for some NEOs, business unit performance goals. We establish performance targets that we believe are rigorous, but not rigorous enough to encourage excessive risk. As evidence of this rigor, over the past five years, annual bonuses have been at or below target once, somewhat above target twice and at or near maximum twice.

Considerations

We believe annual bonuses are appropriate to motivate the Named Executive Officers to execute against the budget and business plans approved by our Board each year. These budgets are the basis of our earnings and other guidance, assessments of our performance in earnings releases, and discussions with and presentations to investors.

At the beginning of each year, the Compensation Committee makes three sets of decisions respecting annual bonuses:

1. Potential bonus payouts for each NEO.
2. Financial metrics that will determine award payouts and specific goals for each.
3. Non-financial strategic and performance goals applicable to all of the NEOs but against which they are individually assessed.

2018 decisions

Potential bonus payouts

The Compensation Committee sets threshold, target and maximum payouts for each NEO, expressed as a percentage of the NEO's base salary. For 2018, award opportunities were as follows:

Name	Threshold (% base salary)	Target (% base salary)	Maximum (% base salary)
Emanuel Chirico	100	200	400
Michael A. Shaffer	50	100	200
Francis K. Duane	37.5	75	175
Daniel Grieder	50	100	200
Steven B. Shiffman	37.5	75	175

Mr. Chirico's potential payouts were increased at each of threshold (from 75% to 100%), target (from 150% to 200%), and maximum (from 300% to 400%). There were no changes to the potential payouts for our other NEOs.

Financial metrics

Annual bonuses for Mr. Chirico and Mr. Shaffer were based entirely upon earnings per share of our common stock for the year. Bonuses for NEOs with divisional responsibilities were based on both corporate earnings per share and operating income for their respective business units, in the proportions shown below. We selected these two metrics because they are important to our investors.

Name	Earnings per share	Business unit operating income
Emanuel Chirico	100%	N/A
Michael A. Shaffer	100%	N/A
Francis K. Duane *Heritage Brands Portfolio*	50%	50%
Daniel Grieder *Tommy Hilfiger Global and Calvin Klein/Heritage Brands Europe*	30%	70%
Steven B. Shiffman *Calvin Klein Global and The Underwear Group*	30%	70%

Oversight of The Underwear Group was moved from Mr. Duane to Mr. Shiffman due to the importance of our Calvin Klein Underwear business to that group. Mr. Grieder's responsibility for our Heritage Brands business activities in Europe were expanded beyond our Michael Kors dress furnishings business (his sole responsibility in 2017) to include an Izod sportswear business that was launched in Europe during 2018.

Non-financial criteria

Payouts for the NEOs also are based upon individual performance against pre-established non-financial strategic and performance criteria, which gives the Compensation Committee some flexibility to modify payouts (up or down) by up to 25% of an NEO's base salary, so long as an adjusted award does not exceed the NEO's maximum opportunity. We added this additional component to the bonus awards in 2017 to encourage and reward NEOs' efforts to improve performance, develop and advance associates under their leadership, and lead progress against our corporate responsibility commitments. These items either do not get captured by the financial goals or are expected to yield benefits only in the future.

2018 results

Earnings per share

Payouts of bonuses for all the NEOs were contingent principally upon achievement of their respective earnings goals (earnings per share for all NEOs and business unit operating income for certain NEOs). The earnings per share and business unit earnings goals at target were based on the budget approved by the Board at the beginning of 2018 and included a planned level of share repurchases. The earnings per share goal at target also is typically at or near the midpoint of the earnings per share guidance range we give to investors at the beginning of each year. The earnings per share goal at target for 2018 was at the midpoint of our guidance, and was inclusive of an expected $0.35 per share positive impact related to foreign currency exchange rates. The actual positive impact was only $0.05 per share.

Once the target was established, we set the threshold performance goal at approximately 90% of target and the maximum performance goal at approximately 110% of target, as was the case in 2018. The threshold-to-maximum range can vary from year to year based on the Compensation Committee's evaluation of business but has been approximately 90% to 110% for each of the past three years.

	Threshold	**Target**	**Maximum**
2018 earnings per share goal	$8.10	$9.05	$10.00
(Decrease) increase from 2017 bonus earnings per share results of $8.14[1]	**(0.5)%**	**11.2%**	**22.9%**
2018 earnings per share[2]	$9.60		
Goal achieved (as a percentage of target)	106.1%		

[1] This number is on a non-GAAP basis. Earnings per share on a GAAP basis for 2017 was $6.84.

[2] This number is on a non-GAAP basis. Earnings per share on a GAAP basis for 2018 was $9.65.

Our earnings per share results were between the target and maximum goals. As a result, our NEOs received payouts on the EPS portion of their bonus awards calculated using straight-line interpolation between their respective target and maximum potential payouts.

Individual business units

Annual bonuses for Messrs. Duane, Grieder and Shiffman are based heavily on the operating income of the business units each leads. The threshold, target and maximum operating income goals applicable to each of these NEOs are set forth below, as well as the actual results and payout percentage for 2018. Threshold performance goals typically are set at approximately 90% of target, and maximum performance goals typically are set at approximately 110% of target, consistent with the awards based on earnings per share. The threshold-to-maximum range can vary from year to year based on the Compensation Committee's evaluation of business conditions, but has been approximately 90% to 110% for each of the past three years.

Operating Income Goals

NEO	Business unit(s)	Threshold ($ and as % of target)	Target ($ and as % of target)	Maximum ($ and as % of target)	Actual ($ and as % of target)
Francis K. Duane	Heritage Brands Portfolio	$131,000,000 85%	$153,525,000 100%	$175,500,000 114%	$157,982,000 103%
Daniel Grieder	Tommy Hilfiger Global and Calvin Klein/Heritage Brands Europe	€611,000,000 93%	€657,233,000 100%	€702,000,000 107%	€704,627,000 107%
Steven B. Shiffman	Calvin Klein Global and The Underwear Group	$507,000,000 92%	$554,070,000 100%	$600,000,000 108%	$539,461,000 97%

Each of Messrs. Duane, Grieder and Shiffman qualified for a payout of the portion of their annual bonus awards attributable to the earnings performance of their business units. These payouts, subject to the adjustments described below, were calculated on a straight-line interpolation basis from the potential payouts shown above. Payouts on the business unit portion of the annual awards were between target and maximum for Mr. Duane, at maximum for Mr. Grieder, and between threshold and target for Mr. Shiffman.

Discretionary adjustments for non-financial criteria

In addition to the financial goals discussed above, each NEO's bonus award potentially was subject to adjustment based on the NEO's performance against prescribed non-financial strategic and performance criteria. The Compensation Committee adjusted Mr. Duane's bonus upward based upon certain efforts he made in 2018 to grow the Heritage Brands business. Mr. Shiffman's bonus was adjusted downward due to issues in the Calvin Klein business related to a strategy he had developed. *See* the discussion below.

2018 annual bonus amounts

Annual bonuses for the NEOs were calculated using the following formulas:

For Messrs. Chirico and Shaffer:

Base salary x individual bonus percentage based on earnings per share achievement level +/- discretionary adjustments, if any

For Messrs. Duane, Grieder, and Shiffman:

Base salary x individual bonus percentage based on earnings per share achievement level x weight of EPS metric

+

Base salary x individual bonus percentage based on business unit earnings achievement level x weight of operating income metric

+/-

Discretionary adjustments, if any

35

The calculation of the actual bonus amounts is shown below.

NEO	**Earnings per share potential payouts (% of base salary)** Threshold	Target	Maximum	**Payout on earnings per share ($ and as % of base salary)**	**Business unit operating income potential payouts (% of base salary)** Threshold	Target	Maximum	**Payout on business unit operating income ($ and as % of base salary)**	**Discretionary adjustments ($ and as % of base salary)**
Emanuel Chirico	100.00	200.00	400.00	$4,736,850 315.79%					$ -
Michael A. Shaffer	50.00	100.00	200.00	$1,460,483 157.89%					$ -
Francis K. Duane	18.75	37.50	87.50	$764,175 66.45%	18.75	37.50	87.50	$547,860 47.64%	$240,000 20.87%
Daniel Grieder[1]	15.00	30.00	60.00	€419,677 47.37%	35.00	70.00	140.00	€1,240,339 140.00%	€ -
Steven B. Shiffman	11.25	22.50	52.50	$388,733 39.87%	26.25	52.50	122.50	$432,413 44.35%	$(82,115) -8.42%

[1] Mr. Grieder's bonus is paid in euros but is based on a salary level tied to Swiss francs, converted at a franc-to-euro exchange rate of 0.8860, which was the average rate for March 2019, the month in which the payout was certified.

Mr. Duane received an upward adjustment of his bonus of $240,000 (20.87% of his base salary) for his efforts leading our innovation program, the expansion of our digital efforts for the Heritage Brands business, including the launch of three owned e-commerce sites, and the licensing of *IZOD* for sales by our Europe team.

Mr. Shiffman received a downward adjustment of his bonus of $82,115 (8.42% of his base salary). This adjustment was to reflect that Mr. Shiffman's strategy for the Calvin Klein business resulted in performance issues in parts of the business, leading to the decision to exit the high-end "halo" Collection business and restructure other parts of the organization.

Long-Term Incentives—Stock Options and Restricted Stock Units

Objective

Annual grants under our 2006 Stock Incentive Plan of stock options and restricted stock units align the NEOs' interests with those of our stockholders. The value of these awards is at risk and varies with the price of our common stock.

Considerations

We believe that stock options provide an incentive to recipients to increase stockholder value over the long term: the benefit of a stock option is determined by how much the price of the underlying stock appreciates over the life of the option, and an option has no value if that stock price does not increase. Moreover, we believe that stock options have the potential to deliver more value to an executive than restricted stock units.

We grant restricted stock units because they mimic the interests of stockholders, as both increases and decreases in our stock price have the same effect on holders of restricted stock units as they do on stockholders. Additionally, restricted stock units serve as a constant incentive, regardless of fluctuations in stock price.

We believe the use of a combination of stock options and restricted stock units is consistent with our compensation philosophy, as each aligns our executives with stockholder interests in different ways.

2018 decisions

We granted both stock options and restricted stock units to our Named Executive Officers during 2018, except as noted below with regard to Mr. Duane. These awards vest at a rate of 25% on each of the first four anniversaries of the grant date, except as noted below with regard to Mr. Duane. The stock options will expire 10 years after the grant date if not exercised. Grantees receive shares of our common stock upon the vesting of restricted stock units equal in number to the number of restricted stock units that vest. Grantees may elect to have us withhold shares with a value on the vesting date equal to taxes that are owed.

We entered into a three-year employment agreement with Mr. Duane in March 2018. The agreement provided for him to receive a one-time grant of RSUs with a target grant date value of $3,300,000, and for no stock options to be granted. The target grant date value was equal to three times the aggregate target grant date value of the annual RSUs and stock options that he had received previously. These RSUs will vest in one-third increments on the first, second and third anniversaries of the grant date.

Long-Term Incentives—Performance Share Units

Objective

Annual grants under our 2006 Stock Incentive Plan of performance share units provide compensation that is at risk and contingent on the achievement of pre-determined performance criteria over an extended period. Performance share units also link to our performance and align with stockholder interests because their value will increase if our stock price is higher at the end of the performance cycle than it was on the grant date (and will decrease if the stock price is lower). Performance share units have retentive value because they generally only pay out if the participant remains employed by PVH for the entire performance cycle.

Considerations

Performance share unit awards granted in 2018 have a three-year performance cycle and will vest (or not) based on PVH's performance against two financial metrics: absolute stock price performance (50% weight) and relative total stockholder return against the S&P 500 as constituted on the grant date (50% weight). We believe this structure for the awards provides a balanced focus on driving long-term financial performance, with the ultimate goal of creating value for our stockholders. We regularly review the financial metrics and consider alternatives but continue to believe that relative total stockholder return and absolute stock price performance best reflect increases in value for our stockholders. We also believe it is important to use different financial measures for annual and long-term incentive awards.

To reinforce the long-term focus these awards are meant to create, Mr. Chirico is required to hold for one year the after-tax shares he receives upon payout. This holding requirement is in addition to his stock ownership guideline. *See* "Stock Ownership Requirements" on page 42.

2018 PSU awards

All of our Named Executive Officers received awards of performance share units in 2018 with respect to a performance cycle generally covering the second quarter of 2018 through the first quarter of 2021. Potential payouts of these awards are determined by taking the applicable monetary amounts at threshold, target, and maximum and converting each amount to a number of shares based on the value of our common stock when the award is granted.

Performance measures

The NEOs' performance share unit awards are subject to achievement of absolute stock price growth and relative TSR against prescribed targets. The Compensation Committee set target performance for both metrics at levels higher than median performance by the S&P 500. (The historic median return for the S&P 500 is [•]%.) The performance goals are shown below.

	Threshold*	**Target***	**Maximum***
Compound annual growth in stock price (%)	5	10	20
Relative TSR (percentile)	30^{th}	55^{th}	80^{th}

*These goals are presented solely for the purpose of describing our compensation program. They are not management's estimates of results or other guidance. Investors should not apply these goals to other contexts.

The following table shows the potential payouts and the number of shares each payout represents on the grant date.

Name	Threshold ($)[1]	Threshold (# shares)	Target ($)[1]	Target (# shares)	Maximum ($)[1]	Maximum (# shares)
Emanuel Chirico	2,567,686	16,022	5,135,211	32,043	10,270,262	64,085
Michael A. Shaffer	285,423	1,781	570,846	3,562	1,141,532	7,123
Francis K. Duane	190,389	1,188	380,618	2,375	761,075	4,749
Daniel Grieder	95,194	594	190,389	1,188	380,618	2,375
Steven B. Shiffman	190,389	1,188	380,618	2,375	761,075	4,749

[1] The award values are equal to the number of shares multiplied by $160.26, the closing price of our common stock on the grant date. The award values are not calculated in the same manner as the grant date fair values we are required to include in the Summary Compensation Table, which begins on page 46.

Long-Term Incentives—2017 GRIP Awards

We granted GRIP awards under our cash-based Long-Term Incentive Plan in 2017 to incentivize Messrs. Duane, Grieder and Shiffman to drive the long-term strategy of their respective businesses, stimulate an entrepreneurial culture and enhance retention. These awards are unique to each participant's business or businesses and are dependent upon the participants' individual performance and the performance of their respective teams. We made similar awards, with consistent goals, to other executives within these business units to reflect their roles. The performance measure used for each NEO's GRIP award is the EBIT of the NEO's business unit(s) tied to the applicable three-year plan.

Competitive Pay for Performance

Peer Group

ClearBridge reviews with the Committee annually the compensation peer group used in the prior year, along with potential additions or deletions from the group. The companies in the proposed peer group are involved in the wholesale or retail sales of apparel and related products, use similar channels of distribution, and are of a comparable size to PVH. The Committee reviews, considers, and approves the peer group annually. Factors deliberated include changes to a peer company's business that make our companies less comparable; pending acquisitions involving a peer company; a material change in a peer company's financial condition or results of operations; and a diminution in the amount and quality of compensation information available regarding a peer company's executives.

We use the peer group to provide market context for compensation decisions, both because these are the companies with which we compete for executive talent and because it helps the Compensation Committee assess the reasonableness of our compensation packages. Specifically, the Committee considers a study compiled by ClearBridge (using information culled from public filings and published compensation benchmark surveys) of compensation awarded to executives in the peer group as part of its review when considering compensation packages.

The peer group for 2018 shown below consists of public companies with wholesale or retail apparel or related products businesses that had revenues for their most recently completed fiscal year between approximately 50% and 200% of our annual revenue. We did not make any changes in our peer group for 2018 from the group used for 2017.

Burberry Group plc	Levi Strauss & Co.	The Estee Lauder Companies Inc.
Capri Holdings Limited	Luxottica Group S.p.A.	The Gap, Inc.
Foot Locker, Inc.	Ralph Lauren Corporation	Tiffany & Co.
Hanesbrands Inc.	Tapestry, Inc.	V.F. Corporation
L Brands, Inc.		

38

PVH Performance Compared to Peer Group Performance

We have consistently been among the best in our peer group in terms of revenue growth, earnings per share, and TSR, as shown below.

[1] Earnings per share amounts used are on a non-GAAP basis, as reported by us.

[2] Total Shareholder Return vs. S&P 500 is based on the S&P 500 companies as of March 12, 2019, which differs from the S&P 500 companies used to determine the performance share units payout for the performance period ended April 25, 2019 (*see* discussion on page 37).

[3] Overall percentile ranking excludes TSR vs. S&P 500.

PVH Executive Compensation Compared to Peer Group Compensation

The charts below, which compare the compensation awarded to our NEOs to the compensation awarded to their counterparts in our peer group, demonstrate that the compensation paid to our NEOs is generally consistent with our competitive performance.

"Total cash compensation" consists of salary and bonus.

For the NEOs, "total compensation" consists of salary, bonus, the value of stock option and restricted stock unit grants made in 2018, and the value of the payouts received on PSUs for the performance cycle ended April 25, 2019. For peer group executives, "total compensation" includes the value at target of the long-term incentive awards granted in 2018.

Similarly, the distribution of our executive compensation among long- and short-term elements, and fixed and variable elements, is consistent with the distribution within our peer group.

CEO Compensation Compared to Total Shareholder Return

The following graph illustrates the strong alignment of our compensation program with the creation of long-term stockholder value. It shows Mr. Chirico's target total compensation and actual total compensation for each of 2016, 2017 and 2018 as compared to our one-year and cumulative three-year TSR for each of those years. The alignment of pay also is consistent with TSR for the S&P 500 index, as shown below the following graph.

Target total compensation consists of salary, target bonus, the value of stock option and restricted stock unit grants made in each year, and the target value of performance share unit awards for the performance cycle beginning in each year.

Actual total compensation includes actual salary, actual bonus paid, the value of stock option and restricted stock unit grants made in each year and, for 2018, the value as of April 25, 2019, of the payout earned on the PSUs for the performance cycle ended on that date.

Other Benefits

Our Named Executive Officers, other than Mr. Grieder, participate in our Pension Plan, Supplemental Pension Plan, Associates Investment Plan (our 401(k) plan, "AIP"), Supplemental Savings Plan and Executive Medical Reimbursement Insurance Plan. Mr. Grieder participates in the *Zwitserleven Pensioen Plan* (a defined contribution plan for associates in the PVH Europe headquarters in Amsterdam). In addition, Messrs. Chirico and Duane are parties to capital accumulation program agreements with PVH. *See* "Pension Benefits," "Defined Benefit Plans," and "Non-qualified Deferred Compensation" for a description of the U.S. programs.

We believe the benefits offered under our retirement, pension and welfare plans serve a different purpose than the other components of compensation. In general, these benefits are designed to provide a safety net against the financial catastrophes that can result from illness, disability or death, and to provide a reasonable level of retirement income based on compensation and years of service. Benefits offered to our executive officers are similar to those that are offered to the general associate population, with some variation to promote tax efficiency and replace benefit opportunities lost due to regulatory limits.

Perquisites are limited and generally consist of discounts in our retail stores available to all associates and, in certain cases, clothing allowances and gym memberships.

Clothing allowances. We provide clothing allowances for purchases of *CALVIN KLEIN* apparel to key executives of our Calvin Klein business, including Mr. Shiffman, as well as certain other executives who regularly speak publicly in order for them to portray the image of PVH and the *CALVIN KLEIN* brand.

Car and driver. We own a car and employ a driver who drives executives to and from meetings, including among our four New York City and five New York metropolitan area offices, and provides other services (such as messenger services). Although the majority of the driver's services (and, therefore, the costs associated with the car) are for business purposes, we allow Mr. Chirico to use the car and driver for personal purposes—generally for his daily commute—as we believe this accommodation enables him to be more productive during this time.

We also lease a car and employ a driver who drives executives to and from meetings, and provides other services (such as messenger services), in Amsterdam, where our European headquarters is located. The majority of the driver's services (and, therefore, the costs associated with the car) are for business purposes, although we allow Mr. Grieder to use the car and driver for personal purposes, which he has done on a limited basis.

Sporting events. As part of certain marketing activities, including sponsorships of the New York Giants and the Brooklyn Nets, we have a limited number of tickets (including use of a suite) to Giants football games at MetLife Stadium and events at the Barclays Center. These are provided at no cost to us and are available to all of our associates on a non-discriminatory basis, so they may at times be used personally by our NEOs. We also own rights to suites at Amsterdam Arena (home of Ajax Amsterdam, a team in the Eredivisie, the top soccer league in the Netherlands) and MetLife Stadium for the New York Jets, as well as a box at Arthur Ashe Stadium for the United States Tennis Association's U.S. Open. Although primarily used for business purposes, tickets to the suites and box may on occasion be used personally by associates, including our NEOs.

Special note about benefits for Mr. Grieder

Mr. Grieder is a resident of Switzerland and receives an allowance to cover housing expenses while working in Amsterdam. We believe this to be a common employment practice for key executives in Europe who work outside their home countries and return to their home countries for weekends. We also pay for Mr. Grieder's personal travel costs between Amsterdam and Zurich, subject to an annual cap, in accordance with the practice of our Amsterdam office for all executives who commute to and from a home country. Finally, we reimburse Mr. Grieder for annual tax services, subject to an annual cap. This is another benefit we provide to senior executives in Amsterdam who live in other countries.

Administration of our Compensation Programs

Stock Ownership Requirements

Our Chief Executive Officer is required to hold shares of our common stock with an aggregate value equal to six times his annual base salary. Our other NEOs must hold our common stock with an aggregate value equal to three times their respective annual base salaries. In addition, Mr. Chirico must hold for one year the after-tax payouts of his PSU awards. NEOs who are not in compliance with their ownership guideline must hold 50% of their after-tax shares received upon vesting or exercise of awards until they are in compliance. As of the date of this Proxy Statement, all of the NEOs are in compliance with our stock ownership guidelines.

Use of Non-GAAP Results

Performance targets based on corporate or business unit performance are typically measured on a non-GAAP basis. The Compensation Committee determines at the time it establishes the targets certain types of expenses, costs, and other matters (such as acquisition and related restructuring and integration costs and subsequent changes in tax or accounting rules) that it believes should not affect the calculation of the achievement of a performance goal. Business unit performance targets also typically exclude corporate allocations, costs associated with corporate initiatives and other matters that management recommends to the Committee should not be considered.

The corporate and business unit earnings targets discussed in this Proxy Statement all include adjustments and exclusions of the type discussed above. These adjustments and exclusions may differ from those used by management when providing guidance and discussing results. As a result, the earnings results and targets discussed in this section may differ from, or may not in the future be aligned with, our reported earnings.

Timing of Equity Awards

Our equity award policy provides that the annual grant of stock options and restricted stock units to our senior executives, including our NEOs, generally will be approved by the Compensation Committee at a meeting held during the period commencing two days after the public release of the prior year’s earnings results and ending two weeks before the end of the first fiscal quarter of the current year. PSU awards are made later in the first quarter to provide time to finalize financial goals and, because the goals include stock price performance, so that the end of the performance cycle occurs shortly after we report our year-end earnings.

Equity awards may be made to our NEOs outside of the annual grant process in connection with a promotion or assumption of new or additional duties, or for another appropriate reason. All such grants to our NEOs must be approved by the Committee and generally will be made on the first business day of the month following the effective date of the precipitating event (or on the effective date, if it is the first business day of a month). The Committee retains the discretion not to make grants at the times provided in the equity award policy if the members determine the timing is not appropriate, such as if they are in possession of material non-public information. Additionally, the Committee retains the discretion to make grants, including an annual equity grant, at times other than as provided in the policy if the members determine circumstances, such as changes in accounting and tax regulations, warrant taking such an action.

Prohibition on Pledging and Hedging

We have a comprehensive insider trading policy that includes a prohibition on pledging our securities, holding our securities in a margin account or engaging in hedging and similar transactions in respect of our securities. This policy, applicable to all officers and directors, was put in place to ensure that the interests of these individuals remain aligned with those of our stockholders, and that they continue to have the incentive to execute our long-term plans and achieve the performance for which their equity awards are intended.

Clawback Policy

Through 2017, all of our incentive compensation plans had provisions that allow us to seek recovery against individual executive officers for incentive compensation paid in certain events due to fraud or misconduct. In 2018, we adopted a Clawback Policy that permits us to recover compensation in the event of a restatement of our financial statements or a material violation of a material company policy.

Internal Pay Equity

We do not have a policy regarding internal pay equity but we do review compensation levels to ensure that appropriate internal pay equity exists. In some cases, there are differences in the compensation packages awarded to our Named Executive Officers, such as differences in the percentage of base salary payable under our incentive awards. These differences are largely the result of benchmarking but also reflect considerations such as the NEO's seniority, relative pay and tenure. With these exceptions, our policies and decisions relating to our NEO compensation packages are substantially identical.

The following graphs show the ratios of Mr. Chirico's target total direct compensation to that of the next highest paid executive officer and to that of all the other NEOs for each of the past three years.

Federal Income Tax Deductibility of Executive Compensation

Through 2017, Section 162(m) of the Code generally limited to $1 million per year the amount a publicly held corporation could deduct as a business expense in respect of compensation paid to the company's chief executive officer and the three other most highly compensated executive officers, other than the chief financial officer. The limit was subject to certain exceptions, including an exclusion for qualified performance-based compensation. Compensation paid or received under our incentive plans (other than solely time-based restricted stock and restricted stock units) has been generally intended to satisfy the requirements for deductibility. Nonetheless, our compensation philosophy and decisions were driven by factors other than deductibility. In some instances we determined it was in our best interest to provide compensation that was not fully deductible. This was the case, for example, when Mr. Chirico's and Mr. Duane's base salaries were set.

The U.S. Tax Cuts and Jobs Act of 2017 made certain changes to Section 162(m), effective for tax years beginning after December 31, 2017. These changes include, in part, subjecting the compensation of a company's chief financial officer to the $1 million per year deduction limit and eliminating the exclusion for qualified performance-based compensation (though there was some transition relief for certain performance-based compensation paid pursuant to a written agreement that was in effect on November 2, 2017). We have not made any material changes to our compensation program in response to the legislation, although we did eliminate from our annual restricted stock unit and bonus awards granted in 2018 the adjusted net income goals that had been implemented solely to satisfy Section 162(m).

Employment Agreements, Termination of Employment, and Severance

We have employment agreements with all of our Named Executive Officers that generally provide them with severance benefits and provide us with the protections of restrictive covenants. We use employment agreements to attract and retain qualified executives who could have job alternatives they might otherwise accept. Mr. Duane is the only NEO with an agreement for a fixed term. All the other agreements are evergreen, though Mr. Grieder's is subject to a statutory retirement age. The material terms of these agreements are described under the heading "Employment Contracts," beginning on page 50. Exhibit B provides a list of the SEC filings that have an NEO employment agreement as an exhibit.

ClearBridge has advised us that the employment agreements for our U.S.-based executives provide benefits that are generally "market," particularly within our industry peer group. The severance multipliers under the NEOs' agreements are as follows:

NEO	Ordinary termination	Termination following change in control
Emanuel Chirico	2x base salary and target bonus	3x base salary and target bonus
Michael A. Shaffer	1.5x base salary and target bonus	2x base salary and target bonus
Francis K. Duane	Remainder of the compensation due under his employment contract	Remainder of the compensation due under his employment contract
Daniel Grieder	1x base salary or, if greater, statutory severance, plus a prorated portion of target bonus	1x base salary or, if greater, statutory severance, plus a prorated portion of target bonus
Steven B. Shiffman	2x base salary and target bonus	2x base salary and target bonus

Change in Control Provisions in Equity Plans and Awards

Our 2006 Stock Incentive Plan was amended in 2014 to provide that awards vest after a change in control (provided the awards are assumed by the acquirer) upon the earlier of the original vesting date and a termination of employment (other than for cause or voluntarily without good reason) within two years of the change in control (*i.e.*, double trigger). The equity awards we granted prior to 2014 automatically vest upon a change in control (*i.e.*, single trigger).

Risk Considerations in Compensation Programs

Our compensation program is a pay-for-performance model; performance-based incentives constitute a significant portion of the compensation packages awarded to executives. We believe it is important to ensure that these incentives do not indirectly encourage our associates to take actions that may conflict with our long-term best interests. We address this concern in several ways.

Pay mix. We believe that base salaries, which do not engender risky behavior, are a sufficient component of total compensation to retain and motivate our executives. Incentive compensation consists of both short-term and long-term incentives, which encourages associates to focus on both short-term results and long-term sustainable performance. Although the majority of pay is variable, incentive compensation is heavily weighted towards long-term components. These factors discourage risk-taking.

Capped awards. The payouts on annual bonus and performance share unit awards are capped, even if our performance exceeds the predetermined goals. This mitigates the risk that associates may take unwise actions to enhance our performance.

Long-term performance. Performance share unit awards are based upon our performance over a three-year period, which reduces any incentive to take short-term risks. In addition, the performance measures we use align management and stockholder interests. The outstanding awards are subject to absolute stock price appreciation and relative total stockholder return goals.

Vesting over extended periods. Stock options and restricted stock units generally do not vest fully for four years. This longer vesting period discourages unnecessary or excessive risk-taking. Additionally, our Insider Trading Policy prohibits hedging and other activities that could offset the benefits of having these as long-term awards.

Performance metrics and goals. The earnings goals for annual bonus awards made to our senior executives, including the NEOs, are based upon our annual budgets, which are reviewed and approved by the Board. We believe these goals are sufficiently challenging but attainable without the need to take inappropriate risks or make material changes to our business or strategy. The bonuses payable under the annual management bonus programs, in which certain other executives participate, are based on the same performance measures as those that apply to NEO bonuses, which means that all of our associates are pursuing complementary goals, and all of those goals are consistent with stockholder interests. The one bonus plan we have in which associates may receive bonuses based upon financial metrics that differ from those in our Performance Incentive Bonus Plan and our annual management bonus program provides *de minimis* bonuses.

Recoupment. We adopted a Clawback Policy in 2018 that allows us to recover any incentive compensation paid or granted to any current or former Section 16 officer (the executives whose compensation is subject to Compensation Committee review and approval) in the event of a restatement of our financial statements or a material breach of a material company policy. Previously, our incentive plans provided for the recovery or cancellation of part or all of a particular participant’s bonuses and awards in the event we restated our financial results to correct a material error or inaccuracy resulting in whole or in part from the fraud or intentional misconduct of that participant.

Equity ownership. Incentive compensation has a large stock component to it. The value of equity awards is best realized through long-term appreciation of stockholder value, especially when coupled with our stock ownership guidelines. Since our NEOs are required to hold a prescribed amount of our common stock, it is in their interest not to jeopardize stock appreciation.

ClearBridge identified the above items in a risk assessment of each component of the compensation program for our NEOs that was presented to the Compensation Committee. We believe the assessment is applicable to the potential risks arising in connection with compensating our associates as well, since the programs and metrics are similar. Accordingly, we do not believe there are any risks arising from our overall compensation program that are reasonably likely to have a material adverse effect on PVH.

Compensation Committee Report

The Compensation Committee of the Board of Directors has reviewed and discussed with management the Compensation Discussion and Analysis section of this Proxy Statement. Based on this review and discussion, the Committee has recommended to the Board that the Compensation Discussion and Analysis section be included in this Proxy Statement.

Compensation Committee

Henry Nasella, Chairman

Craig Rydin

Amanda Sourry

EXECUTIVE COMPENSATION TABLES

Summary Compensation Table

The Summary Compensation Table includes the 2016, 2017 and 2018 compensation data for our Named Executive Officers.

Name and Principal Position	**Years of Service[1]**	**Fiscal Year**	**Salary ($)**	**Bonus ($)**	**Stock Awards[2] ($)**	**Option Awards[3] ($)**	**Non-Equity Incentive Plan Compensation[4] ($)**	**Change in Pension Value and Non-qualified Deferred Compensation Earnings[5] ($)**	**All Ot Comp ($)**
Emanuel Chirico, age 61	25	2018	1,450,000	0	8,008,708	2,054,910	4,736,850	609,305	205,83
Chairman and Chief		2017	1,350,000	0	6,846,778	2,280,669	4,050,000	2,493,110	197,00
Executive Officer, PVH Corp.		2016	1,350,000	0	6,867,719	2,491,935	4,050,000	1,184,388	150,48
Michael A. Shaffer, age 56	28	2018	916,667	0	1,399,812	809,280	1,460,483	233,719	89,336
Executive Vice President		2017	900,000	0	1,350,940	619,565	1,800,000	797,833	81,563
and Chief Operating & Financial Officer, PVH Corp.		2016	891,667	0	1,251,912	673,785	1,575,000	349,103	61,320
Francis K. Duane, age 62	20	2018	1,141,667	0	3,699,810	0	1,552,035	377,725	101,14
Vice Chairman, PVH Corp.		2017	1,116,667	0	950,696	452,115	1,968,750	1,427,958	40,861
and Chief Executive Officer, Heritage Brands		2016	1,091,667	0	1,051,384	584,660	1,925,000	700,633	72,561
Daniel Grieder[7], age 57	22	2018	997,686	0	900,127	708,120	1,948,029	N/A	122,47
Chief Executive Officer,		2017	1,014,044	0	1,400,498	576,028	1,903,249	N/A	147,32
Tommy Hilfiger Global and PVH Europe		2016	937,209	0	900,790	631,005	1,682,014	N/A	152,97
Steven B. Shiffman, age 61	26	2018	966,667	0	1,000,135	606,960	739,031	262,996	123,89

Chief Executive Officer,	2017	941,667	0	1,000,831	495,652	1,172,410	750,317	87,369
Calvin Klein	2016	908,333	0	1,201,661	538,315	1,081,788	367,852	72,167

1 This represents service with us, including, with respect to Mr. Grieder, service with Tommy Hilfiger before PVH acquired it, as well as service as an independent sales agent for Tommy Hilfiger. It is not the same as credited service for pension plan purposes.

2 The compensation reported represents the aggregate grant date fair value of RSUs and PSUs granted in the fiscal year listed. These are multi-year awards that pay out in future years if performance objectives and/or service requirements are met. The reported compensation includes the full grant date value of each award in accordance with SEC rules, but we expense the cost over the period during which performance is measured or service is required.

The following sets forth the breakdown between RSUs and PSUs of the referenced stock awards:

Name	**Fiscal Year**	**Restricted Stock Units ($)**	**Performance Share Unit Awards ($)**	**Total Stock Awards ($)**
	2018	3,000,067	5,008,641	8,008,708
Emanuel Chirico	2017	1,850,096	4,996,682	6,846,778
	2016	1,850,244	5,017,475	6,867,719
Michael A. Shaffer	2018	800,577	599,235	1,399,812
	2017	750,392	600,548	1,350,940
	2016	750,196	501,716	1,251,912
	2018	3,300,264	399,546	3,699,810
Francis K. Duane	2017	550,260	400,436	950,696
	2016	650,011	401,373	1,051,384
Daniel Grieder	2018	700,270	199,857	900,127
	2017	1,200,280	200,218	1,400,498
	2016	700,103	200,687	900,790
Steven B. Shiffman	2018	600,589	399,546	1,000,135
	2017	600,395	400,436	1,000,831
	2016	800,288	401,373	1,201,661

The fair value of RSUs is equal to the closing price of our common stock on the grant date multiplied by the number of units granted. The PSUs granted are subject to market conditions. The fair value of each such award was established on the grant date using the Monte Carlo simulation model, which was based on the following assumptions:

	2018	**2017**	**2016**
Weighted average grant date fair value per PSU	$159.04	$ 96.26	$ 86.96
Risk-free interest rate	2.62%	1.49%	1.04%
Expected annual dividends per share	$ 0.15	$ 0.15	$ 0.15
Expected Company volatility	29.78%	31.29%	28.33%

The fair value of PSUs reflects the value of the award at the grant date based on the probable outcome of the performance conditions. Mr. Chirico's awards granted in 2018, 2017 and 2016 are subject to a holding period of one year after the applicable vesting date. For such awards, the grant date fair value was discounted 7.09%, 12.67% and 12.99%, respectively, for the restriction of liquidity, which we calculate using the Chaffe model. The value of PSUs on the grant date at the maximum performance payout level is shown in the following table and was calculated by multiplying the maximum number of shares payable by the closing price of our common stock on the grant date.

Name	**2018**	**2017**	**2016**
Emanuel Chirico	$10,270,262	$ 11,018,303	$ 11,621,984
Michael A. Shaffer	1,141,532	1,156,465	1,010,994
Francis K. Duane	761,075	771,011	808,776
Daniel Grieder	380,618	385,557	404,437
Steven B. Shiffman	761,075	771,011	808,776

3 The compensation reported represents the aggregate grant date fair value of stock options granted to each of our NEOs in the fiscal year listed. The fair value of each award is estimated as of the grant date using the Black-Scholes-Merton option valuation model.

The following summarizes the assumptions used to estimate the fair value of stock options granted in the fiscal year listed:

	2018	**2017**	**2016**
Weighted average grant date fair value per option	$ 51.60	$ 33.49	$ 35.65
Weighted average risk-free interest rate	2.78 %	2.10 %	1.44 %
Expected annual dividends per share	$0.15	$0.15	$0.15
Weighted average Company volatility	26.93%	29.46%	34.67%
Weighted average expected option term, in years	6.25	6.25	6.25

4 The compensation reported consists of payouts in 2019 of the annual awards granted in 2018 under our Performance Incentive Bonus Plan.

5 The compensation reported consists of the changes in values under our Pension Plan, our Supplemental Pension Plan and each U.S.-based NEO's capital accumulation program agreement, if any, as follows:

Name	Fiscal Year	Change in Pension Plan Value ($)	Change in Supplemental Pension Plan Value ($)	Change in Capital Accumulation Program Value ($)	Change in Pension Value and Non-qualified Deferred Compensation Earnings† ($)
Emanuel Chirico	2018	21,923	555,942	31,440	609,305
	2017	133,366	2,190,995	168,749	2,493,110
	2016	70,979	985,601	127,808	1,184,388
Michael A. Shaffer	2018	8,248	225,471	N/A	233,719
	2017	125,466	672,367	N/A	797,833
	2016	60,200	288,903	N/A	349,103
Francis K. Duane	2018	25,409	321,528	30,788	377,725
	2017	120,192	1,151,634	156,132	1,427,958
	2016	65,797	515,489	119,347	700,633
Steven B. Shiffman	2018	21,873	241,123	N/A	262,996
	2017	132,231	618,086	N/A	750,317
	2016	70,372	297,480	N/A	367,852

† The amounts reported represent the aggregate change in the actuarial value of the NEOs' accumulated benefits under all defined benefit plans.

Mr. Grieder is not a participant in either plan, nor does he have a capital accumulation program agreement. *See* discussion on page 41. Additional information regarding the two pension plans and our capital accumulation program is included in this section under the Pension Benefits table and under the heading "Defined Benefit Plans." *See* page 60.

6 The following table provides additional information about the amounts that appear in the All Other Compensation column:

		Perquisites							
Name	**Fiscal Year**	**Clothing Allowance[a] ($)**	**Personal Travel[b] ($)**	**Housing ($)**	**Other[c] ($)**	**Contributions to Defined Contribution Plans[d] ($)**	**Executive Medical Premiums ($)**	**Other Pension-Related Payments[e] ($)**	**Total ($)**
Emanuel Chirico	2018	0	32,943	0	0	166,438	6,450	0	205,831
	2017	0	27,658	0	0	163,350	6,000	0	197,008
	2016	0	26,725	0	0	117,763	6,000	0	150,488
Michael A. Shaffer	2018	0	0	0	0	82,886	6,450	0	89,336
	2017	0	0	0	0	75,563	6,000	0	81,563
	2016	0	0	0	-	55,320	6,000	0	61,320
Francis K. Duane	2018	0	0	0	0	94,698	6,450	0	101,148
	2017	0	0	0	0	34,861	6,000	0	40,861
	2016	0	0	0	-	66,561	6,000	0	72,561
Daniel Grieder	2018	0	27,649	56,328	654	14,105	0	23,742	122,478
	2017	0	40,283	54,893	3,431	13,513	0	35,208	147,328
	2016	0	40,942	53,035	2,762	10,552	0	45,680	152,971
Steven B. Shiffman	2018	47,941	0	0	3,942	65,558	6,450	0	123,891
	2017	15,634	0	0	3,672	62,063	6,000	0	87,369
	2016	17,152	0	0	0	49,015	6,000	0	72,167

a Mr. Shiffman had an allowance for purchases of *CALVIN KLEIN* apparel. *See* discussion on page 41. The amount reported in 2018 includes $36,347 for 2018 purchases and $11,594 for 2017 purchases reimbursed in 2018.

b For Mr. Chirico, this represents personal use of a company car and driver. For Mr. Grieder, this represents personal use of a company car and driver and personal travel expense relating to travel between our PVH Europe headquarters in Amsterdam and his home in Zurich. See discussion on page 41.

c Other perquisites include gym memberships and personal tax services. A dash indicates that the NEO received a personal benefit but the amount was not required to be disclosed under SEC rules.

d For our U.S.-based NEOs, this represents contributions to our AIP and our Supplemental Savings Plan. For Mr. Grieder, this represents contributions to *Zwitserleven Pensioen Plan* (a defined contribution plan for associates in our European headquarters in Amsterdam).

e A change in Dutch law that became effective in 2015 limits the allowed contributions to a defined contribution plan. As a result, we implemented a plan to pay decreasing amounts to associates who participate in that plan, including Mr. Grieder, to compensate them for the difference in the amounts that would otherwise have been contributed on their behalf to the *Zwitserleven Pensioen Plan.* These amounts are being paid over the five-year period ending in 2019.

7 Mr. Grieder's cash compensation was paid in euros and has been converted at euro-to-U.S. dollar exchange rates of 1.1735 for 2018, 1.1436 for 2017 and 1.1049 for 2016, which were the average exchange rates for the applicable fiscal years.

Grants of Plan-Based Awards

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards[1]			All Other Stock Awards: Number of Shares of Stock or Units[2]	All Other Option Awards: Number of Securities Underlying Options[3]
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	(#)	(#)
Emanuel Chirico	4/23/2018								39,000
	4/23/2018							18,720	
	4/23/2018				16,022	32,043	64,085		
	4/23/2018 [4]	1,500,000	3,000,000	6,000,000					
Michael A. Shaffer	4/6/2018								16,000
	4/6/2018							5,108	
	4/23/2018				1,781	3,562	7,123		
	4/23/2018 [4]	462,500	925,000	1,850,000					
Francis K. Duane	4/6/2018							21,057	
	4/23/2018				1,188	2,375	4,749		
	4/23/2018 [4]	431,250	862,500	2,012,500					
Daniel Grieder	4/6/2018								14,000
	4/6/2018							4,468	
	4/23/2018				594	1,188	2,375		
	4/23/2018 [4,5]	519,835	1,039,670	2,079,339					
Steven B. Shiffman	4/6/2018								12,000
	4/6/2018							3,832	
	4/23/2018				1,188	2,375	4,749		
	4/23/2018 [4]	365,625	731,250	1,706,250					

1 These amounts represent potential payouts of PSU awards. *See* discussion on pages 37-38.

2 These amounts represent RSU awards. *See* discussion on page 36.

3 These amounts represent stock option awards. *See* discussion on page 36.

4 These amounts represent potential payouts of cash awards under our Performance Incentive Bonus Plan with respect to 2018 performance.

[5] Potential cash payouts for Mr. Grieder have been converted at a euro-to-U.S. dollar exchange rate of 1.1735, which was the average exchange rate for 2018.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Employment Contracts

Emanuel Chirico, Michael A. Shaffer, Francis K. Duane and Steven B. Shiffman

Our employment agreements with each of Messrs. Chirico, Shaffer, Duane and Shiffman outline the compensation and benefits to be paid to these executives during their employment and set forth their rights to severance upon termination of employment. The agreements also include certain restrictive covenants in favor of PVH. The covenants include prohibitions during and after employment against the use of confidential information, soliciting our associates for employment by themselves or anyone else and, other than following a termination without cause or for good reason, competing against us by accepting employment or being otherwise affiliated with a competitor (for Messrs. Chirico and Duane) or interfering with our business relationships. The agreements for Messrs. Chirico, Shaffer and Duane provide for an annual review of their respective salaries and permit upward adjustments of salary.

Mr. Duane was a party to the described employment agreement for approximately the first month of 2018. Mr. Duane entered into a new employment agreement effective March 1, 2018, as described immediately below. For ease of reading, the description is in the present tense even as applied to Mr. Duane.

Termination for "cause" or "good reason." Generally, each executive is entitled to severance only if his employment is terminated by PVH without "cause" or if he terminates his employment for "good reason."

"Cause" is generally defined as:

- gross negligence or willful misconduct in the executive's performance of the material responsibilities of his position, which results in material economic harm to us or our affiliates or in reputational harm causing demonstrable injury to us or our affiliates;
- the executive's willful and continued failure to perform substantially his duties (other than any such failure resulting from incapacity due to physical or mental illness);
- the executive's conviction of, or plea of guilty or *nolo contendere* to, a felony within the meaning of U.S. Federal, state or local law (other than a traffic violation);
- the executive's having willfully divulged, furnished, or made accessible any confidential information (as defined in the employment agreement); or

- any act or failure to act by the executive that, under the provisions of applicable law, disqualifies him from acting in his position.

"Good reason" is generally defined as:

- the assignment to the executive of any duties inconsistent in any material respect with his position or any other action that results in a material diminution in such position;
- a reduction of base salary;
- the taking of any action that substantially diminishes (a) the aggregate value of the executive's total compensation opportunity or (b) the aggregate value of the employee benefits provided to him;
- requiring that the executive's services be rendered primarily at a location or locations more than 35 miles (75 miles for Messrs. Shaffer and Shiffman) from PVH's principal executive offices;
- for Mr. Chirico only, solely after a change in control of PVH, a change in the Chairman of the Board of Directors such that neither the person holding such position immediately prior to the change in control nor Mr. Chirico is serving as the Chairman at any time during the one-year period following such change in control (other than as a result of such person's cessation of service due to death or disability); or
- for Messrs. Chirico and Duane, our failure to require any successor to assume expressly and agree to perform the executive's employment agreement.

Generally, in the event of a termination of employment without cause or for good reason, each of these executives is entitled to a multiple (one and a half times for Messrs. Shaffer and Duane; two times for Messrs. Chirico and Shiffman) of the sum of his base salary plus an amount equal to the bonus that would be payable if target level performance were achieved under the annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). Messrs. Chirico, Shaffer, Duane and Shiffman are required to execute a release of claims in our favor in order to receive these payments. All such amounts are payable in accordance with our payroll schedule in 36 (for Messrs. Shaffer and Duane) or 48 (for Messrs. Chirico and Shiffman) substantially equal installments.

The agreements provide that for a period of time (18 months for Messrs. Shaffer and Duane, two years for Mr. Chirico and 12 months for Mr. Shiffman) following the termination of the executive's employment without cause or for good reason, medical, dental, life, and disability insurance coverages are continued for the executive (and his family, to the extent participating prior to termination of employment), subject to cessation if the executive obtains replacement coverage from another employer (although there is no duty to seek employment or mitigate damages). The executive is required to pay the active employee rate, if any, for such coverage.

Termination following a change in control. Messrs. Chirico, Shaffer, Duane and Shiffman also are entitled, in lieu of the above and subject to executing a release of claims in our favor, to severance upon the termination of their employment without cause or for good reason within two years after a change in control of PVH (as defined in the agreements). In either such case, the executive will receive an aggregate amount equal to two times (three times for Mr. Chirico) the sum of his base salary plus an amount equal to the bonus that would be payable if target level performance were achieved under the annual bonus plan (if any) in respect of the fiscal year during which the termination occurs (or the prior fiscal year, if bonus levels have not yet been established for the year of termination). This amount will be paid in a lump sum if the change in control constitutes a "change in the ownership" or a "change in the effective control" of PVH or a "change in the ownership of a substantial portion of [PVH's] assets" (each within the meaning of Section 409A of the Code). Otherwise, this amount will be paid in 48 (72 for Mr. Chirico) substantially equal payments. These executives also would receive comparable medical, dental, life and disability insurance coverage for themselves and their families for the two-year (three-year for Mr. Chirico) period immediately following such a termination, without a duty to mitigate or obtain replacement coverage from a subsequent employer. In addition, if the receipt of the foregoing severance would subject any executive to the excise tax on excess parachute payments under Section 4999 of the Code, his severance would be reduced by the amount required to avoid the excise tax if such a reduction would give him a better after-tax result than if he received the full severance amount.

Francis K. Duane

We entered into a new employment agreement with Mr. Duane on March 29, 2018. The employment agreement became effective as of March 1, 2018, and expires on February 28, 2021. It provides that he will serve as the Chief Executive Officer, Heritage Brands, and Vice Chairman, PVH Corp., in which roles he will continue the overall management of our North America wholesale customer relationships and work on corporate strategic initiatives. PVH has the right, on or after February 3, 2020, to modify Mr. Duane's titles, duties and responsibilities so as to enable him to focus on the smooth transition of his duties as of the end of the term of the agreement.

In accordance with Mr. Duane's employment agreement, his base salary was fixed at $1,150,000 per year effective June 1, 2018, and will continue at that level until the agreement expires. Mr. Duane's base salary cannot be reduced.

The employment agreement also provides for Mr. Duane's continued participation in our bonus and stock plans and other incentive compensation programs for similarly situated executives. It further provides that the only equity awards he will be eligible to receive are a single grant of restricted stock units with a fair market value on the date of grant of approximately $3.3 million,[9] and the performance share unit awards described below. The restricted stock unit grant was made on the same date during 2018 on which annual awards were made to other executive officers and is subject to ratable annual vesting over a three-year period. Mr. Duane also received in 2018 and 2019, and will receive in 2020, annual awards of performance share units with a target value of $400,000. The 2018 and 2019 performance share unit awards were, and the 2020 awards will be, granted at the same time and with similar terms and conditions as performance share unit awards granted to the other Named Executive Officers, with the actual number of shares and their value determined on the date of grant in accordance with our standard grant practices. No performance share unit award will be granted to Mr. Duane in 2021. Mr. Duane also is eligible to participate in all employee benefits and insurance plans sponsored or maintained for similarly situated executives and is entitled to reimbursement of reasonable business expenses.

[9] The actual value of the award was determined in accordance with our standard grant practice.

Termination for "cause" or "good reason." Mr. Duane's employment agreement sets forth his rights to severance and other payments upon termination of employment. Generally, Mr. Duane is entitled to severance only if his employment is terminated by PVH without "cause" or by him for "good reason" prior to February 3, 2020. The definitions of each term are substantially the same as under his prior agreement, as discussed above.

Mr. Duane's right to terminate his employment for good reason is only exercisable prior to February 3, 2020, and will not be exercisable if his compensation is reduced by the Board pursuant to our Clawback Policy described on page 42.

If Mr. Duane's employment is terminated by us without cause or by him prior to February 3, 2020, for good reason, he is entitled, subject to executing a release of claims in our favor, to (1) an aggregate amount equal to the sum of (A) base salary through the end of the term of the employment agreement and (B) an amount equal to the bonus that would be payable if target level performance were achieved under our annual bonus plan (if any) through the end of the term; (2) $400,000 in lieu of any annual performance share unit award that has not yet been made in accordance with the agreement; (3) full vesting of his 2018 restricted stock unit award; and (4) payment with respect to any annual performance share unit award granted in accordance with the employment agreement, calculated as if Mr. Duane retired. The severance amount payable under clause (1) would be paid in equal installments on the same schedule that base salary was paid immediately prior to the date of the termination of employment. Any amount payable under clause (2) would be paid within 30 days after Mr. Duane's termination of employment. The employment agreement also provides that during the period that the severance amount payable under clause (1) is paid (or, if less, for the 18-month period following the date of the termination of Mr. Duane's employment without cause or for good reason), medical, dental, life and disability insurance coverages will be continued for Mr. Duane (and his family, to the extent participating prior to termination of employment), subject to cessation if he obtains replacement coverage from another employer (although there is no duty to seek employment or mitigate damages). Mr. Duane is required to pay the active employee rate, if any, for such coverage.

In the event of Mr. Duane's retirement or the termination of his employment upon the scheduled expiration of the employment agreement, he is entitled to (1) the portion of his base salary for periods prior to the effective date of termination that is accrued but unpaid (if any), (2) any unreimbursed expenses, and (3) the payment or provision of certain other benefits. Additionally, if the date of the termination of employment is on or after December 31, 2020, any unvested portion of the 2018 restricted stock unit award will accelerate and become fully vested as of such date. If the date of the termination of employment is between December 31, 2019, and December 31, 2020, 66.66% of the award will vest and the unvested portion will be forfeited. If the date of the termination of employment is between December 31, 2018, and December 31, 2019, 33.33% of the award granted will vest and the unvested portion will be forfeited. Lastly, any performance share unit award will be subject to full vesting based on actual performance without any proration, and will be payable at the same time as performance share unit awards are payable to other participants, unless the date of the termination of Mr. Duane's employment is before the last day of the first fiscal year of the performance period with respect to a specific award, in which case the award will be forfeited.

If the receipt of any of the foregoing payments and benefits would subject Mr. Duane to the excise tax on parachute payments under Section 4999 of the Code, such amounts would be reduced by the amount required to avoid the excise tax if such a reduction would give him a better after-tax result than if he received such amounts otherwise payable to him.

Mr. Duane's employment agreement also includes certain restrictive covenants in PVH's favor. The covenants include prohibitions during and after employment against the use of confidential information, interfering with our business relationships, soliciting our associates for employment by himself or anyone else, and competing against us or accepting employment with a competitor.

Daniel Grieder

Our employment agreement with Mr. Grieder outlines the compensation and benefits to be paid to him and sets forth the parties' rights to terminate Mr. Grieder's employment and the restrictive covenants to which he has agreed. Mr. Grieder's employment agreement provides that he will serve as the Chief Executive Officer of Tommy Hilfiger Global and PVH Europe, or in such other position or positions as our Chief Executive Officer or Board of Directors may designate. It also provides that his compensation is subject to annual review and upward adjustment. The terms include payment or reimbursement of personal expenses relating to annual housing costs, personal tax and accounting support, and costs related to travel between Mr. Grieder's home country and our PVH Europe headquarters in Amsterdam. We believe the payment and reimbursement of these types of costs is common practice for key executives in Europe who work in one country and regularly travel to their residence in their home country, and also is consistent with provisions made for other senior executives in our Amsterdam office who travel back to their home country residences.

Termination for "cause" or "good reason." The employment agreement also sets forth Mr. Grieder's rights to severance upon termination of employment. Generally, Mr. Grieder is entitled to severance only if his employment is terminated without "cause" or if he terminates employment for "good reason."

"Cause" is generally defined as an urgent cause within the meaning of Dutch law and, to the extent not covered thereby, inclues:

- gross negligence or willful misconduct by Mr. Grieder in his performance of the material responsibilities of his office or position, which results in material economic harm to PVH or in material reputational harm causing demonstrable injury to us;
- Mr. Grieder's willful and continued failure to perform substantially his duties (other than any such failure resulting from incapacity due to physical or mental illness), after delivery of a written demand for substantial performance and Mr. Grieder's failure to cure such performance failure to our reasonable satisfaction within 20 days following his receipt of such written demand;
- Mr. Grieder's conviction of, or plea of guilty or *nolo contendere* to, a felony within the meaning of U.S. Federal, state or local law or the equivalent under the law of any foreign jurisdiction (other than a traffic violation);
- Mr. Grieder's having willfully divulged, furnished or made accessible confidential information (as defined in the employment agreement); or
- any act or failure to act by Mr. Grieder that, under the provisions of applicable law, disqualifies him from acting in any or all capacities in which he is then acting for us.

"Good reason" is generally defined as:

- the assignment to Mr. Grieder of any duties inconsistent in any material respect with his position, or any other action by us that results in a material diminution in such position;
- a reduction of base salary;
- the taking of any action by us that substantially diminishes (A) the aggregate value of Mr. Grieder's total compensation opportunity or (B) the aggregate value of the employee benefits provided to him relative to all other similarly situated senior executives; or
- requiring that Mr. Grieder's services be rendered primarily at a location or locations more than 75 miles from our principal office in Amsterdam.

Either party may terminate Mr. Grieder's employment agreement, subject to a notice period of six months for Mr. Grieder and 12 months for us, in the event of a termination without cause by us or for good reason by Mr. Grieder or a termination by voluntary resignation (without good reason) by Mr. Grieder. The agreement automatically terminates at the end of the month in which Mr. Grieder turns the statutory pension age under Dutch law (currently 65 and two months).

If Mr. Grieder’s employment is terminated without cause or for good reason, he is entitled to the greater of (x) his base salary for 12 months and (y) the statutory severance amount provided for under Dutch law. The severance amount is payable in accordance with the Amsterdam office’s regular payroll schedule in 12 substantially equal payments, commencing on the first scheduled payroll date that occurs on or following the date that is 30 days after Mr. Grieder’s termination of employment. It is payable only if Mr. Grieder’s employment is terminated amicably through the execution and delivery by the parties of a settlement agreement acceptable under Dutch law. Mr. Grieder will receive the transition payment provided for under Dutch law if a settlement agreement is not entered into. In the event of a termination of employment without cause or for good reason, Mr. Grieder also is eligible to receive a pro rata payout of any bonus award granted with respect to the performance cycle during which notice of termination is given, based on the actual performance level achieved for the entire cycle against the performance measures established for his award. Any pro rata payout is payable at the same time that bonuses for the performance cycle are paid to similarly situated executives.

If Mr. Grieder voluntarily resigns without good reason, he is generally entitled to receive base salary for six months after the conclusion of the notice period, paid in six substantially equal payments, in consideration of his covenant not to compete.

Mr. Grieder's employment agreement also provides that in the event of his disability, which means his inability to work for a 104-week period, Mr. Grieder is entitled to receive 70% of his base salary for the 104-week period, and we would be entitled to terminate his employment if and when permitted by applicable law and our short-term and long-term disability policies then in effect for the Amsterdam office.

The restrictive covenants in Mr. Grieder's agreement include prohibitions during and following employment against Mr. Grieder's use of confidential information, soliciting PVH associates for employment by himself or anyone else, interfering with our business relationships and, other than following a termination of employment without cause or for good reason, competing against us by accepting employment or being otherwise affiliated with a direct competitor of our primary businesses or products as of the date of termination.

Other Arrangements

There are a number of other arrangements that would result in payments or other benefits to some or all of our Named Executive Officers upon a termination of employment or in the event of a change in control, in addition to the severance arrangements described above.

2006 Stock Incentive Plan

Our 2006 Stock Incentive Plan enables us to grant stock options, restricted stock units, performance share units and other stock-based awards. To date, we have granted to the NEOs (i) service-based incentive and non-qualified stock options, restricted stock and restricted stock units; and (ii) contingently issuable performance share units and restricted stock units. The following describes the effect upon stock option, restricted stock unit, and performance share unit awards of a termination of employment or change in control (the only types of awards currently outstanding).

Stock options

Unvested stock options that are assumed by an acquirer upon a change in control will continue to vest on their original schedule and only become immediately exercisable in full after termination of employment (other than for "cause" or without "good reason," as and if such terms are defined in a participant's employment agreement) within two years of the change in control (*i.e.*, double trigger). All unvested stock options that are not assumed by an acquirer upon a change in control will become immediately exercisable in full upon a change in control.

In the event of death, all unvested stock options generally become immediately exercisable. In the event of retirement, unvested stock options granted in the year of retirement are forfeited immediately if the recipient retires before December 31; all other unvested stock options generally become immediately exercisable upon retirement. Stock options, if unexercised, generally will expire three months after the qualification of the representative of a recipient's estate (in the event of a recipient's death) or in three years (in the event of a recipient's retirement). In all other circumstances, all unvested stock options will expire upon the termination of the recipient's employment. If an option holder leaves our employ other than in the case of death, retirement or termination for cause, any then-exercisable stock options previously granted to but not yet exercised by such recipient generally will expire within 90 days of such termination of employment. If a recipient is terminated for cause, all of the recipient's exercisable stock options will immediately expire.

Restricted stock units

Unvested restricted stock units that are assumed by an acquirer upon a change in control will continue to vest on their original schedule and only vest in full on an accelerated basis after termination of employment (other than for "cause" or without "good reason," as and if such terms are defined in a participant's employment agreement) within two years of the change in control (*i.e.*, double trigger). All outstanding restricted stock units that are not assumed by an acquirer upon a change in control will vest in full on an accelerated basis upon the change in control. All outstanding restricted stock units vest in full in the event the recipient dies. In the event of retirement, restricted stock units generally vest in full, except that restricted stock units granted in the year of retirement are forfeited immediately if the recipient retires before December 31. When a recipient's employment terminates for any other reason, unvested restricted stock units are forfeited immediately.

Performance share units

The following sets forth the effect upon performance share units of certain triggering events occurring during a performance cycle.

Death	The participant's estate will receive the target level payout, prorated to reflect the portion of the performance cycle worked by the participant.
Change in control	Awards assumed by the acquirer upon a change in control will be deemed to have satisfied the performance level achieved (if calculable at the time of the change in control) or target performance (if performance is not calculable or less than half the performance cycle has elapsed). The awards then will be deemed to be time-based and will vest upon the earlier of the participant's termination of employment (other than for "cause" or without "good reason," as and if such terms are defined in the participant's employment agreement, if any) or the scheduled end of the performance cycle (*i.e.*, double trigger). The participant will receive the target level payout, prorated to reflect the portion of the performance cycle worked by the participant, for awards not assumed by the acquirer upon a change in control.
Disability	The participant will receive the payout, if any, that would have been payable for the performance cycle, prorated to reflect the portion of the performance cycle worked by the participant.
Termination without cause/termination for "good reason"[1]	The participant will receive the payout, if any, that would have been payable for the performance cycle, prorated to reflect the portion of the performance cycle worked by the participant, if at least the first fiscal year during the performance cycle has been completed. A participant who is terminated during the first fiscal year will not receive a payout.
Retirement	The participant will receive the full payout, if any, that would have been payable for the performance cycle if the participant retires on or after the last day of the fiscal year during which the award was granted. A participant who retires before the last day of such fiscal year will not receive a payout.

[1] "Good reason" is as defined under the participant's employment agreement.

In all other cases, a participant must be employed by us on the last day of the performance cycle in order to remain eligible to receive an award.

Payouts in the event of death or a change in control will be paid within 30 days of the triggering event unless to do so would prompt the imposition of additional taxes under Section 409A of the Code, in which case payment will be delayed for six months and the amounts owed will accrue interest at a rate based on the 10-year Treasury bill.

Performance Incentive Bonus Plan

The following sets forth the effect upon annual bonuses of certain triggering events occurring during a performance cycle.

Death	The participant's estate will receive the target level bonus, prorated to reflect the portion of the performance cycle worked by the participant.
Change in control	The participant will receive the target level bonus, prorated to reflect the portion of the performance cycle worked by the participant.
Disability/retirement/termination without cause/termination for "good reason[1]"	The participant will receive the payout, if any, that would have been payable for the performance cycle, prorated to reflect the portion of the performance cycle worked by the participant.

[1] "Good reason" is as defined under the participant's employment agreement.

In all other cases, a participant must be employed by us on the last day of the performance cycle in order to remain eligible to receive an award.

The bonus, in the event of death or a change in control, will be paid within 30 days of the triggering event unless to do so would prompt the imposition of additional taxes under Section 409A of the Code, in which case payment will be delayed for six months and the amounts owed will accrue interest at a rate based on the 10-year Treasury bill.

Long-Term Incentive Plan

The following sets forth the effect upon Long-Term Incentive Plan awards (including GRIP awards) of certain triggering events occurring during a performance cycle.

Death	The participant's estate will receive the target level payout, prorated to reflect the portion of the performance cycle worked by the participant.
Change in control	The award will be deemed time-based and will be payable at the target level of performance upon the earlier of the participant's termination of employment (other than for cause or without good reason (as defined in the participant's employment agreement, if any)) or the scheduled end of the performance cycle (*i.e.*, double trigger).
Disability	The participant will receive the payout, if any, that would have been payable for the performance cycle, prorated to reflect the portion of the performance cycle worked by the participant.
Retirement/termination without cause/termination for "good reason"[1]	If after the first fiscal year of the performance cycle, the participant will receive the payout, if any, that would have been payable for the performance cycle, prorated to reflect the portion of the performance cycle worked by the participant. A participant who is terminated during the first fiscal year will not receive a payout.

[1] "Good reason" is as defined under the participant's employment agreement.

In all other cases, a participant must be employed by us on the last day of the performance cycle in order to remain eligible to receive an award.

The payout, in the event of death or a change in control, will be paid within 30 days of the triggering event unless to do so would prompt the imposition of additional taxes under Section 409A of the Code, in which case payment will be delayed for six months and the amounts owed will accrue interest at a rate based on the 10-year Treasury bill.

56

Outstanding Equity at Fiscal Year-End

		OPTION AWARDS[1]				STOCK AWARDS			
Name	**Date of Grant**	**Number of Securities Underlying Unexercised Options Exercisable (#)**	**Number of Securities Underlying Unexercised Options Unexercisable (#)**	**Option Exercise 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 Plans Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plans Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested[3] ($)**
Emanuel Chirico	4/5/2012	46,300	0	91.88	4/5/2022				
	5/1/2013	50,000	0	115.05	5/1/2023				
	4/3/2014	46,200	0	124.53	4/3/2024				
	4/2/2015	40,200	13,400	107.47	4/2/2025				
	4/1/2016	34,950	34,950	99.39	4/1/2026				
	4/7/2017	17,025	51,075	101.90	4/7/2027				
	4/23/2018	0	39,000						