

ABERCROMBIE & FITCH CO /DE/
Form DEF 14A
May 14, 2015
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- 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 §240.14a-12

Abercrombie & Fitch Co.

(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):

- No fee required
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

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

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

- .. Fee paid previously with preliminary materials.
- .. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:

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

 - (3) Filing Party:

 - (4) Date Filed:

Table of Contents

Abercrombie & Fitch Co.

6301 Fitch Path

New Albany, Ohio 43054

(614) 283-6500

May 14, 2015

Dear Fellow Stockholders:

You are cordially invited to attend the 2015 Annual Meeting of Stockholders to be held at 10:00 a.m., Eastern Daylight Saving Time, on Thursday, June 18, 2015, at our offices located at 6301 Fitch Path, New Albany, Ohio 43054 (the Annual Meeting). We hope that you will be able to attend and participate in the Annual Meeting, at which time we will have the opportunity to review the business and operations of our Company. The formal Notice of Annual Meeting of Stockholders and Proxy Statement are attached, and the matters to be acted upon by our stockholders are described in them. Also included are a form of proxy and a postage-paid return envelope. The form of proxy is solicited on behalf of our Board of Directors.

It is important that your shares be represented and voted at the Annual Meeting. After reading the attached Proxy Statement, please complete, date, sign and return the accompanying form of proxy. Alternatively, you may vote electronically through the Internet or by telephone by following the instructions on your form of proxy. If you hold your shares through an account with a brokerage firm, bank or other nominee, please follow the instructions you received from the holder of record to vote your shares. Your vote is important regardless of the number of shares you own.

It is important that your shares be represented at the Annual Meeting whether or not you are personally able to attend. Accordingly, after reading the attached Notice of Annual Meeting of Stockholders and Proxy Statement, please promptly submit your proxy by telephone, Internet or mail as described in your form of proxy. If you submit your proxy over the Internet, you will have the opportunity to agree to receive future stockholder documents electronically via email, and we encourage you to do so. If you choose to submit your vote by traditional form of proxy, please sign, date and mail the form of proxy in the enclosed pre-addressed return envelope. Your cooperation will be appreciated.

If you have any questions or require any assistance with voting your shares, please contact Innisfree M&A Incorporated, our proxy solicitor, toll-free at (888) 750-5834 or directly at (412) 232-3651. Banks and brokers may call collect at (212) 750-5833.

Arthur C. Martinez

Executive Chairman of the Board

Table of Contents**TABLE OF CONTENTS**

	PAGE
<u>2015 PROXY STATEMENT SUMMARY</u>	3
<u>NOTICE OF ANNUAL MEETING OF STOCKHOLDERS</u>	11
<u>PROXY STATEMENT</u>	12
<u>GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING</u>	13
<u>NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS</u>	17
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	18
<u>Majority Vote Standard in Uncontested Director Election</u>	18
<u>Nominees</u>	19
<u>Certain Relationships and Related Person Transactions</u>	26
<u>Director Independence</u>	28
<u>Meetings of and Communications with the Board</u>	30
<u>Board Leadership Structure</u>	30
<u>Committees of the Board</u>	33
<u>Director Qualifications and Consideration of Director Candidates</u>	41
<u>Director Nominations</u>	42
<u>Directors Who Substantially Change Their Job Responsibility</u>	43
<u>Board Role in Risk Oversight</u>	43
<u>Compensation of Directors</u>	45
<u>Corporate Governance Guidelines</u>	49
<u>Code of Business Conduct and Ethics</u>	49
<u>Compensation and Organization Committee Interlocks and Insider Participation</u>	49
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	50
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	53
<u>PROPOSAL 2 AMENDMENT OF THE COMPANY S AMENDED AND RESTATED BYLAWS TO IMPLEMENT PROXY ACCESS</u>	53
<u>Description of Proposed Amendments</u>	53
<u>Required Vote</u>	57
<u>PROPOSAL 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	57
<u>Required Vote</u>	59
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	59
<u>Executive Summary</u>	59
<u>Compensation Process and Objectives</u>	64
<u>Elements of Compensation Program</u>	65
<u>Fiscal 2014 Compensation Actions</u>	66
<u>Role of the Compensation Committee</u>	70
<u>Compensation and Benefits Structure</u>	71
<u>REPORT OF THE COMPENSATION AND ORGANIZATION COMMITTEE ON EXECUTIVE COMPENSATION</u>	74
<u>EXECUTIVE OFFICER COMPENSATION</u>	74
<u>Summary Compensation Table</u>	74
<u>Grants of Plan-Based Awards</u>	76
<u>Employment Agreement with Mr. Jeffries In Effect from February 2, 2014 to December 31, 2014</u>	77
<u>Offer Letters with Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz</u>	78
<u>Outstanding Equity Awards</u>	81
<u>Stock Options and Stock Appreciation Rights Exercised and Restricted Stock Units Vested</u>	83
<u>Pension Benefits</u>	83
<u>Nonqualified Deferred Compensation</u>	83
<u>Potential Payments Upon Termination or Change of Control</u>	86

Table of Contents

	PAGE
<u>EQUITY COMPENSATION PLANS</u>	94
<u>AUDIT AND FINANCE COMMITTEE MATTERS</u>	96
<u>Report of the Audit and Finance Committee for the Fiscal Year Ended January 31, 2015</u>	96
<u>Pre-Approval Policy</u>	97
<u>Fees of Independent Registered Public Accounting Firm</u>	98
<u>PROPOSAL 4 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	98
<u>Required Vote</u>	99
<u>PROPOSAL 5 STOCKHOLDER PROPOSAL ON A POLICY REGARDING ACCELERATED VESTING OF EQUITY</u>	
<u>AWARDS OF NAMED EXECUTIVE OFFICERS UPON A CHANGE IN CONTROL</u>	99
<u>Required Vote</u>	101
<u>STOCKHOLDER PROPOSALS FOR 2016 ANNUAL MEETING OF STOCKHOLDERS</u>	101
<u>DELIVERY OF PROXY MATERIALS TO HOUSEHOLDS</u>	103
<u>FORWARD-LOOKING STATEMENTS</u>	103
<u>OTHER MATTERS</u>	105
<u>APPENDIX A PROPOSED AMENDMENTS TO SECTION 2.04 OF AMENDED AND RESTATED BYLAWS OF ABERCROMBIE & FITCH CO.</u>	A-1

Table of Contents**2015 PROXY STATEMENT SUMMARY**

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting.

Annual Meeting of Stockholders

Time and Date	10:00 a.m., Eastern Daylight Saving Time, June 18, 2015
Place	6301 Fitch Path New Albany, Ohio 43054
Record Date	April 29, 2015
Voting	Stockholders as of the record date are entitled to one vote. Each share of Class A Common Stock, \$0.01 par value per share (the "Common Stock"), is entitled to one vote for each director nominee and one vote with respect to each of the other proposals to be voted on.

Meeting Agenda and Voting Matters

	Board Vote Recommendation	Page Reference (for more detail)
Election of Ten Directors	FOR EACH OF THE BOARD'S NOMINEES	18
Other Management Proposals:		
Approval of Amendments to the Company's Amended and Restated Bylaws to Implement Proxy Access	FOR	53
Approval of Advisory Resolution on Executive Compensation	FOR	57
Ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for Fiscal 2015	FOR	98
Stockholder Proposal:		
Adoption of Policy Regarding Accelerated Vesting of Equity Awards of Named Executive Officers upon a Change in Control	AGAINST	99

Election of Directors to One-Year Term

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

Director Election: Ten directors are to be elected at the Annual Meeting. Each director nominee is to be elected to our Board of Directors (the Board) for a one-year term and will be eligible for re-election to our Board in 2016.

Majority Voting Standard Applies: The Annual Meeting is expected to be uncontested with respect to the election of directors. As a result, each director nominee must be elected by a majority of the votes cast (*i.e.*, the votes cast for such nominee s election must exceed the votes cast against such nominee s election). Broker non-votes and abstentions will not be treated as votes cast.

Table of Contents

Board Nominees: There are currently eleven directors serving on the Board, all of whose terms expire at the Annual Meeting. On April 11, 2015, director Diane L. Neal informed the Company that, due to her responsibilities in her new position as Chief Executive Officer of Sur La Table, Inc. and limitations on board positions as a result of those responsibilities, she has decided not to stand for re-election to the Board at the Annual Meeting but will serve out her remaining term. At its meeting on April 20, 2015, the Board took action to reduce the number of directors from eleven to ten directors, effective upon the expiration of the current terms of the directors of the Company immediately prior to the Annual Meeting. As a result, ten directors will be elected at the Annual Meeting.

Michael S. Jeffries Retirement: On December 8, 2014, Michael S. Jeffries retired from the position of Chief Executive Officer of the Company and resigned as a director of the Company. Mr. Jeffries' employment with the Company terminated December 31, 2014. Following Mr. Jeffries' resignation, the Board reduced the size of the Board from twelve directors to eleven directors.

Executive Chairman of the Board, Interim Principal Executive Officer and Office of the Chairman: Currently, the Company does not have a Chief Executive Officer or an Interim Chief Executive Officer. On December 8, 2014, our Board appointed Arthur C. Martinez, who was then serving as Non-Executive Chairman of the Board, to serve as Executive Chairman of the Board (also referred to as the Company Chairman) and Jonathan E. Ramsden, who serves as Chief Operating Officer of the Company, to also serve as Interim Principal Executive Officer of the Company. The Board also formed an Office of the Chairman, whose members are Arthur C. Martinez, Jonathan E. Ramsden, Christos E. Angelides, Brand President of Abercrombie & Fitch and abercrombie kids, and Fran Horowitz, Brand President of Hollister, until a new Chief Executive Officer is appointed. As a result of this appointment, Mr. Martinez is spending a significant amount of time leading the Office of the Chairman. In addition, certain officers of the Company, including the members of the Office of the Chairman, report to Mr. Martinez as a representative of the Board. Mr. Martinez continues to provide the experienced and independent leadership necessary as the Board continues its search and selection process for a new Chief Executive Officer.

Table of Contents

Upon the unanimous recommendation of the Nominating and Board Governance Committee, the Board has unanimously nominated the following nominees for election as directors at the Annual Meeting:

Name	Age	Director Since
Arthur C. Martinez Company Chairman Chair of the Executive Committee Independent Director	75	2014
James B. Bachmann Chair of the Audit and Finance Committee Independent Director	72	2003
Bonnie R. Brooks Independent Director	61	2014
Terry L. Burman Independent Director	69	2014
Sarah M. Gallagher Independent Director	63	2014
Michael E. Greenlees Chair of the Compensation and Organization Committee Independent Director	68	2011
Archie M. Griffin Chair of the Corporate Social Responsibility Committee Independent Director	60	2000
Charles R. Perrin Independent Director	69	2014
Stephanie M. Shern Independent Director	67	2014
Craig R. Stapleton Chair of the Nominating and Board Governance Committee Independent Director	70	2009

Please see the description of the respective backgrounds of the Nominees beginning on page 19 of this Proxy Statement under the caption

Nominees. We believe that the Nominees bring particular expertise, leadership skills and institutional knowledge that make them invaluable to the Company. In particular:

Mr. Martinez has served as the Chairman of the Board of the Company since January 27, 2014 and currently serves as Company Chairman, a position he has held since December 8, 2014. He is also a member of the Office of the Chairman and serves as Chair of our Executive Committee. His significant experience working in the retail industry and advising and counseling members of senior management makes him a valuable resource to our executive officers. As a result of his significant professional experience with

Sears, Roebuck and Co. and Saks Fifth Avenue, Inc. in the retail environment,

Table of Contents

Mr. Martinez is very familiar with issues related to business strategy, leadership, marketing, finance and operations faced by the Company. Mr. Martinez's service on the boards of several leading public companies enables him to provide critical corporate governance and compliance insights as well as ensure that the Company's Board meetings are efficiently and effectively run.

Mr. Bachmann serves as the Chair of our Audit and Finance Committee and as a member of our Corporate Social Responsibility Committee. He currently serves as Lead Independent Director and Chair of the Audit Committee of Lancaster Colony Corporation. His significant public company accounting and financial expertise, thorough review of the financial and risk management issues applicable to the Company and diligent engagement with management have helped the Company navigate the increasingly complex financial and risk management issues we face.

Ms. Brooks serves as a member of our Nominating and Board Governance Committee. She currently serves as Vice Chair of Hudson's Bay Company, a North American retailer based in Canada. Ms. Brooks brings to the Board substantial experience in the retail industry, having served as chief executive officer and president of three large companies operating branded and upscale department stores in the United States, Canada and Asia. In addition, as a native and current resident of Canada having tenure with both Canada-based and Asia-based retailers, Ms. Brooks provides the Company with additional expertise with respect to the nuances of conducting retail operations in international markets. In addition to her retail market operational expertise, Ms. Brooks' public company board experience makes her highly qualified to serve as a director of the Company.

Mr. Burman serves as a member of our Compensation and Organization Committee and our Nominating and Board Governance Committee. He most recently served as Chairman of the Board and as a director of Zale Corporation, a specialty retailer of fine jewelry in North America. His experience as a chief executive officer in the retail industry, his significant international management experience, and his general business and financial acumen are very valuable to the Company and provide the Board with important insight into specialty retail industries as well as strategy and business development.

Ms. Gallagher serves as a member of our Corporate Social Responsibility Committee and our Nominating and Board Governance Committee. She currently serves as Executive Chairperson of the Rebecca Taylor woman's fashion brand. Ms. Gallagher's over 40 years of retail experience, including more than 30 years with Fortune 500 brands, and status as one of the early movers in the e-Commerce space with more than 15 years of service in that aspect of the retail business, brings valuable expertise and insight to the Board as the Company continues to expand its focus on direct-to-consumer business opportunities, both within the United States and internationally.

Mr. Greenlees serves as the Chair of our Compensation and Organization Committee and as a member of our Audit and Finance Committee. Mr. Greenlees' experience in the role of chief executive officer of Ebiquity plc and service with several public companies, in addition to his significant experience within the global media and marketing community, are very valuable to the Company. In addition, as a U.K. native and current resident, Mr. Greenlees adds to the Company's international experience and profile.

Mr. Griffin serves as the Chair of our Corporate Social Responsibility Committee and as a member of our Nominating and Board Governance Committee. Mr. Griffin is one of the most well-respected and well-recognized individuals in the State of Ohio, currently serving as Senior Vice President of Alumni Relations at The Ohio State University and President and Chief Executive Officer of The Ohio State University Alumni Association, Inc. until June 30, 2015, after which he will transition to the role of Senior Advisor within the Office of Advancement at The Ohio State University. Mr. Griffin's experience on the Board and institutional knowledge of the Company are also valuable.

Mr. Perrin serves as a member of our Audit and Finance Committee and our Compensation and Organization Committee. He currently serves as a director of Campbell Soup Company. Mr. Perrin brings to the Board substantial experience in and perspective on consumer marketing, business operations and the packaged goods industry. Mr. Perrin served in leadership positions at The Warnaco Group, Inc., Avon Products, Inc. and Duracell International, Inc. His extensive background in retail, sales and marketing

are very valuable to the Company.

Table of Contents

Mrs. Shern serves as a member of our Audit and Finance Committee. Previously, she was the Vice Chairman and Global Director of Retail and Consumer Products for Ernst & Young LLP. Mrs. Shern spent a significant portion of her nearly 40-year career focused on retail and consumer industries in both the United States and abroad. As a result, she has very strong leadership, international, marketing/consumer industry and retail experience. As a CPA and Chair of the Audit Committee of each of GameStop Corp. and Koninklijke Ahold N.V. (Royal Ahold), and the former Chair of the Audit and Finance Committee of The Scotts Miracle-Gro Company, Mrs. Shern has extensive financial experience.

Mr. Stapleton serves as the Chair of our Nominating and Board Governance Committee and as a member of our Audit and Finance Committee, our Compensation and Organization Committee and our Executive Committee, and served as the Company's Lead Independent Director from February 23, 2010 to January 27, 2014. He currently serves as Senior Adviser to Stone Point Capital. During his service as the Company's first Lead Independent Director, Mr. Stapleton exemplified strong, effective leadership as the complexity of the issues faced by the Company continued to increase as the Company expanded internationally. His experience as a United States Ambassador to several countries in Europe provides a valuable perspective as the Company continues its international expansion. His real estate and private equity backgrounds give him a broad perspective on real estate and capital strategies.

Other Company Proposals

Approval of Amendments to the Company's Amended and Restated Bylaws to Implement Proxy Access : We are asking stockholders to approve amendments to our Amended and Restated Bylaws to implement a proxy access right for stockholders. A summary of the proposed amendments may be found beginning on page 53. The complete text of the proposed amendments is set forth in Appendix A to this Proxy Statement. The Board recommends a vote **FOR** for this proposal.

Approval of Advisory Vote on Executive Compensation: We are asking stockholders to approve on an advisory basis the compensation of the Company's named executive officers as disclosed in this Proxy Statement. The Board recommends a vote **FOR** this proposal because we believe the Company's executive compensation policies and practices are effective in aligning the interests of our executive officers with the achievement of our financial goals and the creation of long-term stockholder value.

Ratification of Appointment of Independent Registered Public Accounting Firm: As a matter of good governance, we are asking stockholders to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending January 30, 2016. The Board recommends a vote **FOR** this proposal.

Stockholder Proposals

Adoption of Policy Regarding Accelerated Vesting of Equity Awards of Named Executive Officers upon a Change in Control: We expect that The Teamster Affiliates Pension Plan will present a proposal at the Annual Meeting with respect to the adoption of a policy regarding accelerated vesting of equity awards of named executive officers upon a change in control. The Board recommends a vote **AGAINST** this stockholder proposal.

Executive Compensation Highlights

We believe that our executive compensation policies and practices appropriately align the interests of our executive officers with the achievement of our financial goals and the creation of long-term stockholder value. They reflect a continued focus on performance and support the Company's transition to a brand-based organization. We offer compensation opportunities that are competitive with those offered by similar specialty retail organizations and other companies with which the Company competes for high caliber executive talent. In

Table of Contents

evaluating this year's Say on Pay proposal, we recommend that you review our **COMPENSATION DISCUSSION AND ANALYSIS** section that begins on page 59 of this Proxy Statement, which explains how and why the Compensation and Organization Committee arrived at its executive compensation actions and decisions for Fiscal 2014 and beyond.

Fiscal 2014 was a Year of Transition for the Company With Michael S. Jeffries' Retirement and Our Move to a Brand-Based Organizational Model

We made a number of organizational changes at the end of Fiscal 2013 and during Fiscal 2014. Among other factors, these were designed to support a transition in leadership in the event of Michael S. Jeffries' eventual retirement and a move to a brand-based organizational model. They also reflect our commitment to best practices in corporate governance.

On January 27, 2014, the Board separated the positions of Chief Executive Officer and Chairman of the Board, elected Arthur C. Martinez, Terry L. Burman and Charles R. Perrin to three newly-created directorships on the Board, and appointed Arthur C. Martinez as Non-Executive Chairman of the Board. Subsequently, the Board nominated four new independent directors—Bonnie R. Brooks, Sarah M. Gallagher, Diane L. Neal and Stephanie M. Shern—for election, and accepted the decision of four incumbent directors not to stand for re-election, at the 2014 Annual Meeting of Stockholders.

On January 27, 2014, the Board created the new position of Chief Operating Officer of the Company (COO) and promoted Jonathan E. Ramsden, the Company's Executive Vice President and Chief Financial Officer, to fill this position and play an expanded role in managing the overall execution of the Company's long-range strategic plan.

On May 5, 2014, Joanne C. Crevoiserat commenced employment as our new Executive Vice President and Chief Financial Officer.

We created two new Brand President positions to lead the execution of our brand-based business strategy. On October 20, 2014, Christos E. Angelides and Fran Horowitz each commenced employment as our new Brand Presidents of Abercrombie & Fitch and abercrombie kids and of Hollister, respectively.

On December 8, 2014, Michael S. Jeffries retired from the position of Chief Executive Officer of the Company and resigned as a director of the Company. At that time, Mr. Martinez was appointed Executive Chairman of the Board, Jonathan E. Ramsden was appointed as Interim Principal Executive Officer, and we formed an Office of the Chairman, whose members are Mr. Martinez, Mr. Ramsden, Mr. Angelides and Ms. Horowitz. This allows for effective management of our business during this transition period. As a result of this appointment, Mr. Martinez is spending a significant amount of time leading the Office of the Chairman. In addition, certain officers of the Company, including the members of the Office of the Chairman, report to Mr. Martinez as a representative of the Board. Mr. Martinez continues to provide the experienced and independent leadership necessary as the Board continues its search and selection process for a new Chief Executive Officer.

Our Board has established a working group to conduct a search and selection process for a new Chief Executive Officer. During Fiscal 2013, the Compensation and Organization Committee responded to stockholder concerns related to Michael S. Jeffries' 2008 employment agreement by renegotiating the terms of his employment and reducing his compensation to reflect best practice and market norms. The Company entered into a new employment agreement with Michael S. Jeffries that was effective on February 2, 2014 and increased the alignment between his compensation opportunities and business performance. In connection with his retirement as Chief Executive Officer on December 8, 2014, the Company entered into a retirement agreement with Mr. Jeffries that provided compensation as if his employment had been terminated without cause pursuant to his employment agreement, including forfeiture of unvested long-term incentive awards that were granted to him within two years prior to his retirement. No portion of the unvested long-term incentive awards that had been granted to him at least two years

Table of Contents

prior to his retirement vested as a result of his retirement. In addition to the benefits Mr. Jeffries was entitled to upon retirement under the terms of his employment agreement, the terms of his retirement agreement provide for cash payments and benefits continuation in the aggregate amount of \$5,511,047.

We Engaged in Extensive Outreach to Stockholders and Made Significant Changes to the Executive Compensation Program for Fiscal 2014

After the Company's 2013 Annual Meeting of Stockholders, the Compensation and Organization Committee and the Board reviewed the results of the stockholder advisory vote on executive compensation for Mr. Jeffries, our then-current Chief Executive Officer, and the other named executive officers (NEOs). As a result, the Company made extensive stockholder outreach efforts. The Compensation and Organization Committee changed the design of our executive compensation program for Fiscal 2014 to improve the alignment with business performance and to respond to stockholder concerns. The new program was well received, with stockholders representing over 90% of the votes cast voting in favor of the Company's executive compensation program at the 2014 Annual Meeting of Stockholders.

The Company continued in Fiscal 2014 to have extensive dialogue with our stockholders. Over the past twelve months, the Company held discussions with stockholders who, in the aggregate represented approximately 50% of the shares eligible to be voted at the Annual Meeting. The Company expects to continue such meetings prior to the Annual Meeting and, as a matter of policy and practice, fosters and encourages engagement with our stockholders on compensation and other matters.

With respect to our executive compensation program, in Fiscal 2014, we changed the mix of annual long-term incentive awards granted to the NEOs to emphasize performance-based awards including performance share awards (PSAs). For PSAs in particular, we extended the timeframe for measuring performance to three years (rather than one year) and implemented three-year cliff vesting, in addition to introducing new performance metrics linked to rigorous operating and relative stockholder return goals rather than a single earnings per share (EPS) metric. Finally, for the portion of PSAs tied to achievement of relative stockholder return goals, we limited the percent of such awards that can be earned in the event of negative absolute stockholder return during the performance period.

The NEOs' Compensation in Fiscal 2014 Reflected Strong Pay for Performance Alignment

As discussed on page 60 under the caption **COMPENSATION DISCUSSION AND ANALYSIS Executive Summary Pay for Performance Culture**, Fiscal 2014 was a year of significant change for the Company. The Company continues to evolve its business and respond to major changes and challenges in the macroeconomic and consumer environment and remains committed to creating long-term value for stockholders. The Company is focused on executing its long-term strategic plan, with an emphasis on improving the comparable store sales trend, continuing to invest in direct-to-consumer operations and omnichannel capabilities, ongoing process improvement and cost management, pursuing additional opportunities to expand the brand reach, and ensuring we are properly organized for the next phase of growth and increased accountability to the bottom line. In addition, the Company has implemented a brand-based organization model with the appointment of Mr. Angelides and Ms. Horowitz. The successful transition to a brand-based organization model is expected to sharpen the focus on and accountability for the performance of the Company's brands.

The Company's compensation programs are closely aligned with the Company's performance. Evidence of this strong link between pay and performance is the fact that the NEOs did not earn any annual cash incentive payments under the Company's Incentive Compensation Performance Plan (the Incentive Plan) for Fiscal 2014 performance because the minimum operating income goals were not achieved. (However, Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz did receive payment of minimum guaranteed bonuses for Fiscal 2014 that were provided on a one-time basis as an additional inducement to accepting employment with the Company.) In addition, the threshold EBIT Margin Improvement goal for PSAs granted to NEOs in Fiscal 2014 was not achieved and, as such, that portion of those PSA awards was forfeited.

Table of Contents

Our Commitment to Best Practices in Corporate Governance is Exemplified by Numerous Changes We Have Made in the Past Several Years

In addition to the changes in our organization and in our executive compensation programs discussed above, we have made many changes to our policies and practices related to corporate governance and executive compensation. We have consistently followed best practices in corporate governance. As detailed below, we have:

Adopted majority voting in uncontested director elections.

Adopted the phased declassification of our Board, which was completed at the 2014 Annual Meeting of Stockholders.

Adopted stock ownership guidelines for executive officers and directors.

Adopted a director resignation policy.

Adopted a director retirement policy.

Recommended, and our stockholders adopted, an annual "Say on Pay" vote.

Implemented a stringent "clawback" policy that allows the Company to seek repayment of any incentive amounts that were erroneously paid, without any requirement of misconduct on the part of the plan participant.

Incorporated a comprehensive derivatives and hedging policy as well as an anti-pledging policy that prohibits directors and officers, among others, from hedging and pledging any equity securities of the Company held by them.

Accelerated the expiration of the Company's preferred stock purchase rights from the close of business on July 16, 2018 to the close of business on January 28, 2014.

Adopted a director confidentiality policy.

Table of Contents

Abercrombie & Fitch Co.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 14, 2015

TO OUR STOCKHOLDERS:

The 2015 Annual Meeting of Stockholders (the *Annual Meeting*) of Abercrombie & Fitch Co. (the *Company*) will be held at the offices of the Company located at 6301 Fitch Path, New Albany, Ohio 43054, on Thursday, June 18, 2015, at 10:00 a.m., Eastern Daylight Saving Time, for the following purposes:

1. To elect ten directors, each to serve for a term of one year to expire at the 2016 Annual Meeting of Stockholders.
2. To approve amendments to the Company's Amended and Restated Bylaws to implement proxy access.
3. To approve the advisory resolution on executive compensation.
4. To ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending January 30, 2016.
5. To consider one stockholder proposal, if the stockholder proposal is properly presented for consideration at the Annual Meeting.
6. To transact any other business which properly may be brought before the Annual Meeting.

Your Board of Directors (the *Board*) recommends that you vote *FOR* the election of the director nominees listed in the Company's Proxy Statement for the Annual Meeting, *FOR* the approval of amendments to the Company's Amended and Restated Bylaws to implement proxy access, *FOR* the advisory resolution to approve executive compensation, *FOR* the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending January 30, 2016 and *AGAINST* the stockholder proposal described in the Company's Proxy Statement for the Annual Meeting, if the stockholder proposal is properly presented for consideration at the Annual Meeting.

If you were a stockholder of record, as shown by the transfer books of the Company, at the close of business on April 29, 2015, you will be entitled to receive notice of and to vote at the Annual Meeting. All stockholders are invited to attend, although only stockholders of record will be entitled to vote, at the Annual Meeting.

To obtain directions to our offices in order to attend the Annual Meeting and vote in person, please call our Investor Relations telephone number at (614) 283-6751. Directions to our offices may also be found on our website (www.abercrombie.com) on the Investors page under the Directions To A&F link.

Robert E. Bostrom

Senior Vice President, General Counsel

and Corporate Secretary

YOUR VOTE IS IMPORTANT

YOU ARE STRONGLY URGED TO COMPLETE, DATE AND SIGN THE ACCOMPANYING FORM OF PROXY AND RETURN IT IN THE ENVELOPE PROVIDED AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING. ALTERNATIVELY, SUBMIT YOUR VOTING INSTRUCTIONS ELECTRONICALLY VIA THE INTERNET OR TELEPHONICALLY. PLEASE SEE THE COMPANY'S PROXY STATEMENT AND THE FORM OF PROXY FOR DETAILS ABOUT ELECTRONIC VOTING. IF YOU LATER DECIDE TO REVOKE YOUR PROXY FOR ANY REASON, YOU MAY DO SO IN THE MANNER DESCRIBED IN THE ATTACHED PROXY STATEMENT. IF YOU HOLD YOUR SHARES THROUGH AN ACCOUNT WITH A BROKERAGE FIRM, BANK OR OTHER NOMINEE, PLEASE FOLLOW THE INSTRUCTIONS YOU RECEIVE FROM THE HOLDER OF RECORD AS TO HOW TO VOTE YOUR SHARES.

Table of Contents

Abercrombie & Fitch Co.

6301 Fitch Path

New Albany, Ohio 43054

(614) 283-6500

PROXY STATEMENT

Dated May 14, 2015

ANNUAL MEETING OF STOCKHOLDERS

To Be Held On June 18, 2015

The enclosed proxy is solicited by the Board of Directors (the Board) of Abercrombie & Fitch Co. (the Company) for use at the 2015 Annual Meeting of Stockholders to be held at the offices of the Company located at 6301 Fitch Path, New Albany, Ohio 43054, on Thursday, June 18, 2015, at 10:00 a.m., Eastern Daylight Saving Time (the Annual Meeting or the 2015 Annual Meeting). On or about May 14, 2015, we commenced mailing this Proxy Statement, the Notice of Annual Meeting and the accompanying form of proxy to our stockholders.

Holders of record of shares of Class A Common Stock, par value \$0.01 per share (the Common Stock), of the Company at the close of business on April 29, 2015 will be entitled to vote at the Annual Meeting. Each share of Common Stock will be entitled to one vote. As of April 29, 2015, the most recent practicable date prior to the date of this Proxy Statement, there were 69,550,630 shares of Common Stock outstanding and expected to be entitled to vote at the Annual Meeting. There are no other voting securities of the Company outstanding. If you are a registered stockholder, you can simplify your voting by using the Internet or calling a toll-free telephone number. Internet and telephone voting information is provided on the form of proxy. If you vote via the Internet or by telephone, there is no need to return a signed form of proxy. However, you may still vote by proxy by using the form of proxy. If you beneficially hold your shares in street name through a brokerage firm, bank or other nominee, you will be able to vote using the voting instruction form provided to you by such nominee, and Internet and telephone voting may also be available per the instructions provided on such voting instruction form.

Proxies will be voted at the Annual Meeting in accordance with the specifications you make on the form of proxy. If you sign the form of proxy or submit a proxy by telephone or over the Internet and do not specify how your shares are to be voted, your shares will be voted in accordance with the recommendations of the Board. See **GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING** on page 13.

Please instruct your broker how to vote your shares using the voting instruction form provided by your broker. Please return your completed voting instruction form to your broker and contact the person responsible for your account so that your vote can be counted.

If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor using the contact information listed below:

INNISFREE M&A INCORPORATED

501 Madison Avenue, 20th Floor

New York, NY 10022

Stockholders May Call Toll-Free: (888) 750-5834 (from the United States and Canada)

Stockholders May Call: (412) 232-3651 (from other locations)

Banks and Brokers May Call Collect: (212) 750-5833

Table of Contents

GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

When and where will the Annual Meeting be held?

The Annual Meeting will be held on Thursday, June 18, 2015 at 10:00 a.m., Eastern Daylight Saving Time, at our offices located at 6301 Fitch Path, New Albany, Ohio 43054. The purposes of the Annual Meeting are set forth in the Notice of Annual Meeting of Stockholders to which this Proxy Statement is attached. All references in this Proxy Statement to the Company, we, us, our or Abercrombie & Fitch refer to Abercrombie & Fitch Co.

Why did I receive these proxy materials?

You have received these proxy materials because you are a holder of the Company's Common Stock and our Board is soliciting authority, or your proxy, to vote your shares at the Annual Meeting. These proxy materials were first sent or given on or about May 14, 2015 to holders of the Company's Common Stock as of the close of business on April 29, 2015 (the Record Date).

What is included in these proxy materials?

These proxy materials include:

our Annual Report on Form 10-K for the fiscal year ended January 31, 2015 (Fiscal 2014);

the Notice of Annual Meeting of Stockholders;

this Proxy Statement; and

a form of proxy solicited by the Board for use at the Annual Meeting.

Who can vote at the Annual Meeting?

The only shares entitled to vote at the Annual Meeting are shares of Common Stock, with each share entitling the holder of record to one vote on all matters properly brought before the Annual Meeting. To be able to vote your shares at the Annual Meeting, the records of the Company must show that you held your shares as of the close of business on the Record Date. At the close of business on the Record Date, there were 69,550,630 shares of Common Stock outstanding.

How do I attend the Annual Meeting?

The Annual Meeting will be held on Thursday, June 18, 2015 at 10:00 a.m., Eastern Daylight Saving Time, at our offices located at 6301 Fitch Path, New Albany, Ohio 43054. When you arrive, signs will direct you to the appropriate room. Please note that the doors to the meeting room will not be open until 9:00 a.m., Eastern Daylight Savings Time. You should be prepared to present valid government-issued photo identification, such as a driver's license or passport, for admittance. In addition, if you are a stockholder of record, your name will be verified against the list of stockholders of record prior to admittance to the Annual Meeting. If you are a beneficial owner, you must provide proof of beneficial ownership on the record date, such as your account statement showing that you owned our Common Stock as of April 29, 2015, a copy of the voting instruction form provided by your brokerage firm, bank or other nominee, or other similar evidence of ownership. If you do not provide valid government-issued photo identification and comply with the other procedures outlined above, you will not be admitted to the Annual Meeting. You do not need to attend the Annual Meeting to vote. Even if you plan to attend the Annual Meeting, please submit your vote in advance as instructed herein.

What is the difference between holding shares as a holder of record and as a beneficial owner?

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

If at the close of business on April 29, 2015, your shares were held in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in street name and the proxy materials, as applicable, are being forwarded to you by that organization. The organization holding your

Table of Contents

account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares in your account. If that organization is not given specific direction, shares held in the name of that organization may not be voted and will not be considered as present and entitled to vote on any matter to be considered at the Annual Meeting other than the ratification of the appointment of the Company's independent registered public accounting firm. **Please instruct your broker how to vote your shares using the voting instruction form provided by your broker. Please return your completed voting instruction form to your broker and contact the person responsible for your account or vote by Internet or telephone so that your vote can be counted.**

How do I vote my shares?

If you are a registered stockholder (*i.e.*, you hold your shares of record), you may vote your shares using one of the following methods (please also see the information provided above and below concerning the difference in how to vote if you hold shares beneficially through a brokerage firm, bank or other nominee instead of as the registered holder – beneficial holders should follow the voting instructions provided by such nominee):

Over the Internet. If you have access to the Internet, you can submit your proxy online by following the instructions included on your form of proxy (or voting instruction form in the case of beneficial holders for whom Internet voting is available) for voting over the Internet.

By telephone. You can vote by calling a toll-free telephone number listed on the form of proxy (or voting instruction form in the case of beneficial holders for whom telephone voting is available). Please refer to your form of proxy or voting instruction form for instructions on voting by telephone.

By mail. You may vote your shares by completing, signing and mailing the form of proxy included with your proxy materials (or voting instruction form in the case of beneficial holders). A return envelope, which requires no postage if mailed in the United States, has been provided for your use. If mailed elsewhere, postage must be affixed. Please refer to your form of proxy or voting instruction form for instructions on voting by mail.

In person at the Annual Meeting. Stockholders are invited to attend the Annual Meeting and vote in person at the Annual Meeting. If you are a beneficial owner of shares, you must obtain a legal proxy from the brokerage firm, bank or other holder of record of your shares to be entitled to vote those shares in person at the meeting.

A control number, located on the instruction sheet attached to the form of proxy, is designated to verify your identity and allow you to vote your shares and confirm that your voting instructions have been recorded properly. If you vote via the Internet or by telephone, there is no need to return a signed form of proxy. However, you may still vote by proxy by using the form of proxy.

If you vote through the Internet or by telephone, you should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies that you will pay.

If I am a stockholder holding shares in street name, how do I vote?

If you hold your shares in street name with a broker, brokerage firm, broker/dealer, bank or other nominee, you should review the information provided to you by the holder of record. This information will describe the procedures you must follow in instructing the holder of record how to vote your street name shares and how to revoke your previous voting instructions. **Your broker is permitted to vote your shares with respect to the routine proposal to ratify the appointment of the Company's independent registered public accounting firm without your instruction as to how to vote but will not be permitted to vote your shares with respect to any of the other proposals at the Annual Meeting without your instructions as to how to vote. Your broker, bank or other nominee has enclosed a voting instruction form for you to use to direct the broker, bank or other nominee regarding how to vote your shares. Please instruct your broker, bank or other nominee how to vote your shares using the voting instruction form you received. Please return your completed voting instruction form to your broker, bank or other nominee and contact the person**

Table of Contents

responsible for your account so that your vote can be counted. If your broker, bank, or other nominee permits you to provide voting instructions via the Internet or by telephone, you may vote that way as well.

How can I revoke my proxy or change my vote?

If you are a registered stockholder, you may revoke your proxy at any time before it is actually voted at the Annual Meeting by giving notice of revocation to the Company in writing; by executing and returning to the Company a later-dated form of proxy; by submitting a later-dated vote through the designated Internet site or the toll-free telephone number stated on the form of proxy prior to the deadline for transmitting voting instructions electronically; or by voting by ballot in person at the Annual Meeting. Attending the Annual Meeting will not, by itself, revoke your proxy.

If you hold your shares in street name, you must follow the instructions provided by the holder of record in order to revoke your previous voting instructions.

What does it mean if I receive more than one form of proxy or voting instruction form?

It generally means your shares are registered differently or are in more than one account. Please provide voting instructions for each form of proxy or, if you vote via the Internet or by telephone, vote once for each form of proxy you receive to ensure that all of your shares are voted.

Who is paying for the cost of this proxy solicitation?

The Company will pay the costs of preparing, assembling, printing and mailing this Proxy Statement, the accompanying form of proxy and any other related materials and all other costs incurred in connection with the solicitation of proxies on behalf of the Board, other than the Internet access and telephone usage charges mentioned above. Although the Company is soliciting proxies by mailing the proxy materials to stockholders, proxies may be solicited via mail or by telephone, facsimile, electronic transmission or personal contact. The Company has retained Innisfree M&A Incorporated (Innisfree) to aid in the solicitation of proxies for a fee of \$15,000, plus expenses. The Company will reimburse its transfer agent, brokers, brokerage firms, broker/dealers, banks and other custodians, fiduciaries and nominees for their reasonable costs in sending proxy materials to stockholders who beneficially own our shares. Solicitations may also be made by personal interview, mail, telephone, facsimile, e-mail or otherwise by directors, officers and other employees or, as referred to by the Company, associates of the Company, but the Company will not additionally compensate its directors, officers or other associates for these services.

Are there any cumulative voting rights in the election of directors?

No.

What constitutes a quorum to hold and transact business at the Annual Meeting?

A quorum for the Annual Meeting is one-third of the outstanding shares of Common Stock. Shares of Common Stock represented by properly executed forms of proxy returned to the Company prior to the Annual Meeting or represented by properly authenticated Internet or telephone voting instructions will be counted toward the establishment of a quorum for the Annual Meeting.

How are votes tabulated?

The results of stockholder voting will be tabulated by the inspectors of election appointed for the Annual Meeting.

What is the effect of an *ABSTAIN* vote?

Abstentions are considered to be present and entitled to vote with respect to each relevant proposal, but will not be considered a vote cast with respect to that proposal.

Table of Contents

How will my shares be voted?

If you vote by mail, through the Internet, by telephone or in person, your shares of Common Stock will be voted as you direct.

If you sign and return your form of proxy, but do not specify how your shares of Common Stock are to be voted, your shares of Common Stock will be voted, except in the case of broker non-votes, where applicable, as recommended by the Board.

We recommend that you vote on your form of proxy as follows:

FOR the election of each of the director nominees listed under the caption **PROPOSAL 1 ELECTION OF DIRECTORS**, beginning on page 18;

FOR the approval of the amendments to the Company's Amended and Restated Bylaws to implement proxy access, as described in **PROPOSAL 2 AMENDMENT OF THE COMPANY'S AMENDED AND RESTATED BYLAWS TO IMPLEMENT PROXY ACCESS**, beginning on page 53;

FOR the approval of the advisory resolution on executive compensation, as described under the caption **PROPOSAL 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION**, beginning on page 57;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending January 30, 2016, as described under the caption **PROPOSAL 4 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**, beginning on page 98; and

AGAINST the stockholder proposal described under the caption **PROPOSAL 5 STOCKHOLDER PROPOSAL ON A POLICY REGARDING ACCELERATED VESTING OF EQUITY AWARDS OF NAMED EXECUTIVE OFFICERS UPON A CHANGE IN CONTROL**, beginning on page 99.

What is a broker non-vote ?

A broker non-vote occurs when a stockholder holds our shares of Common Stock in street name through a broker or similar organization, and the stockholder does not provide the broker or other organization with instructions within the required timeframe before the Annual Meeting as to how to vote the shares on non-routine matters. The only proposal this year which is considered routine is the ratification of the appointment of the Company's independent registered public accounting firm. Under the rules of the New York Stock Exchange (NYSE) set forth in the NYSE Listed Company Manual (the NYSE Rules), your broker cannot vote your shares on non-routine matters unless your broker receives instructions from you as to how to vote.

What are the voting requirements for the proposals discussed in the Proxy Statement?

Proposal 1 Election of Directors

The Company and its stockholders have implemented majority voting for uncontested director elections, which the Board expects to be the case at the Annual Meeting. In an uncontested election of directors, each nominee must be elected by a majority of the votes cast (*i.e.*, the votes cast for such nominee's election must exceed the votes cast against such nominee's election). Broker non-votes and abstentions will not be treated as votes cast.

Proposal 2 Approval of Amendments to the Company's Amended and Restated Bylaws to Implement Proxy Access

The affirmative vote of the holders of at least 75% of the outstanding shares of Common Stock entitled to vote thereon is required for approval of the proposed amendments. Abstentions and broker non-votes will have the effect of votes **AGAINST** the proposal.

Table of Contents

Proposal 3 Advisory Vote on Executive Compensation

This advisory vote is non-binding but the Board and our Compensation and Organization Committee will give careful consideration to the results of voting on this proposal. The approval of the advisory resolution on executive compensation requires the affirmative vote of a majority in voting interest of the stockholders present in person or by proxy and voting thereon. Broker non-votes will not be treated as votes cast. Abstentions will not be counted as votes **FOR** or **AGAINST** the proposal.

Proposal 4 Ratification of Appointment of Independent Registered Public Accounting Firm

The ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending January 30, 2016 requires the affirmative vote of a majority in voting interest of the stockholders present in person or by proxy and voting thereon. Abstentions will not be counted as votes **FOR** or **AGAINST** the proposal.

Proposal 5 Stockholder Proposal on a Policy Regarding Accelerated Vesting of Equity Awards of Named Executive Officers Upon a Change in Control

The approval of the stockholder proposal described under the caption **PROPOSAL 5 STOCKHOLDER PROPOSAL ON A POLICY REGARDING ACCELERATED VESTING OF EQUITY AWARDS OF NAMED EXECUTIVE OFFICERS UPON A CHANGE IN CONTROL** requires the affirmative vote of a majority in voting interest of the stockholders present in person or by proxy and voting on the proposal. Abstentions and broker non-votes will not be counted as votes **FOR** or **AGAINST** the stockholder proposal.

What should I do if I have other questions?

If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor, Innisfree M&A Incorporated, toll-free at (888) 750-5834 or directly at (412) 232-3651. Banks and brokers may call collect at (212) 750-5833.

NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders of Abercrombie & Fitch Co. to be Held on June 18, 2015: This Proxy Statement, the Notice of Annual Meeting of Stockholders and the Company's Annual Report on Form 10-K for Fiscal 2014 are available at www.proxyvote.com. The Company also will provide these materials to any person whose proxy is solicited by this Proxy Statement, without charge, upon written request to the Company's Corporate Secretary at the Company's offices at 6301 Fitch Path, New Albany, Ohio 43054.

To obtain directions to our offices so that you may attend the Annual Meeting and vote in person, please call our Investor Relations telephone number at (614) 283-6751. Directions to our offices may also be found on our website (www.bercrombie.com) on the Investors page under the Directions To A&F link.

The information provided on the Company's website (www.bercrombie.com) is referenced in this Proxy Statement for information purposes only. The information on the Company's website shall not be deemed to be a part of or incorporated by reference into this Proxy Statement or any other filings we make with the Securities and Exchange Commission (the SEC).

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

There are currently eleven directors serving on the Board, all of whose terms expire at the Annual Meeting.

On December 8, 2014, Michael S. Jeffries retired from the position of Chief Executive Officer of the Company and resigned as a director of the Company. Following Mr. Jeffries' resignation, the Board reduced the size of the Board from twelve directors to eleven directors.

On April 11, 2015, Diane L. Neal informed the Company that, due to her responsibilities in her new position as Chief Executive Officer of Sur La Table, Inc. and limitations on board positions as a result of those responsibilities, she has decided not to stand for re-election to the Board at the Annual Meeting but will serve out her remaining term. At its meeting on April 20, 2015, the Board took action to reduce the number of directors from eleven to ten directors, effective upon the expiration of the current terms of the directors of the Company immediately prior to the Annual Meeting. As a result, ten directors will be elected at the Annual Meeting.

Upon the unanimous recommendation of our Nominating and Board Governance Committee, the Board has unanimously nominated Arthur C. Martinez, James B. Bachmann, Bonnie R. Brooks, Terry L. Burman, Sarah M. Gallagher, Michael E. Greenlees, Archie M. Griffin, Charles R. Perrin, Stephanie M. Shern and Craig R. Stapleton (altogether, the Nominees) for election as directors at the Annual Meeting. Directors elected at the Annual Meeting will hold office for a one-year term expiring at the 2016 Annual Meeting of Stockholders or until their respective successors are elected and qualified.

The individuals named as proxies in the form of proxy solicited by the Board intend to vote the shares of Common Stock represented by the proxies received under this solicitation for the Nominees, unless otherwise instructed. It is expected that all of the Nominees will be able to serve. However, if before the election, one or more are unable to serve or for good cause will not serve, the proxy holders will vote the proxies for the remaining Nominees and for any substitute nominees chosen by the Board, unless the Board reduces the number of directors to be elected. If any substitute nominees are designated, we will file an amended proxy statement that, as applicable, identifies the substitute nominees, discloses that such nominees have consented to being named in the revised proxy statement and to serve if elected, and includes certain biographical and other information about such nominees required by the rules of the SEC.

The Board recommends that you vote on the form of proxy or voting instruction form *FOR* each of the Nominees to be elected for a one-year term expiring at the 2016 Annual Meeting of Stockholders or until his or her successor is elected and qualified.

Majority Vote Standard in Uncontested Director Election

In an uncontested election of directors, which we expect to be the case at the Annual Meeting, each nominee must be elected by a majority of the votes cast (*i.e.*, the votes cast for such nominee's election must exceed the votes cast against such nominee's election). Broker non-votes and abstentions will not be treated as votes cast. Proxies may not cast votes for more than ten nominees.

The Board has adopted a resignation policy, included in the Company's Corporate Governance Guidelines, which requires that an incumbent director who receives less than a majority of the votes cast in an uncontested election tender his or her resignation and outlines the procedures by which the Board will consider whether to accept such resignation. The resignation policy provides:

an incumbent director who fails to receive the required number of votes for re-election must offer to resign;

the Nominating and Board Governance Committee and the Board will evaluate any such resignation in light of the best interests of the Company and its stockholders in determining whether to accept or reject the resignation, or whether other action should be taken, and may consider any factors they deem relevant in making such determination;

if the Board does not accept the resignation, the director who offered to resign will continue to serve on the Board until the next annual meeting of stockholders and until the director's successor is elected and qualified or until the director's death, resignation or removal;

Table of Contents

if the Board accepts the resignation, the Nominating and Board Governance Committee will recommend to the Board whether to fill the resulting vacancy or to reduce the size of the Board; and

the Board will publicly disclose its decision regarding the resignation within 90 days after the results of the election are certified.

Nominees

The information set forth in the table below concerning the principal occupation, other affiliations and business experience, as of April 29, 2015, of each nominee for election as a director has been furnished to the Company by such nominee.

Name (Age)	Business Experience	During Past Five Years and	Other Information	Director Since
Arthur C. Martinez (75)	<p>Mr. Martinez has served as the Chairman of the Board of the Company since January 27, 2014 and currently serves as the Executive Chairman of the Board of the Company (also referred to as Company Chairman), a position he has held since December 8, 2014. He is also a member of the Office of the Chairman of the Company and serves as Chair of our Executive Committee. From January 27, 2014 to December 7, 2014, Mr. Martinez served as Non-Executive Chairman of the Board of the Company. Mr. Martinez retired in 2000 as Chairman of the Board and Chief Executive Officer of Sears, Roebuck and Co. (Sears), positions he had held since 1995. From 1992 to 1995, he served as Chairman and Chief Executive Officer of the former Sears Merchandise Group, the retail arm of Sears. Prior to his tenure at Sears, Mr. Martinez served in various capacities at Saks Fifth Avenue, Inc. (Saks), an apparel and related products retailer, and Saks parent company through 1990, BATUS, Inc. He served as Vice Chairman and a member of the Board of Directors of Saks from 1990 to 1992. From 1987 to 1990, Mr. Martinez was Group Chief Executive for the retail division of BATUS, Inc. (responsible for Saks, Marshall Field's and other chains) and served as a member of the BATUS, Inc. Board of Directors and Executive Committee. He served as Executive Vice President for Administration of Saks from 1984 to 1987 and as Senior Vice President and Chief Financial Officer of Saks from 1980 to 1984. Mr. Martinez also served as Chairman of the Board of the Federal Reserve Bank of Chicago from 2000 to 2002 and as a Director from 1996 to 2002. Mr. Martinez also serves as Chairman of the Board of HSN, Inc., an interactive multi-channel retailer, a position he has held since 2008. In the past five years, Mr. Martinez served as a director of American International Group, Inc. from 2009 until his retirement on May 13, 2015; International Flavors & Fragrances Inc. from 2000 until his retirement on May 6, 2015; IAC/InterActiveCorp from 2005 to 2014; Kate Spade & Company (formerly known as Fifth & Pacific Companies, Inc.) from 2001 to 2014; PepsiCo, Inc. from 1999 to 2012; and ABN AMRO Holding N.V. from 2002 to 2010, where he served as Chairman from 2006 until 2010. He also previously served as a director of Amoco Corporation, Ameritech Corporation and Martha Stewart Living Omnimedia, Inc. In addition to his for profit affiliations, Mr. Martinez serves as a Trustee of Greenwich Hospital, The Norton Museum of Art, the Maine Coast Heritage Trust, Northwestern University and the Chicago Symphony Orchestra.</p>			2014

Table of Contents**Business Experience****During Past Five Years and**

Name (Age)	Other Information	Director Since
James B. Bachmann (72)	<p>Mr. Martinez's significant experience working in the retail industry and advising and counseling members of senior management makes him a valuable resource to our executive officers. As a result of his significant professional experience with Sears and Saks in the retail environment, Mr. Martinez is very familiar with issues related to business strategy, leadership, marketing, finance and operations faced by the Company. Mr. Martinez's service on the boards of several leading public companies enables him to provide critical corporate governance and compliance insights as well as ensure that the Company's Board meetings are efficiently and effectively run.</p> <p>Mr. Bachmann retired in 2003 as Managing Partner of the Columbus, Ohio office of Ernst & Young LLP, after serving in various management and audit engagement partner roles in his 36 years with the firm. Mr. Bachmann currently serves as the Lead Independent Director and Chair of the Audit Committee of Lancaster Colony Corporation, a company which manufactures and markets food products and for which he has served as a director since 2003.</p>	2003
Bonnie R. Brooks (61)	<p>Mr. Bachmann currently serves as Chair of our Audit and Finance Committee and as a member of our Corporate Social Responsibility Committee. His significant public company accounting and financial expertise, thorough review of the financial and risk management issues applicable to the Company and diligent engagement with management have helped the Company navigate the increasingly complex financial and risk management issues we face. In addition, his operational experience as the Managing Partner of Ernst & Young's Columbus, Ohio office provides us with valuable operational insights.</p> <p>Since February 2014, Ms. Brooks has served as Vice Chair of Hudson's Bay Company, a North American retailer based in Toronto, Ontario that offers a wide selection of branded merchandise in Canada and the United States through five banners. In Canada, the operations include Hudson's Bay, Canada's largest national branded department store chain, and Home Outfitters, a kitchen, bed and bath superstore chain; and in the United States, the operations include the Lord & Taylor chain of upscale, specialty retail department stores, the Saks Fifth Avenue chain of department stores and Saks Off Fifth, a discount store operation. From February 2012 to January 2014, Ms. Brooks served as President of Hudson's Bay Company and from September 2008 to February 2012, she served as President and Chief Executive Officer of Hudson's Bay Department Stores. Prior to her tenure with Hudson's Bay Company, Ms. Brooks served as President from 2003 to 2008, and as Senior Vice President, Stores and Marketing from 1997 to 2003, of Lane Crawford Joyce Group Ltd., the owner and operator of Asia-based chains of fashion department stores selling designer clothes for men and women. From 2000 to 2002, Ms. Brooks served as the Global Merchandise Director (handling the Harvey Nichols UK and ST Dupont France brands) for Dickson Concepts (International) Limited. Prior to joining Lane Crawford Joyce Group Ltd., Ms. Brooks was at Holt Renfrew &</p>	2014

Table of Contents**Business Experience****During Past Five Years and**

Name (Age)	Other Information	Director Since
	<p>Company, a Canada-based fashion department store, as Senior Vice President from 1996 to 1998 and Executive Vice President/General Merchandise Manager from 1980 to 1991; and as Editor-in-Chief from 1994 to 1996 of Flare, a Canadian fashion magazine. Ms. Brooks has served as a director of Empire Company Ltd., a Canadian company whose key businesses include food retailing and related real estate development, since 2012; as a member of the board of trustees of RioCan Real Estate Investment Trust, a North American real estate owner and operator, since 2013; as a director of Rogers Communications Inc., a Canadian diversified communications and media company, since April 21, 2015; as the Chair of the Board of Trustees of Royal Ontario Museum, since 2013; and as a member of the Board of camh Foundation (Canada), since 2012. From 2009 to 2011, she also served as a director of Indigo Books & Music, Inc., a Canadian retail bookstore chain.</p> <p>Ms. Brooks currently serves as a member of our Nominating and Board Governance Committee. Ms. Brooks brings to the Board substantial experience in the retail industry, having served as chief executive officer and president of three large companies operating branded and upscale department stores in the United States, Canada and Asia. In addition, as a native and current resident of Canada having tenure with both Canada-based and Asia-based retailers, Ms. Brooks provides the Company with additional expertise with respect to the nuances of conducting retail operations in international markets. In addition to her retail market operational expertise, Ms. Brooks' public company board experience makes her highly qualified to serve as a director of the Company.</p>	
Terry L. Burman (69)	<p>From May 2013 to May 2014, Mr. Burman served as Chairman of the Board and as a director of Zale Corporation, a specialty retailer of fine jewelry in North America. He has served as a director of Tuesday Morning Corporation, a closeout retailer of upscale decorative home accessories, housewares, seasonal goods and famous-maker gifts in the United States, since February 2013; as a director of Learning Care Group, a privately-held company operating over 900 learning and daycare centers in the United States, since July 2014; and as a board member since July 2004 and Chairman of the Board since July 2013 of the St. Jude Children's Research Hospital Board of Governors and a board member of ALSAC, the fundraising organization of St. Jude, since July 2004. He also served on the Board of Directors of YCC Holdings LLC, a retailer of candles, fragrances and other products, from October 2007 to October 2013, and on the Board of Directors of ACCESS, an organization providing housing, food and counseling to homeless women and their children in Akron, Ohio, from 1996 to 2012. Mr. Burman was the Chief Executive Officer of Signet Jewelers Limited (Signet), a specialty jewelry retailer, from 2000 to 2011. Mr. Burman joined Signet in 1995 as Chairman and Chief Executive Officer of Sterling Jewelers, Inc., a U.S. division of Signet. He served as a director of Signet from 1996 to 2011. Prior to joining Signet, Mr. Burman held various</p>	2014

Table of Contents

Name (Age)	Business Experience		Director Since
	During Past Five Years and	Other Information	
		senior executive positions of increasing responsibility with Barry's Jewelers, Inc., which now does business as Samuels Jewelers, from 1980 to 1995, including President and Chief Executive Officer from 1993 to 1995. Prior to that, Mr. Burman was a partner with Roberts Department Stores, a regional department store chain specializing in apparel.	
		Mr. Burman currently serves as a member of our Compensation and Organization Committee and our Nominating and Board Governance Committee. Mr. Burman's experience as a chief executive officer in the retail industry, his significant international management experience and his general business and financial acumen are very valuable to the Company and provide the Board with important insight into specialty retail industries as well as strategy and business development.	
Sarah M. Gallagher (63)		Since August 2014, Ms. Gallagher has served as Executive Chairperson of the Rebecca Taylor woman's fashion brand. In this role, she is acting as interim chief executive officer with responsibility for the wholesale, stores and e-commerce businesses. Ms. Gallagher served as President of Ralph Lauren North America e-Commerce from April 2007 until April 2013 and as President of Ralph Lauren Media LLC, Polo.com from November 2001 to March 2007, having joined Ralph Lauren Media in 2001, when e-Commerce was a joint venture with NBC and Ralph Lauren Corporation, a global designer, manufacturer, distributor and retailer of lifestyle products. Under Ms. Gallagher's leadership, the Ralph Lauren e-Commerce business became an industry leader and consistently outpaced the industry growth rate. After establishing Ralph Lauren's web presence, including RalphLauren.com and Rugby.com in the United States, Ms. Gallagher and the U.S. digital team collaborated with the European digital team to oversee Ralph Lauren's expansion into the European markets, including successful launches of e-Commerce sites in the United Kingdom, Germany and France. Prior to her tenure with the Ralph Lauren organization, Ms. Gallagher served from 1997 to 2001, as Senior Vice President, Banana Republic Direct and Senior Vice President, Gap Direct, divisions of Gap, Inc., an international retailer offering clothing, accessories and personal care products under the Gap, Banana Republic and Old Navy brand names, where she was directly responsible for the launch of the Banana Republic catalog, website and all aspects of its e-Commerce business. Prior to joining Gap, Inc., Ms. Gallagher served as Vice President, Apparel, Jewelry and Accessories, from 1996 to 1997 for Avon Products, Inc., a direct seller of beauty and related products; Vice President and General Merchandise Manager, Intimate Apparel from 1985 to 1995 and then Executive Vice President, Merchandising from 1995 to 1996, of Victoria's Secret Catalogue, a direct sales channel for Victoria's Secret Stores; and in various roles from 1971 to 1985 with Lord & Taylor, an upscale, specialty-retail department store chain in the United States, including serving as Divisional Merchandise Manager, Intimate Apparel, from 1983 to 1985.	2014

Table of Contents**Business Experience****During Past Five Years and**

Name (Age)	Other Information	Director Since
Michael E. Greenlees (68)	<p>Ms. Gallagher currently serves as a member of our Corporate Social Responsibility Committee and our Nominating and Board Governance Committees. Ms. Gallagher has over 40 years of retail experience, including more than 30 years with Fortune 500 brands, and status as one of the early movers in the e-Commerce space with more than 15 years of service in that aspect of the retail business, bring valuable expertise and insight to the Board as the Company continues to expand its focus on direct-to-customer business opportunities, both within the United States and internationally.</p>	2011
	<p>Since 2007, Mr. Greenlees has served as Chief Executive Officer of Ebiquity plc, a U.K.-based company that provides data-driven insights to the global media and marketing community and is listed on the London Stock Exchange's AIM market. Mr. Greenlees was one of the original founding partners of Gold Greenlees Trott, or The GGT Group plc, an international advertising and marketing group. The GGT Group plc was listed on the London Stock Exchange in 1986 at which time Mr. Greenlees became Chairman and Chief Executive Officer, a role he occupied for over 10 years until the company's sale to Omnicom Group Inc., a holding company for a number of advertising and marketing services businesses, in 1998. At that time, Mr. Greenlees joined the Board of Directors of Omnicom Group Inc. and served as President and Chief Executive of TBWA Worldwide Inc., a subsidiary with offices in nearly 70 countries. In 2001, Mr. Greenlees became Executive Vice President of Omnicom Group Inc. and served in that role until 2003. From 2004 to 2006, he served as Chief Executive Officer of FastChannel Network, Inc., a software solutions business targeting the advertising and media community. Mr. Greenlees has served on the boards of several public companies, including Omnicom Group Inc., Hewitt Associates Inc. and Ebiquity plc.</p>	
	<p>Mr. Greenlees currently serves as Chair of our Compensation and Organization Committee and as a member of our Audit and Finance Committee. Mr. Greenlees' experience in the role of chief executive officer of Ebiquity plc and service with several public companies, in addition to his significant experience within the global media and marketing community, are very valuable to the Company. In addition, as a U.K. native and current resident, Mr. Greenlees adds to the Company's international experience and profile.</p>	

Table of Contents**Business Experience****During Past Five Years and**

Name (Age)	Other Information	Director Since
Archie M. Griffin (60)	<p>Since July 2010, Mr. Griffin has been the Senior Vice President of Alumni Relations at The Ohio State University. Mr. Griffin has also served as President and Chief Executive Officer of The Ohio State University Alumni Association, Inc. since January 2004 and as an ex-officio member of the Board of Directors of The Ohio State University Foundation since January 2004. Mr. Griffin will continue to serve as Senior Vice President of Alumni Relations at The Ohio State University and President and Chief Executive Officer of The Ohio State University Alumni Association, Inc. until June 30, 2015, after which he will transition to the role of Senior Advisor within the Office of Advancement at The Ohio State University. Mr. Griffin served as the Associate Director of Athletics at The Ohio State University from 1994 to 2003, after serving more than nine years in various positions within the Athletic and Employment Services Departments at The Ohio State University. Mr. Griffin has also served as a director of Motorists Mutual Insurance Company since 1991 and the Ohio Auto Club since 1992. Mr. Griffin has also served as a member of the Board of the Columbus Youth Foundation (Vice Chair) since 1991 and as a member of the Board of the National Football Foundation since 2006.</p> <p>Mr. Griffin currently serves as Chair of our Corporate Social Responsibility Committee and as a member of our Nominating and Board Governance Committee. Mr. Griffin is one of the most well-respected and well-recognized individuals in the State of Ohio, currently serving as Senior Vice President of Alumni Relations at The Ohio State University and President and Chief Executive Officer of The Ohio State University Alumni Association, Inc. until June 30, 2015, after which he will transition to the role of Senior Advisor within the Office of Advancement at The Ohio State University. Mr. Griffin's experience on the Board and institutional knowledge of the Company are also valuable.</p>	2000
Charles R. Perrin (69)	<p>Mr. Perrin served as the non-executive Chairman of The Warnaco Group, Inc., a company which designed, sourced, marketed, licensed and distributed a broad line of intimate apparel, sportswear and swimwear products worldwide, from March 2004 to February 2013. He has served as a director of Campbell Soup Company, which manufactures and markets soup, sauces, beverages, biscuits, confectionary and prepared branded consumer food products, since 1999. He also serves as the Board Chairman of Save the Children.</p> <p>Mr. Perrin currently serves as a member of our Audit and Finance Committee and our Compensation and Organization Committee. Mr. Perrin brings to the Board substantial experience in and perspective on consumer marketing, business operations and the packaged goods industry. In January 1998, he joined Avon Products, Inc., a global manufacturer and marketer of beauty and related products, as Vice Chairman and Chief Operating Officer, and served as Chief Executive Officer of that company from June</p>	2014

Table of Contents**Business Experience****During Past Five Years and**

Name (Age)	Other Information	Director Since
Stephanie M. Shern (67)	<p>1998 to November 1999. From 1994 to 1996, he was Chairman and Chief Executive Officer of Duracell International, Inc., a manufacturer and marketer of various battery types primarily under the DURACELL® brand. He joined Duracell as President of Duracell USA, and later held a number of other executive positions, including President and Chief Operating Officer of Duracell International, Inc. from 1992 to 1994. He previously worked at Chesebrough Ponds, Inc., where he held a series of sales, marketing and general management positions and served as President of the Packaged Food Division. Mr. Perrin began his business career at General Foods Corporation. His extensive background in retail, sales and marketing are very valuable to the Company.</p>	2014
	<p>From 1995 to April 2001, Mrs. Shern was the Vice Chairman and Global Director of Retail and Consumer Products for Ernst & Young LLP and a member of Ernst & Young's board and management committee in the United States. Also during that time and from 1981, she was a partner at Ernst & Young serving various clients in the retail and consumer sectors. Mrs. Shern was with Ernst & Young for over 30 years. Mrs. Shern is a CPA and a member of the American Institute of CPAs and the New York State Society of CPAs. Mrs. Shern is currently a director and Chair of the Audit Committee and a member of the Remuneration Committee of Koninklijke Ahold N.V. (Royal Ahold), a Dutch-based international retailing group that operates supermarkets in the United States and Europe; and a director and Chair of the Audit Committee of GameStop Corp., a global, multichannel video game, consumer electronics and wireless services retailer, where she also serves as the Lead Independent Director. During the past five years, Mrs. Shern has served as a director of CenturyLink, Inc.; Embarq Corporation; The Scotts Miracle-Gro Company; Sprint Nextel Corporation; and Nextel Communications, Inc. Additionally, she is a founding member of the Lead Director Network, a peer group of lead directors sponsored by King & Spalding and convened by Tapestry Networks, and a founding member of the Southwest Region of the United States Audit Committee Network, a peer group of Audit Committee chairs sponsored by Ernst & Young and convened by Tapestry Networks.</p>	
	<p>Mrs. Shern currently serves as a member of our Audit and Finance Committee. Mrs. Shern spent a significant portion of her nearly 40-year career focused on retail and consumer industries in both the United States and abroad. As a result, she has very strong leadership, international, marketing/consumer industry and retail experience. As a CPA and Chair of the Audit Committee of each of GameStop Corp. and Koninklijke Ahold N.V. (Royal Ahold), and the former Chair of the Audit and Finance Committee of The Scotts Miracle-Gro Company, Mrs. Shern has extensive financial experience.</p>	

Table of Contents**Business Experience****During Past Five Years and**

Name (Age)	Other Information	Director Since
Craig R. Stapleton (70)	<p>Since January 2009, Mr. Stapleton has served as Senior Adviser to Stone Point Capital, a private equity firm. Mr. Stapleton served as United States Ambassador to France from 2005 to 2009. He also served as United States Ambassador to the Czech Republic from 2001 until 2004. Mr. Stapleton served as President of Marsh and McLennan Real Estate Advisors of New York, a commercial real estate firm, from 1982 until 2001. He has been a co-owner of the St. Louis Cardinals baseball team since July 2009 and was a co-owner of the Texas Rangers baseball team from 1989 until 1998. Mr. Stapleton has served on the Board of Directors of Flamel Technologies, S.A. since July 2011 (becoming Chairman of the Board in July 2014). He also has served as a member of the Board of Directors of the George W. Bush Library and Foundation since January 2006, and as a member of the Board of Directors of the National September 11 Memorial and Museum at the World Trade Center since January 2009. Mr. Stapleton also currently serves as a director of two private companies: Carlile Bancshares, Inc. and C3/CustomerContactChannels.</p>	2009

Mr. Stapleton currently serves as Chair of our Nominating and Board Governance Committee and as a member of our Audit and Finance Committee, our Compensation and Organization Committee and our Executive Committee, and served as the Company's Lead Independent Director from February 23, 2010 to January 27, 2014. During his service as the Company's first Lead Independent Director, Mr. Stapleton exemplified strong, effective leadership as the complexity of the issues faced by the Company continued to increase as the Company expanded internationally. Mr. Stapleton's experience as an United States Ambassador to several countries in Europe provides a valuable perspective as the Company continues its international expansion. His real estate and private equity backgrounds give him a broad perspective on real estate and capital strategies.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF

THE NOMINEES IDENTIFIED ABOVE ON THE FORM OF PROXY.

Certain Relationships and Related Person Transactions***Review, Approval or Ratification of Transactions with Related Persons***

The Board has adopted the Abercrombie & Fitch Co. Related Person Transaction Policy (the "Policy"), which is administered by the Nominating and Board Governance Committee and the Company's General Counsel. A copy of the Policy is posted on the Corporate Governance page of the Company's website at www.bercrombie.com, accessible through the Investors page. The Policy applies to any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which the Company or one of its subsidiaries participates or will participate, the amount involved exceeds or is expected to exceed \$120,000, and a related person had, has or will have a direct or indirect interest. Pursuant to the Policy, a related person is any person:

who is or was an executive officer, a director or a director nominee of the Company, or an immediate family member of any such individual, at any time since the beginning of the Company's last fiscal year; or

Table of Contents

who, at the time of the occurrence or at any time during the existence of the transaction, is the beneficial owner of more than 5% of the Company's outstanding shares of Common Stock, or an immediate family member of a beneficial owner of more than 5% of the Company's outstanding Common Stock.

Each director, director nominee or executive officer of the Company must notify the Company's General Counsel in writing of any interest that such individual or an immediate family member of such individual had, has or may have, in a related person transaction. Each director, director nominee and executive officer also completes a questionnaire on an annual basis designed to elicit information about potential related person transactions. In addition, any related person transaction proposed to be entered into by the Company or one of its subsidiaries must be reported by the Company's management to the Company's General Counsel. Any potential related person transaction that is raised will be analyzed by the Company's General Counsel, in consultation with the Company's management and with outside counsel, as appropriate, to determine whether the transaction, arrangement or relationship does, in fact, constitute a related person transaction requiring compliance with the Policy.

Pursuant to the Policy, all related person transactions (other than those deemed to be pre-approved or ratified under the terms of the Policy) will be referred to the Nominating and Board Governance Committee for approval (or disapproval), ratification, revision or termination. Whenever practicable, a related person transaction is to be reviewed and approved or disapproved by the Nominating and Board Governance Committee prior to the effective date or consummation of the transaction. If the Company's General Counsel determines that advance consideration of a related person transaction is not practicable under the circumstances, the Nominating and Board Governance Committee will review and, in its discretion, may ratify the transaction at that Committee's next meeting. If the Company becomes aware of a related person transaction not previously approved under the Policy, the Nominating and Board Governance Committee will promptly review the transaction, including the relevant facts and circumstances, and evaluate all options available to the Company, including ratification, revision, termination or rescission of the transaction, and take the course of action that Committee deems appropriate under the circumstances.

No director may participate in any approval or ratification of a related person transaction in which the director or an immediate family member of the director is involved. The Nominating and Board Governance Committee may only approve or ratify those transactions that the Committee determines to be in the Company's best interests. In making this determination, the Nominating and Board Governance Committee will review and consider all relevant information available to it, including:

the related person's interest in the transaction;

the approximate dollar value of the transaction;

the approximate dollar value of the related person's interest in the transaction without considering the amount of any profit or loss;

whether the transaction was undertaken in the ordinary course of the business of the Company or the applicable subsidiary of the Company;

whether the terms of the transaction are no less favorable to the Company or the applicable subsidiary of the Company than terms that could be reached with an unrelated third party;

the purpose of the transaction and its potential benefits to the Company or the applicable subsidiary of the Company;

the impact of the transaction on the related person's independence; and

any other information regarding the transaction or the related person that would be material to investors in light of the circumstances. Any related person transaction previously approved or ratified by the Nominating and Board Governance Committee or otherwise already existing that is ongoing in nature is to be reviewed by the Nominating and Board Governance Committee annually.

Table of Contents

Pursuant to the terms of the Policy, the following related person transactions are deemed to be pre-approved or ratified (as appropriate) by the Nominating and Board Governance Committee even if the aggregate amount involved would exceed \$120,000:

interests arising solely from ownership of the Company's Common Stock if all stockholders receive the same benefit on a pro rata basis;

compensation to an executive officer of the Company, as long as the executive officer is not an immediate family member of another executive officer or director of the Company and the compensation has been approved, or recommended to the Board for approval, by the Compensation and Organization Committee;

compensation to a director for services as a director if the compensation is required to be reported in the Company's proxy statement;

interests deriving solely from a related person's position as a director of another corporation or organization that is a party to the transaction;

interests deriving solely from the related person's direct or indirect ownership of less than 10% of the equity interest (other than a general partnership interest) in another person which is a party to the transaction; and

transactions involving competitive bids.

The Code of Business Conduct and Ethics adopted by the Board also addresses the potential conflicts of interest which may arise when a director, an officer or an associate has an interest in a transaction to which the Company or one of its subsidiaries is a party. If a potential conflict of interest arises concerning an officer or a director of the Company, all information regarding the issue is to be reported to the Company's Chief Ethics and Compliance Officer and the Company's General Counsel for review and, if appropriate or required under the Company's policies (including the Company's Related Person Transaction Policy), submitted to the Nominating and Board Governance Committee for review and disposition.

Director Independence

The Board has reviewed, considered and discussed each current director's relationships, both direct and indirect, with the Company in order to determine whether such director meets the independence requirements of the applicable NYSE Rules. The Board has determined that all eleven of the current directors qualify as independent under the applicable NYSE Rules. Specifically, the Board has determined that each of James B. Bachmann, Bonnie R. Brooks, Terry L. Burman, Sarah M. Gallagher, Michael E. Greenlees, Archie M. Griffin, Arthur C. Martinez, Diane L. Neal, Charles R. Perrin, Stephanie M. Shern and Craig R. Stapleton has no commercial, industrial, banking, consulting, legal, accounting, charitable, familial or other relationship with the Company, either directly or indirectly, that would be inconsistent with a determination of independence under the applicable NYSE Rules. In the course of reaching these determinations, the Board considered among other things:

Mr. Bachmann and Mrs. Shern are former partners with Ernst & Young LLP, retiring in 2003 and 2001, respectively. The Company and its subsidiaries from time to time engage Ernst & Young LLP for non-audit services, primarily in the nature of information technology consulting, expatriate tax work and consulting in respect of discrete nominal tax and accounting projects. In Fiscal 2014, Fiscal 2013 and Fiscal 2012, the Company and its subsidiaries paid Ernst & Young LLP approximately \$269,000, \$1,866,000 and \$1,905,000, respectively, in fees. As retired partners with respect to Ernst & Young LLP, neither Mr. Bachmann nor Mrs. Shern has any direct or indirect interest in the business relationship or transactions between Ernst & Young LLP and the Company and its subsidiaries.

Mr. Martinez served as a director of American International Group, Inc. (AIG) from 2009 until his retirement on May 13, 2015. The Company and its subsidiaries have, from time to time, purchased insurance through subsidiaries of AIG, the premiums for which have

not exceeded \$1,200,000 in any year since the beginning of Fiscal 2012. Mr. Martinez's only interest in the underlying business relationship arises from his service as a director of AIG.

Table of Contents

Mr. Griffin is currently serving as the Senior Vice President of Alumni Relations at The Ohio State University, President and Chief Executive Officer of The Ohio State University Alumni Association, Inc. and an ex-officio member of the Board of Directors of The Ohio State University Foundation. The Company will, subject to certain conditions, facilitate gifts which could aggregate to \$10,000,000 over no more than ten years (2007 to 2016) to The Ohio State University Foundation, which gifts are contemplated to be allocated to The Ohio State University Wexner Medical Center. To date, the Company has donated approximately \$8,500,000 pursuant to this arrangement. Mr. Griffin was not involved, directly or indirectly, in the solicitation of these gifts to The Ohio State University Foundation. Since the beginning of Fiscal 2012, the Company has paid The Ohio State University fees associated with several on-campus associate recruitment activities, the aggregate of which has not exceeded \$15,000 over this period. Mr. Griffin was not personally involved, directly or indirectly, in the determination as to whether to participate in these activities.

Since the beginning of Fiscal 2012, the Company has made other charitable contributions to certain charitable organizations with which one or more of the directors of the Company or their immediate family members are affiliated. None of these charitable contributions has exceeded \$50,000 in any year within this period.

There are no family relationships among any of the current directors and executive officers of the Company. Please see the text under the caption EXECUTIVE OFFICERS OF THE REGISTRANT at the end of ITEM 1. BUSINESS in Part I of the Company's Fiscal 2014 Form 10-K for information about the Company's executive officers.

The Board previously reviewed, considered and discussed the relationships, both direct and indirect, between the Company and each of Lauren J. Brisky, Kevin S. Huvane, John W. Kessler and Elizabeth M. Lee, who served as directors of the Company during Fiscal 2014 from February 2, 2014 to June 19, 2014, in order to determine whether they met the independence requirements of the NYSE Rules during their period of service as a director in Fiscal 2014. The Board determined that each of Lauren J. Brisky, Kevin S. Huvane and Elizabeth M. Lee had no commercial, industrial, banking, consulting, legal, accounting, charitable, familial or other relationship with the Company, either directly or indirectly, that would be inconsistent with a determination of independence under the applicable NYSE Rules.

With respect to John W. Kessler, the Board broadly considered all relevant facts and circumstances, including (i) certain indirect relationships between Mr. Kessler or members of his immediate family and the Company (such as (a) the Company's engagement from time to time of the Jones Day law firm (Mr. Kessler's daughter serves as Partner-in-Charge of the Columbus office of Jones Day but, to the Company's knowledge, had no material direct or indirect interest in the fees paid by the Company to Jones Day during Mr. Kessler's service as a director of the Company), (b) the Company's charitable contributions to affiliates of The Ohio State University (Mr. Kessler's son-in-law served as Senior Vice President and Chief Financial Officer of The Ohio State University) and (c) the Company's pledge of a conditional donation of \$1,000,000 a year for ten years (2006 to 2015) to Nationwide Children's Hospital (Mr. Kessler's son-in-law had served on the Board of Directors of Nationwide Children's Hospital Foundation since 2005; however, Mr. Kessler was not involved, directly or indirectly, in the solicitation of the conditional pledge to Nationwide Children's Hospital); (ii) discussions with certain stockholders of the Company; and (iii) positions of certain proxy advisory firms. Although none of the aforementioned relationships disqualified Mr. Kessler from being deemed independent under the NYSE Rules and although the Company had analyzed the indirect relationships noted in (i) above under Item 404 of SEC Regulation S-K and the Company's Related Person Transaction Policy and concluded that none of such relationships constituted a related person transaction, the Board determined that, based on the relevant facts and circumstances as a whole, Mr. Kessler did not qualify as independent during his period of service in Fiscal 2014. Mr. Kessler did not serve on the Audit and Finance Committee, the Compensation and Organization Committee or the Nominating and Board Governance Committee during Fiscal 2014.

Mr. Jeffries did not qualify as independent during his period of service as a director in Fiscal 2014 because he also served as an executive officer of the Company.

Table of Contents

Meetings of and Communications with the Board

The Board held 15 meetings of the full Board and ten meetings of the non-management directors (in the form of executive sessions scheduled as agenda items at regularly scheduled in-person meetings of the Board) during Fiscal 2014. All of the incumbent directors attended at least 75% of the Board and Board committee meetings they were eligible to attend during Fiscal 2014.

Although the Company does not have a formal policy requiring members of the Board to attend annual meetings of the stockholders, the Company encourages all incumbent directors and director nominees to attend each annual meeting of stockholders. All of the current directors attended the Company's last annual meeting of stockholders held on June 19, 2014.

In accordance with the Company's Corporate Governance Guidelines and applicable NYSE Rules, the non-management directors of the Company meet (without management present) at regularly scheduled executive sessions at least twice per year and at such other times as the directors deem necessary or appropriate. Executive sessions of the non-management directors are scheduled as an agenda item at each regularly scheduled in-person meeting of the Board, although the non-management directors do not always meet in executive session. All meetings of non-management or independent directors are presided over by the Company Chairman (who is the Chairman of the Board of the Company, if the Chairman of the Board is not also the Chief Executive Officer of the Company). If the non-management directors include directors who are not independent, then at least once a year the independent directors of the Company will meet in executive session and the Company Chairman will preside at each executive session.

The Board believes it is important for stockholders and other interested parties to have a process to send communications to the Board and its individual members. Accordingly, stockholders and other interested parties who wish to communicate with the Board, the non-management directors as a group, the independent directors as a group, the Company Chairman, or a particular director may do so by sending a letter to such individual or individuals, in care of the Company's Corporate Secretary, to the Company's offices at 6301 Fitch Path, New Albany, Ohio 43054. The mailing envelope must contain a clear notation indicating that the enclosed letter is a Stockholder/Interested Party Non-Management Director Communication, Stockholder/Interested Party Board Communication, Stockholder/Interested Party Independent Director Communication, Stockholder/Interested Party Company Chairman Communication or Stockholder/Interested Party Director Communication, as appropriate. All such letters must identify the author as a stockholder or other interested party and clearly state whether the intended recipients are all members of the Board, all non-management directors, all independent directors or certain specified individual directors. Copies of all such letters will be circulated to the appropriate director or directors. Correspondence marked personal and confidential will be delivered to the intended recipient without opening. There is no screening process in respect of communications from stockholders or other interested parties.

Board Leadership Structure

On January 27, 2014, the Board separated the positions of Chief Executive Officer and Chairman of the Board, elected Arthur C. Martinez, Terry L. Burman and Charles R. Perrin to three newly-created directorships on the Board, and appointed Arthur C. Martinez as Non-Executive Chairman of the Board. Subsequently, the Board nominated four new independent directors—Bonnie R. Brooks, Sarah M. Gallagher, Diane L. Neal and Stephanie M. Shern—for election, and accepted the decision of four incumbent directors not to stand for re-election, at the 2014 Annual Meeting of Stockholders.

On December 8, 2014, Michael S. Jeffries retired from the position of Chief Executive Officer of the Company and resigned as a director of the Company. Mr. Jeffries' employment with the Company terminated December 31, 2014.

Also on December 8, 2014, the Board appointed Arthur C. Martinez, who was then serving as Non-Executive Chairman of the Board, to serve as Executive Chairman of the Board, appointed Jonathan E. Ramsden, who also serves as Chief Operating Officer of the Company, to serve as Interim Principal Executive

Table of Contents

Officer of the Company, and formed an Office of the Chairman, whose members are Arthur C. Martinez, Jonathan E. Ramsden, Christos E. Angelides, Brand President of Abercrombie & Fitch and abercrombie kids, and Fran Horowitz, Brand President of Hollister, until a new Chief Executive Officer is appointed. As a result of this appointment, Mr. Martinez is spending a significant amount of time leading the Office of the Chairman. In addition, certain officers of the Company, including the members of the Office of the Chairman, report to Mr. Martinez as a representative of the Board. Mr. Martinez continues to provide the experienced and independent leadership necessary as the Board continues its search and selection process for a new Chief Executive Officer.

The Company's Board is currently comprised of eleven non-associate directors, all of whom are independent. On April 11, 2015, Diane L. Neal informed the Company that, due to her responsibilities in her new position as Chief Executive Officer of Sur La Table, Inc. and limitations on board positions as a result of those responsibilities, she has decided not to stand for re-election to the Board at the Annual Meeting but will serve out her remaining term. At its meeting on April 20, 2015, the Board took action to reduce the number of directors from eleven to ten directors, effective upon the expiration of the current terms of the directors of the Company immediately prior to the Annual Meeting. As a result, ten directors will be elected at the Annual Meeting. If all of the Nominees are elected, the Board will be comprised of ten non-associate directors.

The Board has adopted a written description of the duties and responsibilities of a Company Chairman and of a Lead Independent Director (who is appointed if the Chairman of the Board is also the Chief Executive Officer). Mr. Martinez has served as Company Chairman since January 27, 2014. The role of the Company Chairman addresses responsibilities in the areas of Board leadership, management liaison and stockholder outreach. In particular, in his role as Company Chairman, Mr. Martinez has the following duties and responsibilities:

calling and presiding over all meetings of the Board, having set in advance the agenda;

presiding over executive sessions of the independent directors, without management present, and facilitating productive and focused discussions;

organizing Board discussion items and workflow;

establishing procedures to govern the Board's work, including the annual schedule of the Board;

establishing agendas for all Board meetings, in collaboration with the Chief Executive Officer;

consulting with all directors concerning Board agendas and information provided to the Board;

overseeing the distribution of information to directors to enable the Board's monitoring of the Company's performance and the performance of management of the Company;

promoting effective communications between the Board and management of the Company on developments occurring between Board meetings;

working with the Chair of the Nominating and Board Governance Committee with respect to the recruitment, selection and orientation of new Board members and Board committee composition;

leading the Board's review of the succession plan for the Chief Executive Officer and other key senior executives;

discussing the Company's executive compensation program with the Company's large institutional stockholders, including input and advice from the Chair of the Compensation and Organization Committee and that Committee's independent consultant, and reporting any feedback to the Compensation and Organization Committee;

coordinating the Board's self-assessment and evaluation process and ensuring that Board members continually update their skills and knowledge required to fulfill their roles on the Board and on Board committees;

Table of Contents

coordinating periodic Board input and review of management's strategic plan for the Company;

facilitating the communication between and among the independent directors and management of the Company;

briefing the Chief Executive Officer on issues and concerns arising in the executive sessions of the independent directors;

coordinating and chairing the annual Board performance review of the Chief Executive Officer and communicating the results to the Chief Executive Officer;

providing strategic advice to the Chief Executive Officer on operational and financial matters, as necessary;

presiding over annual and special meetings of the Company's stockholders;

facilitating communications with investors on Wall Street, in collaboration with the Chief Executive Officer;

ensuring that views of major investors in the Company's Common Stock are communicated to the Board, in collaboration with the Chief Executive Officer;

being available for consultation and direct communication with the Company's stockholders;

performing such other duties as the Board may from time to time delegate.

The Board has five standing committees: Audit and Finance; Compensation and Organization; Corporate Social Responsibility; Executive; and Nominating and Board Governance. Each of these committees has a separate independent chair. Detailed information about each Board committee and such Board committee's duties and responsibilities is contained in the section captioned **Committees of the Board** beginning on page 33.

Currently, the Company does not have a Chief Executive Officer or an Interim Chief Executive Officer. The Company believes that the appointment of Mr. Martinez as Executive Chairman of the Board, the appointment of Jonathan E. Ramsden as Interim Principal Executive Officer, and the formation of the Office of the Chairman, whose members are Mr. Martinez, Mr. Ramsden, Mr. Angelides and Ms. Horowitz, allows for effective management of the Company's business during the transition period until a new Chief Executive Officer is appointed. In addition, the Company believes that the independent Company Chairman, together with a Board whose members all qualify as independent including the chairs for each of our Board committees, regularly scheduled executive sessions of the independent directors and written duties and responsibilities for the Company Chairman as well as for each of our standing committees represents the most appropriate Board leadership structure for the Company at this time. This structure demonstrates to all of our stakeholders, including our associates, customers and stockholders, that our Board is committed to engaged, independent leadership and the performance of its responsibilities. Experienced and independent Board members oversee the Company's operations, risks, performance and business strategy. The Board believes that its strong corporate governance practices provide an appropriate balance among strategy development, operational execution and independent oversight of the Company.

Table of Contents**Committees of the Board**

The Board has five standing committees – the Audit and Finance Committee, the Compensation and Organization Committee, the Corporate Social Responsibility Committee, the Executive Committee and the Nominating and Board Governance Committee. The current members of these committees are identified in the following table.

Director	Committees of the Board				
	Audit and Finance	Compensation and Organization	Corporate Social Responsibility	Executive	Nominating and Board Governance
James B. Bachmann	Chair		X		
Bonnie R. Brooks					X
Terry L. Burman		X			X
Sarah M. Gallagher			X		X
Michael E. Greenlees	X	Chair			
Archie M. Griffin			Chair		X
Arthur C. Martinez				Chair	
Diane L. Neal		X			
Charles R. Perrin	X	X			
Stephanie M. Shern	X				
Craig R. Stapleton	X	X		X	Chair
Fiscal 2014 Meetings	14	11	4	2	6

Audit and Finance Committee

The Audit and Finance Committee was established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act). James B. Bachmann, Michael E. Greenlees and Craig R. Stapleton served as members of the Audit and Finance Committee throughout Fiscal 2014. Charles R. Perrin and Stephanie M. Shern were appointed to the Audit and Finance Committee on February 20, 2014 and June 19, 2014, respectively. Lauren J. Brisky served as a member of the Audit and Finance Committee during Fiscal 2014 from February 2, 2014 to June 19, 2014. The Board has determined that each current member of the Audit and Finance Committee qualifies, and during her period of service in Fiscal 2014 Ms. Brisky qualified, as an independent director under the applicable NYSE Rules and under SEC Rule 10A-3. The Board has also determined that all current members of the Audit and Finance Committee as well as Ms. Brisky are financially literate under the applicable NYSE Rules and that each of Messrs. Bachmann, Greenlees and Stapleton and Mrs. Shern qualifies, and during her period of service in Fiscal 2014 Ms. Brisky qualified, as an audit committee financial expert under applicable SEC rules and regulations (SEC Rules) by virtue of their respective experience which, for the current members of the Audit and Finance Committee, is described in the section captioned

PROPOSAL 1 ELECTION OF DIRECTORS beginning on page 18. The Board believes that each member of the Audit and Finance Committee is highly qualified to discharge his or her duties on behalf of the Company and its subsidiaries.

The Audit and Finance Committee is organized and conducts its business pursuant to a written charter that was most recently revised by the Board on February 18, 2015, a copy of which is posted on the Corporate Governance page of the Company's website at www.bercrombie.com, accessible through the Investors page. The revised charter included a change to the name of the committee from the Audit Committee to the Audit and Finance Committee to reflect the additional responsibilities provided for the committee. At least annually, the Audit and Finance Committee, in consultation with the Nominating and Board Governance Committee, reviews and reassesses the adequacy of its charter and recommends any proposed changes to the full Board as necessary to reflect changes in regulatory requirements, authoritative guidance and evolving practices.

Table of Contents

The duties and responsibilities of the Audit and Finance Committee are set forth in its charter. The primary functions of the Audit and Finance Committee are to assist the Board in its oversight of:

the integrity of the Company's financial statements and the effectiveness of the Company's systems of disclosure controls and procedures and internal control over financial reporting;

the compliance by the Company and its subsidiaries with legal and regulatory requirements;

the qualifications and independence of the Company's independent registered public accounting firm;

the performance of the Company's internal audit function and the Company's independent registered public accounting firm;

compliance with the Company's Code of Business Conduct and Ethics;

enterprise risk issues and enterprise risk management policies, guidelines and programs;

the annual independent audit of the Company's financial statements; and

the review of the financial plans and policies of the Company.

The Audit and Finance Committee's specific responsibilities include:

reviewing and discussing with the Company's independent registered public accounting firm, on an annual basis, the overall scope of the annual audit plan, including, as appropriate, the adequacy of staffing, the services to be provided and the audit procedures to be used;

reviewing and discussing with management of the Company and the Company's independent registered public accounting firm the Company's financial statements and the related disclosures to be made in the Company's periodic reports filed with the SEC, and discussing any other matters required to be communicated to the Audit and Finance Committee by the Company's independent registered public accounting firm under Public Company Accounting Oversight Board (the PCAOB) standards;

reviewing with management of the Company, the Company's independent registered public accounting firm and the Company's Head of Internal Audit, the Company's accounting principles, procedures and policies, financial statement presentation and internal controls;

reviewing and discussing with management of the Company, the Company's disclosure controls and procedures and, at least quarterly, reviewing management's conclusions about the efficacy of such disclosure controls and procedures;

reviewing and discussing with management of the Company, the Company's Head of Internal Audit and the Company's independent registered public accounting firm, management's annual report on internal control over financial reporting and the independent

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

registered public accounting firm's report on internal control over financial reporting;

reviewing all other relevant reports or financial information prior to such documents being submitted by the Company to any governmental body or the public, including management certifications as required by the Sarbanes-Oxley Act of 2002;

reviewing and discussing with the Company's independent registered public accounting firm the activities and results of the audit conducted by that firm;

overseeing the Company's enterprise risk management framework;

reviewing and discussing with the General Counsel, the Company's Head of Internal Audit, the Chief Operating Officer, the Chief Financial Officer, the Chief Ethics and Compliance Officer and the Company's independent registered public accounting firm any significant risks or exposures, steps management of the Company has taken or should consider taking to minimize such risks and exposures and the Company's policies with respect to risk assessment and risk management;

Table of Contents

at least annually, authorizing the appointment, compensation and retention of, and overseeing the work of, the Company's independent registered public accounting firm, including the resolution of disagreements between management of the Company and the Company's independent registered public accounting firm regarding financial reporting;

reviewing the independence, qualifications and performance of the Company's independent registered public accounting firm;

approving pre-approval policies and procedures and reviewing and pre-approving all audit services and permitted non-audit services to be performed for the Company or any of its subsidiaries by the Company's independent registered public accounting firm;

setting a hiring policy for employees or former employees of the Company's independent registered public accounting firm;

authorizing the appointment, retention and compensation, in consultation with the Compensation and Organization Committee, of the Company's Head of Internal Audit and overseeing the work of the Company's Head of Internal Audit including resolution of disagreements between management of the Company and the Company's Head of Internal Audit encountered in the course of an internal audit;

reviewing and approving the annual internal audit plan;

reviewing and discussing with the Company's Head of Internal Audit the results of the internal audit (including the Head of Internal Audit's audit reports) and the Head of Internal Audit's assessments of the Company's risk management processes and system of internal control;

reviewing and approving the Internal Audit Charter on a periodic basis;

at least annually, reviewing and discussing with management of the Company, the General Counsel, the Chief Ethics and Compliance Officer, the Company's Head of Internal Audit and the Company's independent registered public accounting firm, the Company's processes regarding compliance with legal and regulatory requirements and communication of and compliance with the Company's Corporate Governance Guidelines and Code of Business Conduct and Ethics;

approving procedures established by the Company and requiring the Company, in consultation with the Chief Ethics and Compliance Officer and the General Counsel, to obtain or provide the necessary resources and mechanisms for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters (including confidential, anonymous complaints by associates of the Company), or (ii) such other complaints as may come before the Audit and Finance Committee, and overseeing the resolutions of such complaints;

periodically reviewing and approving the Chief Ethics and Compliance Officer's responsibilities, resources and budget as approved by the General Counsel;

periodically meeting with the General Counsel, the Chief Ethics and Compliance Officer and the Company's outside counsel when appropriate, to review legal and regulatory matters;

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

reviewing the Company's program to monitor compliance with the Company's Code of Business Conduct and Ethics and periodically meeting with the General Counsel and the Chief Ethics and Compliance Officer to discuss compliance with the Company's Code of Business Conduct and Ethics. Any waivers of the Company's Code of Business Conduct and Ethics are to be reviewed and approved by the Audit and Finance Committee, the Company's Chairman of the Board and the Chair of the Nominating and Board Governance Committee. The Chair of the Audit and Finance Committee, together with the General Counsel and the Chief Ethics and Compliance Officer, are to review reports of the Company's independent registered public accounting firm of possible violations of, and any matters discovered during their examination of the Company's financial statements that appear to violate, the Company's Code of Business Conduct and Ethics;

reviewing and recommending to the Board for approval: (i) operating and capital expenditure approval policies; (ii) investment policies to establish guidelines for the ongoing management of cash and

Table of Contents

investments held by the Company and its subsidiaries as well as investments held in the Rabbi Trust established by the Company; (iii) hedging policies; and (iv) all major transactions, including acquisitions, significant real estate transactions, significant long-term contractual commitments, including joint venture agreements and franchise arrangements, and significant asset dispositions by the Company or any of its subsidiaries, with any transaction being deemed significant for these purposes if the expected net present value of the Company's or subsidiary's minimum commitment exceeds \$20 million;

reviewing and recommending to the Board for approval, significant decisions regarding the sources of external financing for the Company and its subsidiaries, including capital structure, credit and debt facilities, senior lenders and their respective relationships with rating agencies;

reviewing the Company's proposed share repurchases pursuant to programs approved by the Board;

reviewing performance metrics to be included in long-term incentive awards approved by the Compensation and Organization Committee;

reviewing and recommending to the Board for approval the Company's dividend policy;

reviewing and recommending to the Board for approval matters relating to corporate financing at the Company or subsidiary level and the issuance and sale of Company securities;

reviewing and recommending to the Board for approval significant matters relating to tax policy, the Company's effective tax rate and tax planning proposals;

reviewing and discussing with management of the Company the major financial risk exposures and the steps management has taken to monitor and control such exposures;

reviewing any other information related to the responsibilities of the Audit and Finance Committee required under applicable rules and regulations of the SEC, NYSE and PCAOB;

reviewing and recommending to the Board appropriate insurance coverage for directors and officers of the Company; and

preparing an annual report for inclusion in the Company's proxy statement.

The Audit and Finance Committee's annual report relating to Fiscal 2014 begins on page 96.

Compensation and Organization Committee

The Compensation and Organization Committee provides overall guidance for the Company's executive compensation policies and approves the amounts and elements of compensation for the Company's executive officers. Michael E. Greenlees and Craig R. Stapleton served as members of the Compensation and Organization Committee throughout Fiscal 2014. Terry L. Burman and Charles R. Perrin were appointed to the Compensation and Organization Committee on February 20, 2014 and Diane L. Neal was appointed as a member on June 19, 2014. Kevin S. Huvane served as a member of the Compensation and Organization Committee during Fiscal 2014 from February 2, 2014 to June 19, 2014. The Board has determined that each current member of the Compensation and Organization Committee qualifies, and that during his period of service in Fiscal 2014 Kevin S. Huvane qualified, as an independent director under the applicable NYSE Rules, including those specifically applicable to members of a compensation committee.

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

The Compensation and Organization Committee is organized and conducts its business pursuant to a written charter which was most recently revised by the Board on August 20, 2014, a copy of which is posted on the Corporate Governance page of the Company's website at www.bercrombie.com, accessible through the Investors page. The revised charter included a change to the name of the committee from the Compensation Committee to the Compensation and Organization Committee to reflect the additional responsibilities provided for the committee. At least annually, the Compensation and Organization Committee reviews and reassesses the adequacy of its charter, in consultation with the Nominating and Board Governance Committee, and recommends any proposed changes to the full Board as necessary to reflect changes in regulatory requirements, authoritative guidance and evolving practices.

Table of Contents

The Compensation and Organization Committee's charter sets forth the duties and responsibilities of the Compensation and Organization Committee, which include:

reviewing and approving the general compensation policies applicable to certain officers of the Company as determined by the Compensation and Organization Committee, including all executive officers;

periodically reviewing and monitoring the methods and criteria used by the Company to review and evaluate the performance of certain officers of the Company as determined by the Compensation and Organization Committee, including all executive officers;

reviewing and approving, at least annually, the goals and objectives relevant to the compensation of the Chief Executive Officer after consultation with other independent directors, evaluating the performance of the Chief Executive Officer in light of those goals and objectives and setting compensation levels for the Chief Executive Officer based on the evaluation;

reviewing performance evaluations by the Company's management of certain officers of the Company as determined by the Compensation and Organization Committee, including all executive officers, in light of approved goals and objectives, and determining and approving the compensation of these officers;

periodically reviewing and approving the peer companies used in evaluating the compensation of the Chief Executive Officer, other select officers of the Company, including all executive officers, and non-associate directors of the Company;

reviewing and approving metrics to be used for the determination of payouts under cash-based and equity-based incentive programs;

evaluating the need for, and reviewing, approving, amending and/or terminating any employment contracts, including severance arrangements, for certain officers of the Company as determined by the Compensation and Organization Committee, including all executive officers;

reviewing and making recommendations to the Board regarding incentive compensation plans and equity-based plans;

administering the Company's equity-based plans and other plans as required by then applicable laws, rules and regulations and/or the terms of the plans and recommending to the Board amendments to the plans as the Compensation and Organization Committee deems appropriate;

overseeing the Company's welfare and retirement benefit plans;

reviewing, approving, amending and/or terminating arrangements pursuant to which perquisites and other personal benefits are paid or provided to certain officers of the Company as determined by the Compensation and Organization Committee, including all executive officers;

periodically reviewing and making recommendations to the Nominating and Board Governance Committee regarding the compensation for non-associate directors of the Company;

reviewing and discussing with management of the Company the Compensation Discussion and Analysis and related disclosures required to be included in the Company's annual proxy statement, recommending to the Board based on such review and discussion whether the Compensation Discussion and Analysis should be included in the Company's annual proxy statement and preparing the compensation committee report required by applicable SEC Rules for inclusion in the Company's annual proxy statement;

overseeing the Company's overall compensation structure, policies and programs for associates, including assessing the incentives and risks arising from or related to the Company's compensation programs and plans;

reviewing and discussing with the Company's management the Company's organizational structure and key reporting relationships, along with development of strategies and practices relating to recruitment, retention and development of the Company's associates as needed;

Table of Contents

developing a recommendation to the Board for a successor to the Chief Executive Officer, interim or otherwise, in the event of an emergency, or resignation or retirement of the then current Chief Executive Officer;

reviewing and discussing with the Company's management the Company's succession planning for positions held by the executive officers and other associates of the Company, as determined by the Compensation and Organization Committee;

assessing the results of the most recent advisory vote(s) on executive compensation by the Company's stockholders;

at least annually, assessing whether the work performed by compensation consultants or other advisors who are involved in determining or recommending executive or director compensation has raised any conflict of interest that is required to be disclosed in the Company's annual proxy statement; and

assessing, on an annual basis, the independence of consultants, outside counsel and other advisors (whether retained by the Compensation and Organization Committee or by management of the Company) that provide advice to the Compensation and Organization Committee, in accordance with applicable NYSE Rules and SEC Rules.

The Compensation and Organization Committee's processes and procedures to determine executive compensation, including the use of compensation consultants and the role of executive officers in making recommendations relating to executive compensation, are described in the section captioned **COMPENSATION DISCUSSION AND ANALYSIS** beginning on page 59.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee provides oversight of the Company's attention to issues of social responsibility, including diversity and inclusion, health and safety, human rights, environmental and philanthropy and the Company's policies, practices and progress with respect to such issues. Archie M. Griffin served as a member of the Corporate Social Responsibility Committee throughout Fiscal 2014. James B. Bachmann and Sarah M. Gallagher were appointed to the Corporate Social Responsibility Committee on June 19, 2014. Kevin S. Huvane, John W. Kessler and Elizabeth M. Lee served as members of the Corporate Social Responsibility Committee during Fiscal 2014 from February 2, 2014 to June 19, 2014.

The Corporate Social Responsibility Committee is organized and conducts its business pursuant to a written charter that was most recently revised by the Board on August 20, 2014, a copy of which is posted on the Corporate Governance page of the Company's website at www.bercrombie.com, accessible through the Investors page. At least annually, the Corporate Social Responsibility Committee reviews and reassesses the adequacy of its charter, in consultation with the Nominating and Board Governance Committee, and recommends any proposed changes to the full Board as necessary to reflect changes in regulatory requirements, authoritative guidance and evolving practices.

The Corporate Social Responsibility Committee's charter sets forth the duties and responsibilities of the Corporate Social Responsibility Committee, which include:

monitoring issues and practices relating to the Company's corporate social responsibility on a global basis, including health and safety matters; environmental matters; human rights matters; significant philanthropic matters; and significant community relations;

reviewing the prudence of having the Company prepare and publish a Corporate Social Responsibility report and, in the event the Corporate Social Responsibility Committee determines such a report is prudent, overseeing the preparation of such report;

reviewing significant lawsuits, investigations by governmental entities and other significant legal matters involving the Company or any of its affiliates that significantly affect or could significantly affect the

Table of Contents

Company's performance, business activities or reputation as a global corporate citizen. At its regularly scheduled meetings, the Corporate Social Responsibility Committee is provided with pertinent information with respect to any lawsuits brought against the Company by the U. S. Equal Employment Opportunity Commission or an equivalent state equal employment opportunity commission or division;

monitoring significant programs and activities aimed at enhancing the Company's global communications, crisis management, media relations and community relations;

reviewing and monitoring the support by the Company of charitable, educational and business organizations and approving any donation by the Company or one of its affiliates in excess of the amount determined by the Corporate Social Responsibility Committee;

when appropriate, making recommendations to the Board with respect to any of the areas that the Corporate Social Responsibility Committee oversees, reviews or monitors, and any other major social responsibility policies and practices of the Company;

reviewing and consulting with the Nominating and Board Governance Committee on any stockholder proposals that relate to social responsibility issues;

overseeing, making recommendations and evaluating the success of the Company's diversity and inclusion policies and programs and monitoring current trends and opportunities in corporate diversity outreach; and

monitoring and making recommendations to the Board with respect to the Company's compliance with the Company's Conflict Minerals Policy and reporting under Rule 13p-1 under the Exchange Act and the SEC's Form SD.

Executive Committee

Craig R. Stapleton served as a member of the Executive Committee throughout Fiscal 2014. Arthur C. Martinez became a member of the Executive Committee as a result of his serving as the Chairman of the Board. John W. Kessler and Michael S. Jeffries served as members of the Executive Committee during Fiscal 2014 from February 2, 2014 to June 19, 2014 and December 8, 2014, respectively.

The Executive Committee is organized and conducts its business pursuant to a written charter that was most recently revised by the Board on April 20, 2015, a copy of which is posted on the Corporate Governance page of the Company's website at www.bercrombie.com, accessible through the Investors page.

The Executive Committee's charter sets forth the duties and responsibilities of the Executive Committee, which include:

during the interval between scheduled meetings of the Board, having and exercising the powers of the Board to act upon any matters that, in the opinion of the Company Chairman or the Lead Independent Director, if applicable, should not be postponed until the next previously scheduled meeting of the Board, subject to such limitations as the Board and/or applicable law may from time to time impose;

during the interval between scheduled meetings of the Board, acting when exigent circumstances require such action but also make it impracticable to convene a meeting of the Board at which a quorum is present and acting throughout, or obtain unanimous written consent of the full Board, subject to such limitations as the Board and/or applicable law may from time to time impose; and

from time to time or, at the discretion of the Company Chairman or the Lead Independent Director, if applicable, reviewing and reassessing the adequacy of its charter.

Nominating and Board Governance Committee

Archie M. Griffin and Craig R. Stapleton served as members of the Nominating and Board Governance Committee throughout Fiscal 2014. Terry L. Burman was appointed to the Nominating and Board Governance Committee on February 20, 2014, and Bonnie R. Brooks and Sarah M. Gallagher were appointed to the

Table of Contents

Committee on June 19, 2014. Lauren J. Brisky also served on the Nominating and Board Governance Committee during Fiscal 2014 from February 2, 2014 to June 19, 2014. The Board has determined that each current member of the Nominating and Board Governance Committee qualifies, and that during her period of service in Fiscal 2014, Ms. Brisky qualified, as an independent director under the applicable NYSE Rules.

The Nominating and Board Governance Committee is organized and conducts its business pursuant to a written charter which was most recently revised by the Board on February 18, 2015, a copy of which is posted on the Corporate Governance page of the Company's website at www.bercrombie.com, accessible through the Investors page. At least annually, the Nominating and Board Governance Committee reviews and reassesses the adequacy of its charter and recommends any proposed changes to the full Board as necessary to reflect changes in regulatory requirements, authoritative guidance and evolving practices.

The purpose of the Nominating and Board Governance Committee is to provide oversight on a broad range of issues surrounding the composition and operation of the Board. The primary responsibilities of the Nominating and Board Governance Committee include:

establishing and articulating the qualifications, desired background and selection criteria for members of the Board and evaluating the qualifications of individuals being considered as director candidates;

developing a policy with regard to the consideration of candidates for election or appointment to the Board recommended by stockholders of the Company and procedures to be followed by stockholders in submitting such recommendations;

making recommendations to the Board concerning all nominees for Board membership, including the re-election of existing Board members and the filling of any vacancies;

reviewing, evaluating and making recommendations to the Board concerning all nominees submitted through stockholder proposals, any other stockholder proposals and Company responses to stockholder proposals. The Nominating and Board Governance Committee is to consult with the Corporate Social Responsibility Committee on any stockholder proposals relating to social responsibility issues;

evaluating and making recommendations to the Board concerning the number and responsibilities of Board committees, and Board committee assignments;

reviewing the duties and composition of committees of the Board, including the criteria for composition of each of the Audit and Finance Committee, the Compensation and Organization Committee and the Nominating and Board Governance Committee and identifying and recommending to the Board directors qualified to become members of each Board committee, taking into account all applicable NYSE Rules, SEC Rules and other regulatory criteria (if applicable) as well as such other factors as the Nominating and Board Governance Committee deems appropriate;

reviewing, receiving recommendations from the Compensation and Organization Committee, and making recommendations annually to the Board regarding the compensation for the Company's non-associate directors;

evaluating, reviewing with management of the Company and making recommendations to the Board regarding the overall effectiveness of the organization of the Board, the conduct of its business and the relationship between the Board and management of the Company;

maintaining policies regarding the review and approval or ratification of related person transactions and reviewing and, if the Nominating and Board Governance Committee deems the same to be appropriate, approving or ratifying related person transactions in

accordance with such policies as well as applicable law and NYSE Rules or SEC Rules;

identifying and bringing to the attention of the Board and management of the Company current and emerging corporate governance trends, issues and best practices that may affect the operations, performance or reputation of the Company;

Table of Contents

reviewing and making recommendations to the Board regarding orientation for new directors and continuing education for all directors;

developing, recommending to the Board for approval, and periodically reviewing a set of written corporate governance principles applicable to the Company in accordance with applicable NYSE Rules;

reviewing letters of resignation submitted by directors and making recommendations to the Board regarding the appropriate action to be taken;

periodically reviewing and making recommendations to the Board regarding stock ownership by directors of the Company;

appraising the framework for assessment of Board performance and the Board self-evaluation discussion and making recommendations to the Board relating to such assessment;

reviewing and approving the use of Company funds or property by any associate or officer, including the Chief Executive Officer, in support of any political party, organization or committee, or any candidate for public office, as permitted by applicable law;

reviewing and approving any requests from any director, officer or other associate of the Company, to provide managerial or consulting services or serve on the board of directors (or similar body) of any entity that competes or has business relations with the Company, with such approval to be reported to the Board; and

developing, recommending to the Board for approval, and periodically reviewing, policies applicable to securities trading (also known as insider trading policies).

Director Qualifications and Consideration of Director Candidates

Under the Company's Corporate Governance Guidelines, no director may be nominated by the Board to stand for election or re-election after reaching age 75. However, the Board may nominate such a director for election or re-election if the Board believes that such director's service on the Board is in the best interests of the Company and our stockholders. On April 20, 2015, based on a recommendation from the Nominating and Board Governance Committee, the Board unanimously approved the nomination of Arthur C. Martinez for re-election to the Board and believes his continued service is in the best interests of the Company and our stockholders.

As described above, the Company has a standing Nominating and Board Governance Committee that has responsibility for providing oversight on a broad range of issues surrounding the composition and operation of the Board, including identifying candidates qualified to become directors and recommending director nominees to the Board.

When considering candidates for the Board, the Nominating and Board Governance Committee evaluates the entirety of each candidate's credentials and, other than the age guidelines mentioned above, does not have specific eligibility requirements or minimum qualifications that must be met by a candidate. However, the Company's Corporate Governance Guidelines provide that no member of the Board may simultaneously serve on the boards of directors of more than three public companies other than Company unless the Board has determined, upon recommendation by the Nominating and Board of Governance Committee, that the aggregate number of directorships held would not interfere with the individual's ability to carry out his or her responsibilities as a director of the Company. The Nominating and Board Governance Committee considers those factors it deems appropriate, including (i) the nominee's independence, judgment, strength of character, ethics and integrity; (ii) the nominee's business or other relevant experience and skills and knowledge useful to the oversight of the Company's business; (iii) the Company's strong commitment to diversity and inclusion at all levels of the Company; and (iv) such other factors as the members of that Committee conclude are appropriate in light of the needs of the Board. The Company believes that the Board as a whole should have competency in the following areas: (a) audit, accounting and finance; (b) business judgment; (c) management; (d) industry knowledge; (e) leadership; and (f) strategy/vision. Depending on the current needs of the Board, the Nominating and Board Governance Committee may weigh certain factors more or less heavily. The Nominating and Board

Table of Contents

Governance Committee does, however, believe that all members of the Board should have the highest character and integrity, a reputation for working constructively with others, sufficient time to devote to Board matters and no conflict of interest that would interfere with performance as a director.

While the Board and the Nominating and Board Governance Committee do not have specific eligibility requirements, other than the age guidelines mentioned above, and do not, as a matter of course, weigh any of the factors they deem appropriate more heavily than others, both the Board and the Nominating and Board Governance Committee believe that, as a group, the directors should have diverse backgrounds and qualifications. The Company believes that the members of the Board, as a group, have such backgrounds and qualifications, although this is an area of constant focus for the Board and the Nominating and Board Governance Committee.

The Nominating and Board Governance Committee considers candidates for the Board from any reasonable source, including stockholder recommendations, and does not evaluate candidates differently based on the source of the recommendation. The process for seeking and vetting additional director candidates is ongoing and is not dependent upon the existence of a vacancy on the Board. Accordingly, the Board believes that this ongoing pursuit of qualified candidates functions as an appropriate director succession plan. Pursuant to its charter, the Nominating and Board Governance Committee has the authority to retain consultants and search firms to assist in the process of identifying and evaluating candidates and to approve the fees and other retention terms for any such consultant or search firm. In Fiscal 2014, the Nominating and Board Governance Committee used SpencerStuart, a global executive search firm, to help identify and evaluate director candidates. Each of Messrs. Burman, Martinez and Perrin, and Ms. Brooks, Ms. Gallagher and Mrs. Shern, was recommended to the Nominating and Board Governance Committee by SpencerStuart.

Information regarding each of our directors is set forth above under the caption **Nominees**. In addition to the specific information presented with respect to such individual, the Company believes that each of our directors has a reputation for the highest character and integrity and that our directors have worked cohesively and constructively with each other and with management of the Company. They have each demonstrated business acumen and an ability to exercise sound judgment.

Director Nominations

The Board, taking into account the recommendations of the Nominating and Board Governance Committee, selects nominees for election as directors at each annual meeting of stockholders. Stockholders may recommend director candidates for consideration by the Nominating and Board Governance Committee by giving written notice of the recommendation to the Chair of the Nominating and Board Governance Committee, in care of the Company, at the Company's principal executive offices at 6301 Fitch Path, New Albany, Ohio 43054. The recommendation must include the candidate's name, age, business address, residence address and principal occupation. The recommendation must also describe the qualifications, attributes, skills or other qualities possessed by the recommended director candidate. A written statement from the candidate consenting to serve as a director, if elected, must accompany any such recommendation.

In addition, stockholders wishing to formally nominate a candidate for election as a director may do so provided they comply with the notice procedures set forth in the Section 2.04 of the Company's Amended and Restated Bylaws. A nominating stockholder must be a stockholder of record on both the date of the giving of the required notice of proposed nomination and the record date for determining the stockholders entitled to notice of and to vote at the relevant meeting of the stockholders.

The notice of a nominating stockholder in respect of an annual meeting of stockholders must be in writing and delivered in person or by United States certified mail, postage prepaid, and received by the Corporate Secretary of the Company, at the principal executive offices of the Company, not less than 120 days nor more than 150 days prior to the anniversary date of the immediately preceding annual meeting of stockholders, which, for purposes of the Company's 2016 Annual Meeting of Stockholders, means no earlier than the close of

Table of Contents

business on January 20, 2016 and no later than the close of business on February 19, 2016. The Corporate Secretary of the Company will deliver any stockholder nominations received in a timely manner for review by the Nominating and Board Governance Committee.

The informational requirements for stockholder notices with respect to the nomination of director candidates are detailed and include the disclosure of all derivative and synthetic instruments and short interests held by the nominating stockholder and such stockholder's affiliates or associates as well as by any proposed nominee.

A stockholder providing notice of any nomination proposed to be made at an annual meeting of stockholders must update and supplement such notice, if necessary, so that the information provided is true and correct as of the record date for determining the stockholders entitled to receive notice for the annual meeting. Such update and supplement must be delivered either in person or by United States certified mail, postage prepaid, and received by the Corporate Secretary of the Company, at the principal executive offices of the Company, not later than five business days after the record date for the annual meeting at issue.

No person may be elected as a director unless he or she has been nominated by a stockholder in the manner just described or by the Board or a committee of the Board.

Directors Who Substantially Change Their Job Responsibility

A director must inform the Company Chairman or the Lead Independent Director, if applicable, and the Chair of the Nominating and Board Governance Committee as promptly as feasible, in advance, if the director is contemplating a change in employment, membership on another public company board of directors, or any other board membership or other change in status or circumstances that might cause the Board to conclude that the director is no longer independent, is no longer qualified to serve on the Board or might not be able to continue to serve effectively or that such service otherwise is no longer appropriate. Such prior notice is intended to permit management of the Company to conduct a preliminary analysis of the potential impact of the proposed change on the director's independence and/or service, and for the Company Chairman or the Lead Independent Director, if applicable, and the Chair of the Nominating and Board Governance Committee to consider that analysis and, as appropriate, to consult with the director before the director commits to the proposed change. If the determination is made that the potential change constitutes a conflict of interest or interferes with the director's ability to carry out his or her responsibilities as a director of the Company, the director must immediately submit a letter of resignation or not proceed with the potential change.

If sufficient prior notice cannot be given, the director must immediately submit a letter of resignation to the Company Chairman or the Lead Independent Director, if applicable, and the Chair of the Nominating and Board Governance Committee. Upon receipt of such a letter of resignation, the Company Chairman or the Lead Independent Director, if applicable, and the Chair of the Nominating and Board Governance Committee will duly consider the matter and make a timely recommendation to the full Board of the appropriate action, if any, to be taken with respect to the resignation.

It is not the sense of the Board that in every instance a director who is contemplating a change in the director's job responsibility or other status should leave the Board. There should, however, be an opportunity for the Board, through the Company Chairman or the Lead Independent Director, if applicable, and the Chair of the Nominating and Board Governance Committee, to review the effect, if any, of the proposed change on the interests of the Company.

Board Role in Risk Oversight

Our Board has overall responsibility for risk oversight with a focus on the most significant risks facing the Company. Not all risks can be dealt with in the same way. Some risks may be easily perceived and controllable, and other risks are unknown; some risks can be avoided or mitigated by particular behavior, and some risks are unavoidable as a practical matter. For some risks, the potential adverse impact would be minor, and, as a matter of business judgment, it may not be appropriate to allocate significant resources to avoid the adverse impact. In

Table of Contents

other cases, the adverse impact could be significant, and it is prudent to expend resources to seek to avoid or mitigate the potential adverse impact. Further, in some cases, a higher degree of risk may be acceptable because of a greater perceived potential for reward.

Management of the Company is responsible for identifying risk and risk controls related to significant business activities; mapping the risks to Company strategy; and developing programs and recommendations to determine the sufficiency of risk identification, the balance of potential risk to potential reward and the appropriate manner in which to control risk. The Board implements its risk oversight responsibilities by having management of the Company provide periodic reports on the significant risks that the Company faces and how the Company is seeking to control or mitigate risk, if and when appropriate. In some cases, risk oversight is addressed as part of the full Board's engagement with the Office of the Chairman and other members of management of the Company. In other cases, a Board committee is responsible for oversight of specific risk topics. For example, the Audit and Finance Committee reviews issues related to internal control over financial reporting, compliance with the Company's Corporate Governance Guidelines and Code of Business Conduct and Ethics, and the Company's financial plans and policies; the Nominating and Board Governance Committee reviews issues related to the Company's governance structure, corporate governance matters and processes and risks arising from related person transactions; the Corporate Social Responsibility Committee reviews issues related to diversity and inclusion, health and safety, human rights, and environmental and philanthropic matters; and the Compensation and Organization Committee reviews risks related to compensation programs, as discussed in greater detail below.

Management of the Company periodically undertakes a comprehensive enterprise risk management review, in which the identification of enterprise level risks and mitigation processes are the primary topics. This review is overseen by the Audit and Finance Committee. The Audit and Finance Committee and the full Board continue to monitor enterprise risk management and receive periodic updates on enterprise risk management.

Risk Assessment in Compensation Programs

Consistent with SEC disclosure requirements, management of the Company and the Compensation and Organization Committee have assessed the Company's compensation programs. Based upon all of the facts and circumstances available to the Company at the time of the filing of this Proxy Statement, management of the Company and the Compensation and Organization Committee have concluded that there are no risks arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company. This assessment was overseen by the Compensation and Organization Committee, in consultation with its independent counsel and independent compensation consultant.

We reviewed the compensation policies and practices in effect for our executive officers, our senior management and our associates and assessed the features we have built into the compensation programs to discourage excessive risk-taking. These features include, among other things, a balance between different elements of compensation, use of different time periods and performance metrics for different elements of compensation, use of short-term incentive programs that are consistent at the Company-wide level (in Fiscal 2014) or the branded-organization level (for Fiscal 2015), and stock ownership guidelines for senior management. The Company has also included clawback provisions in its incentive plans which are applicable to all participating associates.

Base Salary

Each job held by an associate below the Senior Vice President level is assessed against the competitive market, and a range of base pay (within an overall salary grade structure) is assigned.

Individual merit pay decisions are constrained by a grid which relates the size of a pay increase to a given level of individual performance and/or competitive market position, subject to aggregate caps (*i.e.*, the merit increase budget).

At the Senior Vice President level and above, the Company matches job comparisons with market data, and all pay decisions are reviewed and approved by the Compensation and Organization Committee.

Table of Contents

Incentive Compensation

Throughout Fiscal 2014, all incentive compensation-eligible associates (including executive officers and senior management) participated in a common cash incentive compensation program – the Incentive Compensation Performance Plan (the “Incentive Plan”).

In Fiscal 2014, individual payments were strictly determined by overall Company performance (rather than brand and/or individual performance).

Adjusted operating income, the metric used to determine the annual cash incentive pool, is a critical measure of the overall operating results of the business, and considers both top-line and bottom-line elements.

The adjusted operating income target used to fund target award payments reflected the annual budget approved by the Board.

The ability for a single individual to affect overall corporate operating income is limited to a handful of individuals, and given our delegation of authority, during Fiscal 2014 mostly vested in the Chief Executive Officer.

Individual awards are capped for every associate, and are subject to Compensation and Organization Committee approval and, if necessary, the Compensation and Organization Committee’s negative discretion.

Long-Term Incentive Plans

In Fiscal 2014, the Company granted a mix of stock-settled stock appreciation rights (“SARs”), restricted stock units (“RSUs”) and performance share awards (“PSAs”) that varied by level. The weighting of performance-based awards was heaviest for the Chief Executive Officer, and also very significant for the other NEOs. Lower management levels received a mix of SARs and time-vested RSUs, and awards to other associates were composed primarily of time-vested RSUs.

These awards vest over three or four years subsequent to grant, and provide a significant “hold” on associates, who would forfeit considerable value should they leave the Company prior to vesting.

In Fiscal 2014, the design of the PSAs granted to the NEOs, including Mr. Jeffries, was revised to provide for vesting based upon three performance metrics linked to the Company’s operating and stockholder return goals rather than a single earnings per share (“EPS”) metric.

For PSAs, the time frame for measuring performance was extended to three years (from one year), and three-year cliff vesting was implemented.

Use of different metrics for annual cash incentives and PSAs, as well as a variety of time frames, serve to mitigate risk.

Compensation of Directors

Any officer of the Company who is also a director receives no additional compensation for services rendered as a director. Beginning February 2, 2014, directors who are not associates of the Company or its subsidiaries (“non-associate directors”) have received and are to receive:

an annual cash retainer of \$65,000 (paid quarterly in arrears);

an additional annual cash retainer for each standing committee Chair and member of \$25,000 and \$12,500, respectively, other than (i) the Chair and the members of the Audit and Finance Committee who are to receive \$40,000 and \$25,000, respectively; and (ii) the Chair of the Compensation and Organization Committee who is to receive \$30,000, in each case for serving in the stated capacity. In each case, the retainers are paid quarterly in arrears; and

an annual grant of 3,000 RSUs.

Table of Contents

The annual RSU grants have been and will continue to be subject to the following provisions:

RSUs are to be granted annually on the date of the annual meeting of stockholders;

the maximum market value of the underlying shares of Common Stock on the date of grant is to be \$300,000 (*i.e.*, should the market price of the Company's Common Stock on the grant date exceed \$100 per share, the number of RSUs granted will be automatically reduced to provide a maximum grant date market value of \$300,000);

the minimum market value of the underlying shares of Common Stock on the date of grant is to be \$120,000 (*i.e.*, should the market price of the Company's Common Stock on the grant date be lower than \$40 per share, the number of RSUs granted will be automatically increased to provide a minimum grant date market value of \$120,000); and

RSUs will vest on the earlier of (i) the first anniversary of the grant date or (ii) the date of the next regularly scheduled annual meeting of stockholders, subject to earlier vesting in the event of a director's death or total disability or upon a change of control of the Company. In connection with Mr. Martinez's appointment to the position of Non-Executive Chairman of the Board on January 27, 2014, he has received and will receive:

an additional annual cash retainer of \$200,000 (the Non-Executive Chairman Cash Retainer) for serving in such capacity (paid quarterly in arrears); and

an additional annual grant of RSUs for serving in such capacity, with the market value of the underlying shares of Common Stock on the grant date to be \$100,000 (the Non-Executive Chairman RSU Retainer).

The annual Non-Executive Chairman RSU Retainer has been and will continue to be subject to the following provisions:

RSUs are to be granted annually on the date of the annual meeting of stockholders of the Company; and

RSUs will vest on the earlier of (i) the first anniversary of the grant date or (ii) the date of the next regularly scheduled annual meeting of stockholders, subject to earlier vesting in the event of Mr. Martinez's death or total disability or upon a change of control of the Company.

On December 8, 2014, the Board appointed Mr. Martinez to serve as Executive Chairman of the Board and formed an Office of the Chairman, whose members are Arthur C. Martinez, Jonathan E. Ramsden, Christos E. Angelides and Fran Horowitz. At that time, Mr. Martinez did not receive any additional compensation. As a result of this appointment, Mr. Martinez is spending a significant amount of time leading the Office of the Chairman. In addition, certain officers of the Company, including the members of the Office of the Chairman, report to Mr. Martinez as a representative of the Board. Currently, the Company does not have a Chief Executive Officer. Mr. Martinez continues to provide the experienced and independent leadership necessary as the Board continues its search and selection process for a new Chief Executive Officer of the Company. On April 20, 2015, in connection with those expanded responsibilities and increased time commitment associated with his appointment as Executive Chairman of the Board, the Board determined to award additional compensation to Mr. Martinez to compensate him appropriately in his new role. Such compensation will end coincident with the appointment of a new Chief Executive Officer of the Company, unless the Board determines otherwise.

Accordingly, in connection with Mr. Martinez's appointment to the position of Executive Chairman of the Board on December 8, 2014, effective December 8, 2014, he has received and will receive:

an additional annual cash retainer of \$625,000 (the Executive Chairman Cash Retainer) for serving in such capacity (paid quarterly in arrears); and

an additional annual grant of RSUs for serving in such capacity, with the market value of the underlying shares of Common Stock on the grant date to be \$1,875,000 (the Executive Chairman RSU Retainer).

Table of Contents

The annual Executive Chairman RSU Retainer will be subject to the following provisions:

RSUs are to be granted annually on the date of the annual meeting of stockholders of the Company;

RSUs will vest on the earliest of (i) the date on which the Board appoints a Chief Executive Officer of the Company, unless the Board determines otherwise, (ii) the first anniversary of the grant date or (iii) the date of the next regularly scheduled annual meeting of stockholders, subject to earlier vesting in the event of Mr. Martinez's death or total disability or upon a change of control of the Company;

RSUs that vest due to the appointment of a Chief Executive Officer of the Company will be pro-rated for the portion of the year that has elapsed between the grant date and the date of appointment of a Chief Executive Officer, unless the Board determines otherwise; and

if Mr. Martinez's service as Executive Chairman of the Board ends for any reason other than his death or total disability or appointment of a Chief Executive Officer of the Company, a pro-rata portion of unvested RSUs will vest to reflect the portion of the year that has elapsed between the grant date and the date on which his service as Executive Chairman of the Board ends.

Directors who are elected after the beginning of the fiscal year receive pro-rated retainers and grants of RSUs based on the time to be served during the fiscal year. As a result, the compensation received by Arthur C. Martinez, Terry L. Burman and Charles R. Perrin, including the Non-Executive Chairman Cash Retainer for Mr. Martinez, was pro-rated for the period from January 27, 2014 to the date of the 2014 Annual Meeting. In determining to award the Executive Chairman Cash Retainer and the Executive Chairman RSU Retainer to Mr. Martinez, the Board provided for a full pro-ration of the Executive Chairman Cash Retainer for the period from December 8, 2014 to April 30, 2015, resulting in a cash payment of \$246,575 and provided for a full pro-ration of the Executive Chairman RSU Retainer for the period from December 8, 2014 to the date of the 2015 Annual Meeting, which resulted in a grant of 44,209 RSUs with a grant date fair value of approximately \$977,500, on April 20, 2015, to coincide with Board approval. The Executive Chairman RSU Retainer grant for the period from December 8, 2014 to the date of the 2015 Annual Meeting is scheduled to fully vest on the date of the 2015 Annual Meeting, unless the Board appoints a Chief Executive Officer of the Company prior to the 2015 Annual Meeting, in which event the vesting of such award would be pro-rated from December 8, 2014 to the date of the appointment of a Chief Executive Officer, unless the Board determines otherwise. The Non-Executive Chairman RSU Retainer was, however, granted in the full amount immediately upon Mr. Martinez's election as Non-Executive Chairman of the Board and vested immediately in consideration of his service for the period prior to the 2014 Annual Meeting. Messrs. Burman and Perrin received their respective pro-rated grants of 1,500 RSUs on February 24, 2014.

Non-associate directors are also reimbursed for their expenses for attending meetings of the Board of Directors and Board committee and receive the discount on purchases of the Company's merchandise extended to all Company associates.

The Company has maintained the Directors' Deferred Compensation Plan since October 1, 1998. The Directors' Deferred Compensation Plan was split into two plans (Plan I and Plan II) as of January 1, 2005 to comply with Internal Revenue Code Section 409A. The terms of Plan I govern amounts deferred (within the meaning of Section 409A) in taxable years beginning before January 1, 2005 and any earnings thereon. The terms of Plan II govern amounts deferred in taxable years beginning on or after January 1, 2005 and any earnings thereon. Voluntary participation in the Directors' Deferred Compensation Plan enables a non-associate director of the Company to defer all or a part of his or her retainers, meeting fees (which are no longer paid) and stock-based incentives (including options, restricted shares of Common Stock and RSUs). The deferred compensation is credited to a bookkeeping account where it is converted into a share equivalent. Stock-based incentives deferred pursuant to the Directors' Deferred Compensation Plan are credited as shares of Common Stock. Amounts otherwise payable in cash are converted into a share equivalent based on the fair market value of the Company's Common Stock on the date the amount is credited to a non-associate director's bookkeeping account. Dividend equivalents will be credited on the shares of Common Stock credited to a non-associate director's bookkeeping account (at the same rate as cash dividends are paid in respect of outstanding shares of Common Stock) and converted into a share equivalent. Each non-associate director's only right with respect to his or her bookkeeping account (and the amounts allocated thereto) will be to receive distribution of the amount

Table of Contents

in the account in accordance with the terms of the Directors' Deferred Compensation Plan. Distribution of the deferred amount is made in the form of a single lump-sum transfer of the whole shares of Common Stock represented by the share equivalents in the non-associate director's bookkeeping account (plus cash representing the value of fractional shares) or annual installments in accordance with the election made by the non-associate director. Shares of Common Stock will be distributed under the Company's 2005 Long-Term Incentive Plan (the 2005 LTIP) in respect of deferred compensation allocated to non-associate directors' bookkeeping accounts on or after August 1, 2005, under the 2003 Stock Plan for Non-Associate Directors in respect of deferred compensation allocated to non-associate directors' bookkeeping accounts between May 22, 2003 and July 31, 2005 and under the 1998 Restatement of the 1996 Stock Plan for Non-Associate Directors in respect of deferred compensation allocated to non-associate directors' bookkeeping accounts prior to May 22, 2003.

The following table summarizes the compensation paid to, awarded to or earned by, each individual who served as a non-associate director at any time during Fiscal 2014 for service of the Board. Michael S. Jeffries is not included in this table as he was an officer of the Company and thus received no compensation for his services as a director. The compensation received by Mr. Jeffries as an officer of the Company is shown in the **Fiscal 2014 Summary Compensation Table** beginning on page 74 and discussed in the text and tables included under the section captioned **EXECUTIVE OFFICER COMPENSATION** beginning on page 74.

Director Compensation for Fiscal 2014

Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards ⁽¹⁾	All Other Compensation ⁽²⁾	Total
James B. Bachmann	\$ 114,375	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 239,776
Lauren J. Brisky ⁽⁴⁾	\$ 38,860	\$	\$	\$ N/A	\$ 38,860
Bonnie R. Brooks	\$ 48,331	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 173,732
Terry L. Burman	\$ 90,000	\$ 177,332 ⁽³⁾⁽⁵⁾	\$	\$ N/A	\$ 267,332
Sarah M. Gallagher	\$ 56,126	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 181,527
Michael E. Greenlees	\$ 120,000	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 245,401
Archie M. Griffin ⁽⁶⁾	\$ 102,500	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 227,901
Kevin S. Huvane ^{(4) (6)}	\$ 34,121	\$	\$	\$ N/A	\$ 34,121
John W. Kessler ⁽⁴⁾	\$ 38,860	\$	\$	\$ N/A	\$ 38,860
Elizabeth M. Lee ⁽⁴⁾	\$ 29,382	\$	\$	\$ N/A	\$ 29,382
Arthur C. Martinez	\$ 281,497	\$ 286,824 ⁽³⁾⁽⁷⁾	\$	\$ N/A	\$ 568,321 ⁽⁸⁾
Diane L. Neal	\$ 48,331	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 173,732
Charles R. Perrin	\$ 102,500	\$ 177,332 ⁽³⁾⁽⁵⁾	\$	\$ N/A	\$ 279,832
Stephanie M. Shern	\$ 56,126	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 181,527
Craig R. Stapleton	\$ 140,000	\$ 125,401 ⁽³⁾	\$	\$ N/A	\$ 265,401

⁽¹⁾ Mr. Griffin is the only individual named in this table who held outstanding options at January 31, 2015. These options, which covered 2,500 shares of Common Stock, were granted and fully vested prior to the beginning of Fiscal 2014 and, accordingly, no dollar amount is required to be reported in respect of these options.

⁽²⁾ The aggregate value of the perquisites and other personal benefits received by each non-associate director for Fiscal 2014 was less than \$10,000.

⁽³⁾ Each of the current non-associate directors was granted RSUs covering 3,000 shares of Common Stock on the date of the 2014 Annual Meeting of Stockholders. The amount of \$125,401 included in the total amount shown in this column for the current non-associate directors is reported using the grant date fair value of the awards, as computed in accordance with U.S. generally accepted accounting principles, of \$41.80 per RSU, based upon the closing price of the Company's Common Stock on the grant date (\$42.60) and adjusted for anticipated dividend payments during the one-year vesting period. See Note 3, Share-Based Compensation of the Notes to Consolidated Financial Statements included in ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA of the Company's Fiscal 2014 Form 10-K, for assumptions used in the calculation of the amounts shown and information regarding the Company's share-based compensation. Each award of RSUs granted on the date of the 2014 Annual Meeting remained outstanding at January 31, 2015.

⁽⁴⁾ Each of Ms. Brisky, Mr. Huvane, Mr. Kessler and Ms. Lee served as a director during Fiscal 2014 from February 2, 2014 to June 19, 2014.

(5) Each of Messrs. Burman and Perrin was granted RSUs governing 1,500 shares of Common Stock on February 24, 2014. The amount of \$51,931 included in the total amount shown in this column for Messrs. Burman and Perrin is reported using the grant date fair value of the awards, as computed in accordance with U.S. generally accepted accounting principles, of \$34.62 per RSU, based upon the closing price of the Company's Common Stock on the grant date (\$35.42) and adjusted for anticipated dividend payments during the one-year vesting period. See Note 3. Share-Based Compensation of the Notes to Consolidated Financial Statements included in ITEM 8. FINANCIAL

Table of Contents

STATEMENTS AND SUPPLEMENTARY DATA of the Company’s Fiscal 2014 Form 10-K, for assumptions used in the calculation of the amounts shown and information regarding the Company’s share-based compensation. Each award of RSUs granted on February 24, 2014 remained outstanding at January 31, 2015 and vested on February 24, 2015.

(6) During Fiscal 2014, Mr. Griffin and Mr. Huvane deferred \$51,250 and \$34,121 of their respective retainers, pursuant to the Directors’ Deferred Compensation Plan. The deferred portion of each of Mr. Griffin’s and Mr. Huvane’s retainer is included in the amount shown in the Fees Earned or Paid in Cash column. Refer to page 47 for a description of the Directors’ Deferred Compensation Plan.

(7) Mr. Martinez was granted two awards of RSUs governing 1,500 and 2,347.418 shares of Common Stock, respectively, on June 19, 2014. The amount of \$161,423 included in the total amount shown in this column for Mr. Martinez is reported using the grant date fair value of the two awards as computed in accordance with U.S. generally accepted accounting principles of \$42.20 and \$41.80, respectively, per RSU, based upon the closing price of the Company’s Common Stock on the grant date (\$42.60) and adjusted for anticipated dividend payments during the respective seven-month and one-year vesting periods. See Note 3. Share-Based Compensation of the Notes to Consolidated Financial Statements included in ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA of the Company’s Fiscal 2014 Form 10-K, for assumptions used in the calculation of the amounts shown and information regarding the Company’s share-based compensation. Each of the awards of RSUs granted to Mr. Martinez on June 19, 2014 remained outstanding at January 31, 2015.

(8) This total does not include the portion of the Executive Chairman RSU Retainer, with a grant date fair value of \$274,922, and the Executive Chairman Cash Retainer, in the amount of \$92,466, approved by the Board on April 20, 2015, for the period from December 8, 2014 to January 31, 2015, as more fully described on page 45 under **Compensation of Directors**.

Corporate Governance Guidelines

In accordance with applicable NYSE Rules, the Board has adopted the Abercrombie & Fitch Co. Corporate Governance Guidelines to promote the effective functioning of the Board and its committees and to reflect the Company’s commitment to the highest standards of corporate governance. The Board, with the assistance of the Nominating and Board Governance Committee, periodically reviews the Corporate Governance Guidelines to ensure they reflect changes in legal or regulatory requirements, evolving corporate governance practices and the Board’s policies and procedures. The Corporate Governance Guidelines, which were most recently amended by the Board on April 20, 2015, are available on the Corporate Governance page of the Company’s website at www.bercrombie.com, accessible through the Investors page.

Code of Business Conduct and Ethics

In accordance with applicable NYSE Rules, the Board has adopted the Abercrombie & Fitch Co. Code of Business Conduct and Ethics, which was most recently amended by the Board on February 18, 2015 and is available on the Corporate Governance page of the Company’s website at www.bercrombie.com, accessible through the Investors page. The Code of Business Conduct and Ethics, which is applicable to all associates (including members of the Board), incorporates an additional Code of Ethics applicable to the Chief Executive Officer, the Chief Financial Officer, Controllers, the Treasurer, all Vice Presidents in the Finance Department and other designated financial associates. The Company intends to satisfy any disclosure requirements regarding any amendment of, or waiver from, a provision of the Code of Business Conduct and Ethics by posting such information on the Corporate Governance page of the Company’s website at www.bercrombie.com, accessible through the Investors page.

Compensation and Organization Committee Interlocks and Insider Participation

With respect to Fiscal 2014 and from February 1, 2015 through the date of this Proxy Statement, there were no interlocking relationships between any executive officer of the Company and any entity, one of whose executive officers serves or served on the Company’s Compensation and Organization Committee or the Board, or any other relationship required to be disclosed in this section under the applicable SEC Rules.

The Compensation and Organization Committee is currently comprised of Michael E. Greenlees (Chair), Terry L. Burman, Diane L. Neal, Charles R. Perrin and Craig R. Stapleton. Each of Messrs. Greenlees and Stapleton served as a member of the Compensation and Organization Committee throughout Fiscal 2014. Messrs. Burman and Perrin have served as members of the Compensation and Organization Committee since February 20, 2014, and Ms. Neal has served as a member of the Compensation and Organization Committee since June 19, 2014. Kevin S. Huvane served as a member of the Compensation and Organization Committee during Fiscal 2014 from February 2, 2014 to June 19, 2014.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table furnishes, with respect to each person who is known to the Company to be the beneficial owner of more than 5% of the outstanding shares of Common Stock of the Company, the name and address of such beneficial owner, the number of shares of Common Stock reported as beneficially owned (as determined in accordance with Rule 13d-3 under the Exchange Act) by such beneficial owner in the most recent Schedule 13G or Schedule 13G/A filed with the SEC and the percentage such shares comprised of the outstanding shares of Common Stock of the Company as of April 29, 2015.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
FMR LLC Edward C. Johnson 3d Abigail P. Johnson Fidelity Low-Priced Stock Fund 245 Summer Street Boston, MA 02210	7,785,985 ⁽²⁾	11.2%
BlackRock, Inc. 55 East 52nd Street New York, NY 10022	5,730,734 ⁽³⁾	8.2%
Invesco Ltd. 1555 Peachtree Street NE Atlanta, GA 30309	4,752,187 ⁽⁴⁾	6.8%
State Street Corporation State Street Financial Center One Lincoln Street Boston, MA 02111	4,707,532 ⁽⁵⁾	6.8%
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	4,205,540 ⁽⁶⁾	6.0%
Snow Capital Management L.P. 2000 Georgetowne Drive, Suite 200 Sewickley, PA 15143	3,562,264 ⁽⁷⁾	5.1%

⁽¹⁾ The percent of class is based upon 69,550,630 shares of Common Stock outstanding on April 29, 2015.

⁽²⁾ Based on information contained in a Schedule 13G/A filed by FMR LLC, Edward C. Johnson 3d, Abigail P. Johnson and Fidelity Low-Priced Stock Fund with the SEC on February 13, 2015 to report beneficial ownership of shares of the Company's Common Stock as of December 31, 2014. Fidelity Low-Priced Stock Fund, a registered investment fund, 245 Summer Street, Boston, Massachusetts 02210, was reported to own 7,304,400 shares of Common Stock (10.5% of the shares outstanding on April 29, 2015).

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

Edward C. Johnson 3d, who is a Director and the Chairman of FMR LLC, Abigail P. Johnson, who is a Director, the Vice Chairman, the Chief Executive Officer and the President of FMR LLC, and FMR LLC, through its control of Fidelity Management & Research Company, a wholly-owned subsidiary of FMR LLC and a registered investment advisor (FMR Co), and the various registered investment companies for which FMR Co serves as investment adviser (the Fidelity Funds), each was reported to have sole power to dispose of the 7,785,985 shares of Common Stock owned by the Fidelity Funds. Neither FMR LLC nor Edward C. Johnson 3d nor Abigail P. Johnson was reported to have the sole power to vote or direct the voting of the shares of Common Stock owned directly by the Fidelity Funds, which power was reported to reside with the Fidelity Funds Boards of Trustees. FMR Co was reported to carry out the voting of the shares of Common Stock under written guidelines established by the Fidelity Funds Boards of Trustees.

Members of the family of Edward C. Johnson 3d, including Abigail P. Johnson, were reported to be the predominant owners, directly or through trusts, of Series B voting common shares of FMR LLC, representing 49% of the voting power of FMR LLC. The Johnson family group and all other Series B stockholders were reported to have entered into a stockholders voting agreement under which all Series B voting common shares will be voted in accordance with the majority of the Series B voting common shares. Through their ownership of voting common shares and the execution of the stockholders voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC.

⁽³⁾ Based on information contained in a Schedule 13G/A filed by BlackRock, Inc. with the SEC on January 23, 2015 to report beneficial ownership of shares of the Company s Common Stock as of December 31, 2014. BlackRock, Inc. reported that, through its subsidiaries, it

Table of Contents

is deemed to be the beneficial owner of 5,730,734 shares of Common Stock. BlackRock, Inc. reported sole voting power as to 5,458,906 shares and sole dispositive power as to 5,730,734 shares.

(4) Based on information contained in a Schedule 13G/A filed by Invesco Ltd. with the SEC on January 12, 2015 to report beneficial ownership of shares of the Company's Common Stock as of December 31, 2014. Invesco Ltd. reported that, through its subsidiaries, it is deemed to be the beneficial owner of 4,752,187 shares of Common Stock. Invesco Ltd. reported sole voting power and sole dispositive power as to all 4,752,187 shares

(5) Based on information contained in a Schedule 13G filed by State Street Corporation with the SEC on February 11, 2015 to report beneficial ownership of shares of the Company's Common Stock as of December 31, 2014. State Street Corporation reported that, through its subsidiaries, it is deemed to be the beneficial owner of 4,707,532 shares of Common Stock. State Street Corporation reported sole voting power and sole dispositive power as to all 4,707,532 shares.

(6) Based on information contained in a Schedule 13G/A filed by The Vanguard Group, Inc. with the SEC on February 10, 2015 to report beneficial ownership of shares of the Company's Common Stock as of December 31, 2014. The Vanguard Group, Inc. reported that it is deemed to be the beneficial owner of 4,205,540 shares of Common Stock. The Vanguard Group, Inc. reported sole voting power as to 48,346 shares, sole dispositive power as to 4,163,594 shares and shared dispositive power as to 41,946 shares.

Vanguard Fiduciary Trust Company (VFTC), a wholly-owned subsidiary of The Vanguard Group, Inc., was reported to be the beneficial owner of 41,916 shares of Common Stock (0.06% of the shares outstanding on April 29, 2015) as a result of VFTC serving as investment manager of collective trust accounts.

Vanguard Investments Australia, Ltd. (VIA), a wholly-owned subsidiary of The Vanguard Group, Inc., was reported to be the beneficial owner of 6,400 shares of Common Stock (0.01% of the shares outstanding on April 29, 2015) as a result of VIA serving as investment manager of Australian investment offerings.

(7) Based on information contained in a Schedule 13G filed by Snow Capital Management, L.P. with the SEC on January 21, 2015 to report beneficial ownership of shares of the Company's Common Stock as of December 31, 2014. Snow Capital Management L.P. reported that it is deemed to be the beneficial owner of 3,562,264 shares of Common Stock. Snow Capital Management, L.P. reported sole voting power as to 2,997,749 shares and sole dispositive power as to 3,562,264 shares.

The following table furnishes the number of shares of Common Stock of the Company beneficially owned (as determined in accordance with Rule 13d-3 under the Exchange Act) by each of the current directors, by each of the director nominees, by each of the named executive officers, and by all of the current directors and executive officers as a group, as of April 29, 2015.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾⁽²⁾	Percent of Class ⁽³⁾
Christos E. Angelides	0	*
James B. Bachmann	24,845	*
Bonnie R. Brooks	5,200	*
Terry L. Burman	14,500	*
Diane Chang	138,783	*
Joanne C. Crevoiserat	20,000	*
Sarah M. Gallagher	2,800	*
Michael E. Greenlees ⁽⁴⁾	1,500	*
Archie M. Griffin ⁽⁴⁾	13,952	*
Fran Horowitz	0	*
Michael S. Jeffries	844,508	*
Arthur C. Martinez ⁽⁴⁾	20,000	*
Diane L. Neal	3,000	*
Charles R. Perrin	20,024	*
Jonathan E. Ramsden	105,980	*
Stephanie M. Shern	3,000	*

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

Craig R. Stapleton ⁽⁴⁾	37,398	*
Current directors and executive officers as a group (19 persons)	1,285,791	1.8%

* Less than 1%.

⁽¹⁾ Unless otherwise indicated, each individual has voting and dispositive power over the listed shares of Common Stock and such voting and dispositive power is exercised solely by the named individual or shared with a spouse.

Table of Contents

Includes the following number of shares of Common Stock issuable by June 28, 2015 upon vesting of RSUs or the exercise of outstanding options which are currently exercisable or will become exercisable by June 28, 2015: Mr. Bachmann 3,000 shares; Ms. Brooks 3,000 shares; Mr. Burman 3,000 shares; Ms. Chang 100,000 shares; Ms. Crevoiserat 20,000 shares; Mr. Griffin 2,500 shares; Ms. Neal 3,000 shares; Mr. Ramsden 60,000 shares; Ms. Shern 3,000 shares; and all current directors and executive officers as a group 209,100 shares. The Company has included for this purpose the gross number of shares of Common Stock deliverable upon vesting of RSUs or the exercise of outstanding options, but actual shares received will be less as a result of the payment of applicable withholding taxes. The numbers reported do not include any unvested RSUs or any unvested options held by directors or executive officers (other than those specified in this footnote).

- (2) Also includes shares of Common Stock that may be acquired on a net basis upon exercise of SARs which are currently exercisable or will become exercisable by June 28, 2015, assuming a \$22.10 fair market value of a share of Common Stock at April 29, 2015 (based on the closing market price per share at that date) and the base price of the SARs as follows: for Mr. Jeffries, 36,652 net shares which could be acquired upon exercise of 600,000 SARs with a base price of \$20.75 per share.

The actual number of shares of Common Stock that would be acquired upon exercise of the SARs will vary depending on the fair market value of the Company's Common Stock at the time of exercise and the payment of applicable withholding taxes.

Not included in the table are shares underlying SARs which are currently exercisable or will become exercisable by June 28, 2015 but as to which the base price is greater than the \$22.10 fair market value of a share of Common Stock at April 29, 2015:

- (a) for Ms. Chang, 105,000 gross shares subject to SARs with a base price of \$44.86 per share; 52,500 gross shares subject to SARs with a base price of \$54.87 per share; 33,750 gross shares subject to SARs with a base price of \$52.89 per share; and 14,000 gross shares subject to SARs with a base price of \$45.69, representing an aggregate of 205,250 gross shares subject to SARs with a base price which is greater than the \$22.10 fair market value of a share of Common Stock at April 29, 2015.
- (b) for Mr. Jeffries, 800,000 gross shares subject to SARs with a base price of \$22.84 per share; 200,000 gross shares subject to SARs with a base price of \$27.408 per share; 200,000 gross shares subject to SARs with a base price of \$31.976 per share; 200,000 gross shares subject to SARs with a base price of \$36.544 per share; 200,000 gross shares subject to SARs with a base price of \$41.112 per share; 150,000 gross shares subject to SARs with a base price of \$24.90 per share; 150,000 gross shares subject to SARs with a base price of \$29.05 per share; 150,000 gross shares subject to SARs with a base price of \$33.02 per share; 150,000 gross shares subject to SARs with a base price of \$37.35 per share; 600,000 gross shares subject to SARs with a base price of \$31.66 per share; 150,000 gross shares subject to SARs with a base price of \$37.992 per share; 150,000 gross shares subject to SARs with a base price of \$44.324 per share; 150,000 gross shares subject to SARs with a base price of \$50.656 per share; 150,000 gross shares subject to SARs with a base price of \$56.988 per share; 668,367 gross shares subject to SARs with a base price of \$33.53 per share; 829,697 gross shares subject to SARs with a base price of \$44.86 per share; 1,590,908 gross shares subject to SARs with a base price of \$54.87 per share; and 288,287 gross shares subject to SARs with a base price of \$67.83 per share, representing an aggregate of 6,777,259 gross shares subject to SARs with a base price which is greater than the \$22.10 fair market value of a share of Common Stock at April 29, 2015.
- (c) for Mr. Ramsden, 140,000 gross shares subject to SARs with a base price of \$44.86 per share; 52,500 gross shares subject to SARs with a base price of \$54.87 per share; 33,750 gross shares subject to SARs with a base price of \$52.89 per share; 9,000 gross shares subject to SARs with a base price of \$45.69 per share; and 5,000 gross shares subject to SARs with a base price of \$52.48 per share, representing an aggregate of 240,250 gross shares subject to SARs with a base price which is greater than the \$22.10 fair market value of a share of Common Stock at April 29, 2015.

The numbers reported do not include any unvested SARs held by executive officers (other than those specified in this footnote).

- (3) The percent of class is based upon the sum of 69,550,630 shares of Common Stock outstanding on April 29, 2015 and the number of shares of Common Stock, if any, as to which the named individual or group has the right to acquire beneficial ownership by June 28, 2015, either (i) through the vesting of RSUs or upon the exercise of options which are currently exercisable or will become exercisable by June 28, 2015 or (ii) upon the exercise of SARs which are currently exercisable or will become exercisable by June 28, 2015, assuming the \$22.10 fair market value of a share of Common Stock at April 29, 2015 and base prices of the SARs in excess of such fair market value (computed as net common shares to be received upon exercise of SARs in the same manner as in footnote (2) to this table).

(4) The Amount and Nature of Beneficial Ownership does not include the following number of shares of Common Stock credited to the bookkeeping accounts of the following directors under the Directors' Deferred Compensation Plan or that will be credited to such bookkeeping accounts by June 28, 2015 as a result of the deferral of RSUs which are to vest by June 28, 2015: Ms. Gallagher 3,000 shares; Mr. Greenlees 13,348 shares; Mr. Griffin 37,452 shares; Mr. Martinez 54,037 shares; Mr. Perrin 4,500 shares; Mr. Stapleton 17,137 shares; and all current directors as a group, 128,900 shares. While the directors have an economic interest in these shares, each director's only right with respect to his bookkeeping account (and the amounts allocated thereto) is to receive a distribution of the whole shares of Common Stock represented by the share equivalent credited to his bookkeeping account (plus cash representing the value of fractional shares) in accordance with the terms of the Directors' Deferred Compensation Plan.

Table of Contents**Section 16(a) Beneficial Ownership Reporting Compliance**

To the Company's knowledge, based solely on a review of the forms furnished to the Company and written representations that no other forms were required, during Fiscal 2014, all directors, officers and beneficial owners of greater than 10% of the outstanding shares of Common Stock timely filed the reports required by Section 16(a) of the Exchange Act; except Jonathan E. Ramsden, an executive officer of the Company, filed one late Form 4 reporting two transactions. This Form 4 was filed one day late due to an administrative error in connection with the timing of the consummation of the transactions.

PROPOSAL 2 AMENDMENT OF THE COMPANY'S AMENDED AND RESTATED BYLAWS TO IMPLEMENT PROXY ACCESS

Under this Proposal 2, the Board is recommending that our stockholders approve amendments to our Amended and Restated Bylaws to implement proxy access. The proposed amendments are contained in Section 2.04 of our Amended and Restated Bylaws, a copy of which is attached to this Proxy Statement as Appendix A (the Amendments).

Proxy access allows eligible stockholders to include their own nominees for director in the Company's proxy materials for an annual meeting of stockholders, along with the candidates nominated by the Board. A non-binding stockholder proposal submitted by the Comptroller of the City of New York (the New York City Comptroller), in the capacity as the custodian and a trustee of the New York City Employees Retirement System, the New York City Fire Department Pension Fund, the New York City Teachers Retirement System and the New York City Police Pension Fund and the custodian of the New York City Board of Education Retirement System (collectively, the New York City Pension Funds), along with the Connecticut Retirement Plans and Trust Funds and The City of Philadelphia Public Employees Retirement System, which requested that we adopt and present a proxy access bylaw for stockholder approval received the support of a majority constituting 52% of the votes cast by our stockholders at the 2014 Annual Meeting of Stockholders. After considering the views expressed by our stockholders, the Board proceeded to move forward with the consideration of proposed amendments to our Amended and Restated Bylaws to implement a proxy access right consistent with the stockholder proposal approved at our 2014 Annual Meeting of Stockholders.

On March 11, 2015, the Company, the New York City Comptroller and the New York City Pension Funds, along with the Connecticut Retirement Plans and Trust Funds, The City of Philadelphia Public Employees Retirement System and the UAW Retiree Medical Benefits Trust, collectively, announced an agreement that the Company would submit a proxy access bylaw amendment to be voted upon by stockholders at the 2015 Annual Meeting. As part of this agreement, the New York City Pension Funds, the Connecticut Retirement Plans and Trust Funds, The City of Philadelphia Public Employees Retirement System and the UAW Retiree Medical Benefits Trust withdrew the stockholder proposal they had submitted for the 2015 Annual Meeting and have announced that they plan to support the Company's proposal in the form of the Amendments.

Pursuant to the Company's organizational documents, the Amendments will not become effective unless they are approved by the affirmative vote of the holders of at least 75% of the outstanding shares of Common Stock entitled to vote thereon. The Amendments would become effective upon the required approval by our stockholders. The Board believes that the Amendments include requirements and provisions designed to provide meaningful rights of proxy access while reducing some risks of abuse.

Description of Proposed Amendments

The following description of the proposed Amendments is only a summary and is qualified in its entirety by reference to the complete text of the Amendments which is attached to this Proxy Statement as Appendix A. You are urged to read the Amendments in their entirety.

Table of Contents

Eligibility of Stockholders to Nominate Directors

Any stockholder or group of up to 20 stockholders who have maintained continuous qualifying ownership of at least 3% of the shares of the Company's outstanding Common Stock for at least the previous three years would be permitted to include a specified number of director nominees in the Company's proxy materials for its annual meeting of stockholders. If the market capitalization (calculated in the manner provided in the Amendments) of the Company is at least \$2.5 billion, the maximum number of stockholders that may form a group constituting an eligible stockholder will be increased from 20 to 25.

Calculation of Qualifying Ownership

In order to ensure that the interests of stockholders seeking to include director nominees in the Company's proxy materials are aligned with those of other stockholders, a nominating stockholder would be deemed to own only those shares of outstanding Common Stock of the Company as to which the stockholder possesses both (i) the full voting and investment rights pertaining to the shares and (ii) the full economic interest in (including the opportunity for profit from and risk of loss on) such shares. The following shares would not count as owned shares for purposes of the Amendments:

shares sold by the stockholder or any of the stockholder's affiliates or associates in any transaction that has not been settled or closed;

shares borrowed by the stockholder or any of the stockholder's affiliates or associates for any purposes or purchased by the stockholder or any of the stockholder's affiliates or associates pursuant to an agreement to resell; or

shares subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by the stockholder or any of the stockholder's affiliates or associates, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of shares of outstanding Common Stock, which agreement or instrument has, or is intended to have, the purpose or effect of (a) reducing in any manner, to any extent or at any time in the future, the stockholder's or the stockholder's affiliate's or associate's full right to vote or direct the voting of any such shares and/or (b) hedging, offsetting or altering to any degree gain or loss realized or realizable from maintaining the full economic ownership of such shares by the stockholder or the stockholder's affiliate or associate.

A stockholder will be deemed to own shares of outstanding Common Stock that have been loaned by or on behalf of the stockholder to another person if and only if the stockholder has the right to recall such loaned shares, undertakes to recall and does recall such loaned shares upon being notified that any of the stockholder's nominees will be included in the Company's proxy materials for the applicable annual meeting. A stockholder will also be deemed to own shares of Common Stock held in the name of a nominee or other intermediary so long as the stockholder retains the right to instruct how the shares are voted in the election of directors and possesses the full economic interest in the shares.

Number of Stockholder-Nominated Candidates

The maximum number of candidates nominated by all eligible stockholders that the Company would be required to include in the Company's proxy materials is 25% of the number of directors in office as of the last day on which a notice of nomination may be delivered to the Company under the advance notice of nomination provisions of the Company's Amended and Restated Bylaws described in the section captioned

PROPOSAL 1 ELECTION OF DIRECTORS Director Nominations beginning on page 18. If the 25% calculation does not result in a whole number, the maximum number of stockholder-nominated candidates would be the closest whole number below 25%. If one or more vacancies occur on the Board, or the Board decides to reduce the size of the Board in connection with the annual meeting, after the advance notice of nomination deadline, the nominee limit would be calculated based on the reduced number of directors. Any stockholder-nominated candidate who is either subsequently withdrawn or disqualified or included by the Board in the Company's proxy materials as a Board-nominated candidate would be counted against the nominee limit.

Table of Contents

Procedure for Electing Candidates if Nominee Limit Exceeded

If the number of stockholder-nominated candidates exceeds the nominee limit, each nominating stockholder will select one proposed nominee for inclusion in the Company's proxy materials, beginning with the nominating stockholder with the largest qualifying ownership and proceeding through the list of nominating stockholders in descending order of qualifying ownership, until the nominee limit is reached.

Nominating Procedures

In order to provide adequate time to assess stockholder-nominated candidates, requests to include stockholder-nominated candidates in the Company's proxy materials must be delivered or mailed and received at the Company's principal executive offices no earlier than 150 days and no later than 120 days before the first anniversary of the date that the Company distributed its proxy statement to stockholders for the previous year's annual meeting of stockholders.

Information Required of All Nominating Stockholders

Each stockholder seeking to include a director nominee in the Company's proxy materials would be required to provide certain information to the Company, including:

verification of, and information regarding, the stockholder's ownership of shares of the Company's Common Stock as of the date of the submission of the nomination and continuous qualifying ownership through the record date for the annual meeting;

the information required by the advance notice of nomination provisions of the Company's Amended and Restated Bylaws;

a copy of the stockholder's notice on Schedule 14N that has been filed with the SEC;

the written consent of the stockholder nominee to being named in the Company's proxy materials and serving as a director, if elected; and

the written consent of the stockholder to the public disclosure of the information provided to the Company.

Nominating stockholders would also be required to make certain representations to and agreements with the Company, including:

lack of intent to change or influence control of the Company;

intent to maintain qualifying ownership through the annual meeting date;

intentions with respect to maintaining qualifying ownership for at least one additional year after the annual meeting date;

refraining from nominating any person for election to the Board other than the stockholder's nominees submitted through the proxy access process;

intent to be present in person or by proxy to submit the stockholder's nomination at the annual meeting;

engaging and/or participating only in the solicitation of the stockholder's nominees or Board nominees;

not distributing any form of proxy for the annual meeting other than the form distributed by the Company;

complying with solicitation rules and assuming liabilities related to and indemnifying the Company against losses arising out of the nomination;

the accuracy and completeness of all facts, statements and other information provided to the Company; and

Table of Contents

recalling any outstanding shares that have been loaned by or on behalf of the stockholder to another person that are to be counted for purposes of determining the stockholder's qualifying ownership and eligibility to nominate directors, upon being notified that any of the stockholder's nominees will be included in the Company's proxy materials for the applicable annual meeting.

Information Required of All Stockholder Nominees

Each stockholder nominee would be required to make certain written representations to and agreements with the Company, including:

refraining from voting agreements or commitments to act or vote as a director on any issue or question that has not been disclosed to the Company;

not becoming a party to any compensatory, reimbursement or indemnification arrangements with a person or entity other than the Company in connection with such nominee's candidacy for director or service or action as a director;

complying with applicable laws and stock exchange requirements and the Company's policies and guidelines applicable to directors; and

the accuracy and completeness of all facts, statements and other information provided to the Company. Stockholder nominees would also be required to submit completed and signed questionnaires required of the Company's directors and officers, and provide any additional information required for the Board's independence evaluation and determination.

Exclusion of Stockholder Nominees

The Company would not be required to include a stockholder nominee in the Company's proxy materials if:

he or she has been nominated on an opposing slate under the advance notice of nomination provisions of the Company's Amended and Restated Bylaws;

the stockholder who nominated him or her is soliciting for one or more candidates nominated on an opposing slate under the advance notice of nomination provisions of the Company's Amended and Restated Bylaws;

the nominee becomes party to a compensatory, reimbursement or indemnification arrangement with a person or entity other than the Company in connection with such nominee's candidacy for director or service or action as a director;

the nominee is not independent under any applicable independence standards;

the election of the nominee would cause the Company to violate its Amended and Restated Bylaws or Amended and Restated Certificate of Incorporation, any stock exchange requirements or any other applicable state or federal laws, rules or regulations;

the nominee has been an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, within the past three years;

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

the nominee is the subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in a criminal proceeding within the past ten years; or

the nominee or the nominating stockholder has provided false or misleading information to the Company or breached any of such person's respective obligations under the Amendments.

The Board or the chairman of the annual meeting would declare a director nomination by a stockholder to be defective, and such nomination would be disregarded, if (i) the director nominee or the stockholder breaches any of their respective obligations under the Amendments or (ii) the stockholder does not appear at the annual meeting in person or by proxy to present the nomination.

Table of Contents

Future Disqualification of Stockholder Nominees

Any stockholder nominee who is included in the Company's proxy materials but subsequently withdraws from or becomes ineligible for election at the annual meeting would be ineligible for nomination for the next two succeeding annual meetings.

Supporting Statement

Nominating stockholders would be permitted to include in the Company's proxy statement for the applicable annual meeting a 500-word statement in support of their nominee(s). The Company may omit any information or statement that the Company, in good faith, believes would violate any applicable law or regulation, including by being materially false or misleading, or otherwise cause harm to the Company.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE *FOR* THE PROPOSAL TO APPROVE THE AMENDMENTS TO OUR AMENDED AND RESTATED BYLAWS TO IMPLEMENT PROXY ACCESS.

Required Vote

Pursuant to Article FIFTH, Section 2 of the Company's Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least 75% of the outstanding shares of Common Stock entitled to vote thereon is required for approval of this proposal. Abstentions and broker non-votes, if any, will have the effect of votes ***AGAINST*** the proposal.

PROPOSAL 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION

We are asking stockholders to approve an advisory resolution on the Company's executive compensation as reported in this Proxy Statement. As described below in the **COMPENSATION DISCUSSION AND ANALYSIS** section of this Proxy Statement beginning on page 59, we considered the say on pay votes in 2013 and 2014, listened to our stockholders, and made significant changes in the compensation program for Mr. Jeffries and the other NEOs.

The Company's compensation programs are closely aligned with the Company's performance. Evidence of this strong link between pay and performance is the fact that the NEOs did not earn any annual cash incentive payments under the Company's Incentive Plan for Fiscal 2014 performance because the minimum operating income goals were not achieved. (However, Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz did receive payment of minimum guaranteed bonuses for Fiscal 2014 that were provided on a one-time basis as an additional inducement to accepting employment with the Company.) In addition, the threshold EBIT Margin Improvement (as defined below) goal for PSAs granted to NEOs in Fiscal 2014 was not achieved and, as such, that portion of those PSA awards was forfeited.

During Fiscal 2013, the Compensation and Organization Committee responded to stockholder concerns related to Michael S. Jeffries' 2008 employment agreement by renegotiating the terms of his employment and reducing his compensation to reflect best practice and market norms. The Company entered into a new employment agreement with Mr. Jeffries that was effective February 2, 2014 and increased the alignment between his compensation opportunities and business performance.

In connection with his retirement on December 8, 2014, the Company entered into a retirement agreement with Mr. Jeffries that provided compensation as if his employment had been terminated without cause pursuant to his employment agreement, including forfeiture of unvested long-term incentive awards that were granted to him within two years prior to his retirement and vesting in full of unvested long-term incentive awards that were granted at least two years prior to his retirement, except in the case of performance-based awards which would vest, if at all, based on actual performance over the entire performance period. In addition to the benefits Mr. Jeffries was entitled to upon retirement under the terms of his employment agreement, the terms of his retirement agreement provide for cash payments and benefits continuation in the aggregate amount of \$5,511,047.

Table of Contents

In Fiscal 2014, we:

Continued to provide under the cash Incentive Plan that awards were eligible to be earned based on an annual performance period, rather than two semi-annual periods as had been the case prior to Fiscal 2013.

Changed the mix of the annual long-term incentive awards granted to the NEOs to emphasize performance-based awards. 100% of the annual equity award granted to Mr. Jeffries in Fiscal 2014 was in the form of PSAs. 75% of the annual equity award granted to Mr. Ramsden in Fiscal 2014 consisted of PSAs and 25% consisted of SARs. Between 40% and 50% of the annual equity awards granted to the other NEOs in Fiscal 2014 consisted of PSAs and the remainder consisted of SARs and RSUs. The equity awards granted to Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz in Fiscal 2014 were made in connection with their hiring by the Company which occurred after the annual long-term incentive awards were granted to the other NEOs. Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz received inducement grants and equity replacement grants rather than annual equity awards in Fiscal 2014.

Extended the time frame for measuring performance and vesting of PSAs to three years, rather than one year.

Revised the design of the PSAs granted to the NEOs, including Mr. Jeffries, to provide for vesting based on three performance metrics linked to the Company's stated operating and stockholder return goals rather than a single EPS metric.

Weighted the three new PSA metrics as follows: one-third based on Relative Total Stockholder Return (TSR) versus the S&P Retail Select Industry Index; one-third based on Return on Equity (ROE); and one-third based on the improvement in Earnings Before Interest and Taxes (EBIT) margin (EBIT Margin Improvement).

Set rigorous goals incorporating a high degree of difficulty.

Required that Mr. Jeffries forfeit the PSAs to be earned based on relative TSR if absolute TSR is negative over the three-year performance period.

Capped the percentage which may be earned by the other NEOs at 100% of the target PSA payout in the event of negative TSR over the three-year performance period.

In recent years, the Company has made other changes to its executive compensation programs to respond to stockholder input and to conform with best practices. The Company's annual and long-term incentive compensation plans are subject to a strict clawback, allowing the Company to seek repayment of any incentive amounts that were erroneously paid with no requirement of misconduct on the part of the plan participant before the clawback is triggered. Further, the Company has implemented stock ownership guidelines for all directors and executive officers. The Company also prohibits associates (including the NEOs) and directors from engaging in hedging activities with respect to, or pledging, any equity securities of the Company held by them.

Stockholders are urged to read the **COMPENSATION DISCUSSION AND ANALYSIS** beginning on page 59, which describes in more detail how the Company's executive compensation policies and procedures achieve the Company's compensation objectives, as well as the **Fiscal 2014 Summary Compensation Table** beginning on page 74 and related compensation tables, notes and narrative, which provide detailed information on the compensation of the NEOs.

In accordance with Section 14A of the Exchange Act, and as a matter of good corporate governance, the Company is asking stockholders to approve the following advisory resolution at the Annual Meeting:

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

RESOLVED, that the stockholders of Abercrombie & Fitch Co. (the Company) approve, on an advisory basis, the compensation of the Company s named executive officers disclosed in the Compensation Discussion and Analysis, the Fiscal 2014 Summary Compensation Table and the related compensation tables, notes and narrative in the Proxy Statement for the Company s 2015 Annual Meeting of Stockholders.

This advisory resolution, commonly referred to as a Say on Pay vote, is non-binding on the Board. Although non-binding, the Board and the Compensation and Organization Committee will carefully review and

Table of Contents

consider the voting results when evaluating our executive compensation programs for Fiscal 2016 and future years. Taking into account the advisory vote of stockholders regarding the frequency of future advisory votes to approve executive compensation at our 2011 Annual Meeting of Stockholders, the Board's current policy is to include an advisory resolution regarding approval of the compensation of our named executive officers annually. Accordingly, unless the Board modifies its policy on the frequency of future votes, the next advisory vote to approve our executive compensation will occur at the 2016 Annual Meeting of Stockholders.

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE *FOR***THE APPROVAL OF THE ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION.****Required Vote**

The approval of the advisory resolution on executive compensation requires the affirmative vote of a majority in voting interest of the stockholders present in person or by proxy and voting thereon. Under applicable NYSE Rules, broker non-votes will not be treated as votes cast. Abstentions will not be counted as votes *FOR* or *AGAINST* the proposal.

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis provides important information on our executive compensation programs and on the amounts shown in the executive compensation tables that follow. In this Proxy Statement, the term "named executive officers" (sometimes referred to as "NEOs") means the individual executive officers named in the executive compensation tables that follow (and listed below). The compensation programs are governed by the Compensation and Organization Committee of the Board (the "Compensation Committee" or the "Committee"), which is comprised solely of independent directors of the Company.

The Company's NEOs include the following individuals:

NEO	Position
Michael S. Jeffries	Former Chief Executive Officer ⁽¹⁾
Jonathan E. Ramsden	Chief Operating Officer and Interim Principal Executive Officer
Joanne C. Crevoiserat	Executive Vice President and Chief Financial Officer
Christos E. Angelides	Brand President of Abercrombie & Fitch and abercrombie kids
Fran Horowitz	Brand President of Hollister
Diane Chang	Executive Vice President - Sourcing

⁽¹⁾ On December 8, 2014, Mr. Jeffries retired from the position of Chief Executive Officer of the Company and resigned as a director of the Company.

Executive Summary***Year of Transition***

We made a number of organizational changes at the end of Fiscal 2013 and during Fiscal 2014. Among other factors, these were designed to support a transition in leadership in the event of Michael S. Jeffries' eventual retirement and a move to a brand-based organizational model. They also reflect our commitment to best practices in corporate governance.

On January 27, 2014, the Board separated the positions of Chief Executive Officer and Chairman of the Board, elected Arthur C. Martinez, Terry L. Burman and Charles R. Perrin to three newly-created directorships on the Board, and appointed Arthur C. Martinez as Non-Executive Chairman of the Board. Subsequently, the Board nominated four new independent directors - Bonnie R. Brooks, Sarah M. Gallagher, Diane L. Neal and Stephanie M. Shern - for election, and accepted the decision of four incumbent directors not to stand for re-election, at the 2014 Annual Meeting of Stockholders.

Table of Contents

On January 27, 2014, the Board created the new position of Chief Operating Officer (COO) and promoted Jonathan E. Ramsden, the Company s Executive Vice President and Chief Financial Officer, to play an expanded role in managing the overall execution of the Company s long-range strategic plan.

On May 5, 2014, Joanne C. Crevoiserat commenced employment as our new Executive Vice President and Chief Financial Officer.

We created two new Brand President positions to lead the execution of our brand-based business strategy. On October 20, 2014, Christos E. Angelides and Fran Horowitz each commenced employment as our new Brand Presidents of Abercrombie & Fitch and abercrombie kids and of Hollister, respectively.

On December 8, 2014, Michael S. Jeffries retired from the position of Chief Executive Officer of the Company and resigned as a director of the Company. At that time, Mr. Martinez was appointed Executive Chairman of the Board, Jonathan E. Ramsden was appointed as Interim Principal Executive Officer, and we formed an Office of the Chairman, whose members are Mr. Martinez, Mr. Ramsden, Mr. Angelides and Ms. Horowitz. This allows for effective management of our business during this transition period. As a result of this appointment, Mr. Martinez is spending a significant amount of time leading the Office of the Chairman. In addition, certain officers of the Company, including the members of the Office of the Chairman, report to Mr. Martinez as a representative of the Board. Mr. Martinez continues to provide the experienced and independent leadership necessary as the Board continues its search and selection process for a new Chief Executive Officer.

Our Board has established a working group to conduct a search and selection process for a new Chief Executive Officer. During Fiscal 2013, the Compensation Committee responded to stockholder concerns related to Michael S. Jeffries 2008 employment agreement by renegotiating the terms of his employment and reducing his compensation to reflect best practice and market norms. The Company entered into a new employment agreement with Michael S. Jeffries that was effective on February 2, 2014 and increased the alignment between his compensation opportunities and business performance.

In connection with his retirement, the Company entered into a retirement agreement with Mr. Jeffries that provided compensation as if his employment had been terminated without cause pursuant to his employment agreement, including forfeiture of unvested long-term incentive awards that were granted to him within two years prior to his retirement. No portion of the unvested long-term incentive awards that had been granted to him at least two years prior to his retirement vested as a result of his retirement. In addition to the benefits Mr. Jeffries was entitled to upon retirement under the terms of his employment agreement, the terms of his retirement agreement provide for cash payments and benefits continuation in the aggregate amount of \$5,511,407.

Pay for Performance Culture

Fiscal 2014 was a year of significant change for the Company. The Company continues to evolve its business and respond to major changes and challenges in the macroeconomic and consumer environment and remains committed to creating long-term value for stockholders. The Company is focused on executing its long-term strategic plan, with an emphasis on improving the comparable store sales trend, continuing to invest in direct-to-consumer operations and omnichannel capabilities, ongoing process improvement and cost management, pursuing additional opportunities to expand the brand reach, and ensuring we are properly organized for the next phase of growth and increased accountability to the bottom line. In addition, the Company has implemented a brand-based organization model with the appointment of Mr. Angelides and Ms. Horowitz. The successful transition to a brand-based organization model is expected to sharpen the focus on and accountability for the performance of the Company s brands.

The Company s compensation programs are closely aligned with the Company s performance. Evidence of this strong link between pay and performance is the fact that the NEOs did not earn any annual cash incentive payments under the Company s Incentive Plan for Fiscal 2014 performance because the minimum operating

Table of Contents

income goals were not achieved. (However, Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz did receive payment of minimum guaranteed bonuses for Fiscal 2014 that were provided on a one-time basis as an additional inducement to accepting employment with the Company.) In addition, the PSAs granted to NEOs in March 2013 were forfeited because the minimum EPS goal was not achieved. Additionally, the threshold EBIT Margin Improvement goal for PSAs granted in NEOs in Fiscal 2014 was not achieved and, as such, that portion of those PSA awards was forfeited.

As reported in the **Fiscal 2014 Summary Compensation Table**, beginning on page 74, for Fiscal 2014, total direct compensation (base salary, annual cash incentive payments and long-term incentives) paid to or earned by Michael S. Jeffries and each of the other NEOs was as follows:

Named Executive Officer	Base Salary (\$)	Annual Cash Incentive Payment ⁽¹⁾ (\$)	Long-Term Incentives (\$)		
			PSAs	RSUs ⁽²⁾	SARs
Michael S. Jeffries	\$ 1,303,846	\$ 0	\$ 5,291,182 ⁽³⁾⁽⁴⁾	\$ 0	\$ 0
Jonathan E. Ramsden	\$ 962,693	\$ 0	\$ 1,425,644 ⁽⁴⁾	\$ 0	\$ 576,000
Joanne C. Crevoiserat	\$ 522,500	\$ 300,000	\$ 0	\$ 2,783,208	\$ 1,229,400
Christos E. Angelides	\$ 267,885	\$ 250,000	\$ 0	\$ 7,626,592	\$ 595,500
Fran Horowitz	\$ 267,885	\$ 262,500	\$ 417,976 ⁽⁴⁾	\$ 2,796,063	\$ 248,659
Diane Chang	\$ 995,000	\$ 0	\$ 792,005 ⁽⁴⁾	\$ 548,175	\$ 504,000

(1) Although no annual cash incentive payments were earned under the Incentive Plan for Fiscal 2014 performance, each of Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz had been guaranteed the minimum annual cash incentive payment noted above for Fiscal 2014 as an additional inducement to accepting employment with the Company. Going forward, none of the current executive officers will be entitled to any guaranteed minimum annual cash incentive payment.

(2) The RSU award amount shown for our three newly-hired executive officers, Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz, primarily reflects grants of equity replacement awards designated to compensate each executive officer for the value of equity awards granted by their former employers that were forfeited as a result of the termination of their employment with the former employer in order to commence employment with the Company. These RSUs will vest for Ms. Crevoiserat and Ms. Horowitz, in equal installments on each of the first four anniversaries of the grant date; and for Mr. Angelides, 50% on the first anniversary of the grant date, 30% on the second anniversary of the grant date and 20% on the third anniversary of the grant date.

(3) The PSAs granted to Mr. Jeffries were subsequently forfeited pursuant to the terms of his retirement agreement with the Company.

(4) The PSA values shown for each of Mr. Jeffries, Mr. Ramsden, Ms. Horowitz and Ms. Chang do not include values representing the portions of the Fiscal 2014 PSAs that are based on an annual EBIT Margin Improvement metric for each of Fiscal 2015 and Fiscal 2016. The annual EBIT Margin Improvement metrics for such portions of these Fiscal 2014 PSA grants are to be established by the Compensation Committee at the beginning of each of Fiscal 2015 and Fiscal 2016, and, therefore, the values of such portions were not determinable during Fiscal 2014.

Stockholder Outreach on Say on Pay Vote

As a result of the Company's extensive stockholder outreach efforts and responsiveness to stockholder concerns, stockholders representing over 90% of the votes cast voted in favor of the Company's executive compensation program at the 2014 Annual Meeting of Stockholders. The Company continued in Fiscal 2014 to have extensive dialogue with our stockholders. Over the past twelve months, we held discussions with stockholders who, in the aggregate represented approximately 50% of the shares eligible to be voted at the Annual Meeting. The Company expects to continue such meetings prior to the Annual Meeting and, as a matter of policy and practice, fosters and encourages engagement with our stockholders on compensation and other matters.

Stockholders generally indicated that they were interested in:

Performance-based equity compensation for NEOs that is aligned with stockholder return;

Alignment of compensation arrangements between the Chief Executive Officer and other NEOs;

Rigorous performance metrics that include relative metrics;

Different metrics for long-term incentives;

Multi-year performance periods;

Table of Contents

Willingness to see management highly rewarded for strong performance; and

Linkage of metrics to stated operational goals.

The Compensation Committee responded to the feedback we received from our stockholders and the results of the 2012 and 2013 Say on Pay votes. The Compensation Committee demonstrated its commitment to ensuring that the Company's executive compensation policies and practices are effective in aligning the interests of executives with the achievement of our financial goals and the creation of long-term stockholder value by implementing changes to the design and disclosure of our executive compensation program for Fiscal 2014.

Changes to the Compensation Program for Fiscal 2014

The Company implemented significant changes in its compensation programs for its NEOs for Fiscal 2014, including the following:

Ø Effective in Fiscal 2013 and continuing in Fiscal 2014, the Compensation Committee revised the performance periods under the cash Incentive Plan to provide that awards are eligible to be earned based on an annual performance period, rather than two semi-annual periods.

Ø Changed the mix of the annual long-term incentive awards granted to the NEOs to emphasize performance-based awards. 100% of the annual equity award granted to Mr. Jeffries in Fiscal 2014 consisted of PSAs. 75% of the annual equity award granted to Mr. Ramsden in Fiscal 2014 consisted of PSAs and 25% consisted of SARs. Between 40% and 50% of the equity awards granted to the other NEOs in Fiscal 2014 consisted of PSAs and the remainder consisted of SARs and RSUs. The equity awards granted to Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz in Fiscal 2014 were made in connection with their hiring by the Company which occurred after the annual long-term incentive awards were granted to the other NEOs. Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz received inducement grants and equity replacement grants rather than annual equity awards in Fiscal 2014.

Ø For PSAs, the time frame for measuring performance was extended to three years (from one year), and three-year cliff vesting was implemented.

Ø Revised the design of the PSAs granted to the NEOs, including Mr. Jeffries, to provide for vesting based upon three performance metrics linked to the Company's stated operating and stockholder return goals rather than a single earnings per share metric.

Ø Weighted the three new PSA metrics as follows: one-third based on Relative Total Stockholder Return (TSR) versus the S&P Retail Select Industry Index; one-third based on Return on Equity (ROE); and one-third based on the improvement in Earnings Before Interest and Taxes (EBIT) margin (EBIT Margin Improvement).

Ø Incorporated a high degree of difficulty in the relative TSR goals by requiring performance at the 60th percentile of the companies in the S&P Retail Select Industry Index before the target PSA payout is earned and performance at or above the 90th percentile before the maximum PSA payout is earned.

Edgar Filing: ABERCROMBIE & FITCH CO /DE/ - Form DEF 14A

Ø Required that Mr. Jeffries forfeit the PSAs to be earned based on relative TSR if absolute TSR is negative over the three-year performance period.

Ø Capped the percentage which may be earned by the NEOs (other than Mr. Jeffries) at 100% of the target PSA payout in the event of negative TSR over the three-year performance period.

Ø Selected ROE as a PSA metric associated with long-term value creation and set the performance level for threshold payout at 10.5%, with the performance level for maximum payout set at 20%, to reward superior performance.

Table of Contents

A summary of the financial targets approved by the Committee for PSAs granted in Fiscal 2014 is presented below:

Payout Level Under Performance Metric	Total Stockholder Return vs. the S&P Retail Select Industry Index for Fiscal Years 2014 through 2016*	Return on Equity for Fiscal Years 2014 through 2016*	EBIT Margin Improvement for Fiscal Year 2014 vs. Fiscal Year 2013*
Maximum	90 th Percentile or More	20% or More	250 Basis Points or More
Target	60 th Percentile	15%	175 Basis Points
Threshold	30 th Percentile	10.5%	100 Basis Points

* If the performance level falls between Threshold and Target or between Target and Maximum, the level of payout is determined through interpolation.

Best Practices

In addition to the changes to the compensation programs described above, the following compensation decisions and practices demonstrate how the Company's executive compensation program reflects best practices and reinforces the Company's culture and values:

Ø **Emphasis on At-Risk Pay** For NEOs, the majority of their total compensation opportunity is contingent upon the Company's financial performance and appreciation in the market price of the Company's Common Stock.

Ø **Rigorous Performance Metrics** Both the annual cash incentive payments and the PSA awards depend on corporate financial results. Annual cash incentive payments are earned for meeting challenging operating income targets. The earning of PSAs depends on three metrics: relative TSR, ROE and EBIT Margin Improvement.

Ø **Challenging Performance Targets** No annual cash incentive payments were earned under the Incentive Plan for Fiscal 2014 performance because the minimum operating income goals were not met. (However, Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz did receive payment of minimum guaranteed bonuses for Fiscal 2014 that were provided on a one-time basis as an additional inducement to accepting employment with the Company.) In addition, the PSAs granted to NEOs in March 2013 were forfeited because the minimum EPS goal was not met. Additionally, the threshold EBIT Margin Improvement goal for PSAs granted to NEOs in Fiscal 2014 was not achieved and, as such, that portion of those PSA awards was forfeited.

Ø **No Excise Tax Gross-Up Payments** None of the NEOs is entitled to gross-up payments in the event that any payments or benefits provided to him or her by the Company are subject to the golden parachute excise tax under Sections 280G and 4999 of the Internal Revenue Code.

Ø **Stock Ownership Guidelines** Executive officers and directors are subject to stock ownership guidelines that align their long-term financial interests with those of the Company's stockholders.

Ø **Clawback Policy** Each of the plans pursuant to which annual and long-term incentive compensation may be paid to the Company's executive officers includes a stringent clawback provision, which allows the Company to seek repayment of any incentive amounts that were erroneously paid, without any requirement of misconduct on the part of the plan participant.

Ø **Derivatives and Hedging Policy** The Company prohibits associates (including the NEOs) and directors from engaging in hedging transactions with respect to any equity securities of the Company held by them.

Ø **Policy Against Pledging** The Company prohibits associates (including the NEOs) and directors from pledging any equity securities of the Company held by them.

Table of Contents***Further Changes to the Compensation Program for Fiscal 2015***

For Fiscal 2015, the Company is implementing additional changes to its compensation programs, designed to maintain competitive pay practices and ensure continued alignment between executive incentives and achievement of financial goals and creation of long-term stockholder value. These changes for Fiscal 2015 take into account the anticipated challenges for the year, as the Company undergoes a leadership transition in identifying a new Chief Executive Officer and continues to face a difficult retail environment.

The annual cash incentive for NEOs and selected other senior executives in Fiscal 2015 will provide more flexibility during a year of leadership transition and challenging business conditions by enabling the Compensation Committee to exercise negative discretion in determining individual awards based on Company performance and individual performance, in each case with respect to both financial and strategic goal(s), as long as minimum operating income goals are met. However, individual target award opportunities for the NEOs and selected other senior executives have not changed and will continue to be capped at twice target levels. This approach for Fiscal 2015 will ensure that the Compensation Committee has the flexibility in an uncertain year to reward (or decline to reward) NEOs and selected other senior executives as appropriate based on performance, in alignment with stockholder interests. The Compensation Committee intends that any payments under this approach qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code and under the Company's stockholder-approved Incentive Plan, although there can be no guarantee that any individual payment would so qualify.

For PSAs granted to NEOs and selected other senior executives in Fiscal 2015, the time frame for measuring performance and vesting will continue to be three years, and metrics will continue to be linked to both operating goals and stockholder return goals. Specifically, the Fiscal 2015 PSA metrics will be 50% based on Relative TSR versus the S&P Retail Select Industry Index, and 50% based on Return on Invested Capital (ROIC). The ROIC metric replaces the ROE metric used for Fiscal 2014, as the Compensation Committee believes the ROIC metric is a more appropriate metric for companies in the retail industry. The Annual EBIT Margin Improvement metric, which was used for PSAs granted in Fiscal 2014, was eliminated as a PSA metric for equity grants in Fiscal 2015 to allow for simplification of the program. In addition, the mix of long-term incentive awards for Fiscal 2015 will continue to emphasize performance-based awards, with a significant portion of equity awards for NEOs and selected other senior executives consisting of PSAs.

Finally, for associates other than NEOs and selected other senior executives, the short-term cash incentive program for Fiscal 2015 will be based on two semi-annual periods, to help enhance retention and engagement by accelerating incentive earning opportunities. In addition, in conjunction with the Company's shift to a brand-based strategy and organizational structure, the short-term cash incentive for brand-based divisional associates will be based 50% on the financial results of their respective brand and 50% on the overall financial results for the Company; for corporate associates, the short-term cash incentive will be based 100% on overall Company financial results. This brand-focused incentive compensation for brand-based divisional associates should drive greater alignment between performance and short-term cash incentives. By focusing on accountability and results at the brand level on a seasonal basis, the Fiscal 2015 approach will provide greater line-of-sight and motivation for Incentive Plan participants, and thus support improved overall Company performance.

Compensation Process and Objectives

The Compensation Committee, in consultation with management of the Company and the Compensation Committee's independent advisors, oversees the executive compensation and benefits program for the Company's NEOs. The compensation program is comprised of a combination of base salary, annual incentive compensation, long-term incentives and associate benefits. The objective of the executive compensation program is to attract, motivate and retain key creative and management talent who thrive in the highly-competitive specialty retail industry. The executive compensation program is designed to encourage a high degree of teamwork and reward individuals for achieving challenging financial and operational objectives that we believe lead to the creation and sustaining of long-term stockholder value.

Table of Contents

The Company operates in the fast-paced and highly-competitive arena of specialty retail. To be successful, the Company must attract and retain key creative and management talents who thrive in this environment. The Company sets high goals and expects superior performance from these individuals. The Company's executive compensation structure is designed to support this culture. As such, the Company's executive compensation and benefit programs are designed to:

Drive high performance to achieve financial goals and create long-term stockholder value;

Reflect the strong team-based culture of the Company;

Support the transition to a brand-based organizational model; and

Provide compensation opportunities that are competitive with those offered by similar specialty retail organizations and other companies with which the Company competes for high caliber executive talent.

Elements of Compensation Program

The Company's compensation program for Fiscal 2014 consisted of the following elements:

	Pay Element	What It Does	Performance Measures
Base Salary	Cash	Fixed pay that takes into account an individual's role and responsibilities, experience, expertise and individual performance	Experience, job responsibility, results against goals
Annual Incentive	Annual Cash Incentive Payments under the Incentive Plan	Variable pay that is designed to reward the attainment of short-term business goals, with target award opportunities expressed as a percentage of base salary	Adjusted Operating Income
Long-Term Incentive	PSAs	Stock-based awards tied to increases in stockholder value over longer periods of time, achievement of operating objectives and retention that are intended to align the interests of associates to those of stockholders	Performance measures for awards granted in Fiscal 2014 were: (3 $\frac{2}{3}$ percent) Relative TSR ⁽¹⁾ (3 $\frac{2}{3}$ percent) ROE ⁽²⁾ (3 $\frac{2}{3}$ percent) EBIT Margin Improvement ⁽³⁾
	RSUs		Share price improvement
	SARs		Share price improvement

Benefits	Additional programs offered to attract and retain	N/A
Other	capable associates	

- (1) Relative TSR as measured versus the S&P Retail Select Industry Index at both the beginning and the end of the performance period.
- (2) ROE as measured on an average basis over the performance period and calculated as GAAP Net Income for each year divided by the 5-point average quarterly stockholders' equity for the year.
- (3) EBIT Margin Improvement as measured by comparing the prior year and current year adjusted EBIT margins to measure the degree of improvement.

Table of Contents**Fiscal 2014 Compensation Actions****Base Salary**

The base salaries of the NEOs reflect the Company's operating philosophy, culture and business direction, with each base salary determined based upon an annual assessment of a number of factors, including the individual's current base salary, job responsibilities, internal equity considerations, impact on development and achievement of business strategy, labor market compensation data, individual performance relative to job requirements, the Company's ability to attract and retain critical executive officers, and base salaries paid for comparable positions within an identified compensation peer group. No specific goals or weightings are applied to the factors considered in setting the level of base salary, and thus the process relies on the subjective exercise of the Compensation Committee's judgment.

At the time of his appointment as COO, Mr. Ramsden's base salary was increased to \$995,000, which base salary increase did not go into effect, at Mr. Ramsden's request, until the date on which base salary adjustments went into effect for other associates of the Company on March 23, 2014. The initial base salaries for Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz were established pursuant to offer letters entered into in connection with their hiring by the Company. In approving the base salary levels for each of these NEOs, the Compensation Committee reviewed market data on base salaries published by numerous sources including the peer group described below and surveys published by Hay Group and Equilar. These base salaries were based upon a variety of factors, discussed above, and were primarily driven by internal equity considerations and market comparisons, and, with respect to Mr. Ramsden, his performance rating. Ms. Chang did not receive a base salary adjustment, because her base salary is already at a very competitive level within the industry.

Annual Cash Incentive Plan

The annual cash Incentive Plan is designed to focus on and reward short-term operating performance. It is the broadest of the Company's management incentive programs with eligibility approaching 1,000 participants, including the NEOs.

The Incentive Plan has target incentive levels, expressed as a percentage of base salary, for each level of eligible associate. Awards under the Incentive Plan vary based upon the performance of the Company relative to the goals set by the Compensation Committee at the beginning of each fiscal year. The maximum incentive opportunity that can be earned under the Incentive Plan is two times the target award, and is designed for the achievement of outstanding performance. For performance falling in between the threshold, target and maximum performance levels, the Company awards incentive payout amounts which are determined on an interpolated basis. For performance falling below the threshold performance level, no incentive payouts are made.

The table below shows the potential payouts for Fiscal 2014 to the NEOs under the Incentive Plan, as a percentage of base salary:

NEO	Minimum Annual Cash Incentive Payment ⁽¹⁾	Payment at Threshold Performance Level as a % of Base Salary ⁽²⁾	Payment at Target Performance Level as a % of Base Salary	Payment at Maximum Performance Level as a % of Base Salary
Michael S. Jeffries	\$ 0	0%	150%	300%
Jonathan E. Ramsden	\$ 0	0%	95%	190%
Joanne C. Crevoiserat	\$ 300,000	0%	75%	150%
Christos E. Angelides	\$ 250,000	0%	125%	250%
Fran Horowitz	\$ 262,500	0%	125%	250%
Diane Chang	\$ 0	0%	95%	190%

Table of Contents

(1) Although no annual cash incentive payments were earned under the Incentive Plan for Fiscal 2014 performance, each of Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz had been guaranteed the minimum annual cash incentive payment noted above for Fiscal 2014 as an additional inducement to accepting employment with the Company. Going forward, none of the current executive officers will be entitled to any guaranteed minimum annual cash incentive payment.

(2) Payments would only occur if a level above the threshold operating income goal were achieved. For Fiscal 2014, the Company's Incentive Plan was based upon a single, twelve-month period, rather than being divided into two six-month periods as had been the design prior to Fiscal 2013.

The Compensation Committee intends that payments under the Incentive Plan qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code, although there can be no guarantee that any individual payment under the Incentive Plan will so qualify.

Consistent with prior years, the Company performance measure for Fiscal 2014 was operating income, subject to adjustments for restructuring or similar costs approved by the Board, consulting fees and other costs in connection with implementation of the Company's profit improvement initiative, or other extraordinary items or impairment charges. For Fiscal 2014, there were no payouts under the Incentive Plan because the minimum operating income goal was not met. However, Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz did receive payment of minimum guaranteed bonuses for Fiscal 2014 that were provided on a one-time basis as an additional inducement to accepting employment with the Company. The metrics and actual results for the twelve-month performance period were as follows:

	Fiscal 2014 Metric (\$000s)			Actual (\$000s)
	Threshold ⁽¹⁾	Target	Maximum	
% Payout	0%	100%	200%	0%
Operating Income	\$ 222,877	\$ 292,532	\$ 362,186	(2)

(1) Payout would be achieved for any performance greater than the operating income goal of \$222,877,000.

(2) The actual Fiscal 2014 Operating Income was less than the threshold level of \$222,877,000, which resulted in no payout.

Sign-on and Relocation Bonuses

In addition to the annual incentive award opportunities described above, in connection with their hiring by the Company, each of Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz received a sign-on bonus as an inducement to accept employment with the Company. These sign-on bonuses to Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz were meant to replace lost bonuses and vesting of grants at former employers that would not occur because of their move to the Company. The sign-on bonuses were all paid in a single lump sum in cash upon the executive officer's commencement of employment with the Company. Each executive officer will be required to repay the sign-on bonus in full if he or she resigns without good reason or is terminated for cause within 36 months of his or her first day of employment. The amounts of the sign-on bonuses were as follows: Ms. Crevoiserat \$125,000; Mr. Angelides \$100,000; and Ms. Horowitz \$450,000. Mr. Angelides also received a supplemental sign-on bonus of \$512,000 to compensate him for the forfeiture of the target bonus he would have received from his former employer, subject to his agreeing to repay the supplemental sign-on bonus under the same terms as the sign-on bonus. In addition, Ms. Crevoiserat and Mr. Angelides received relocation bonuses in the amounts of \$25,000 and \$50,000, respectively.

Long-Term Equity Incentives

Long-term equity incentives are used to balance the annual focus of the Incentive Plan by tying a significant portion of total compensation to performance achieved over multi-year periods. Under the 2005 LTIP and the Company's Amended and Restated 2007 Long-Term Incentive Plan (the 2007 LTIP), the Compensation Committee may grant a variety of long-term incentive vehicles, including stock options, SARs, RSUs, and PSAs. As noted above, in Fiscal 2014, the Company granted a combination of performance-based RSUs, SARs and PSAs.

Table of Contents

The aggregate grant date fair value of the long-term incentives granted to the NEOs as part of the annual grant in Fiscal 2014 and the target mix of such awards is shown below. The grant date fair values of the awards made to our three newly-hired executive officers are detailed below in the section captioned **Inducement and Equity Replacement Grants**. Mr. Jeffries' grant date fair value was established pursuant to his employment agreement that became effective February 2, 2014 and reflected the Committee's desire to deliver 100% of his award in PSAs. The PSAs granted to Mr. Jeffries were subsequently forfeited pursuant to the terms of his retirement agreement with the Company. Mr. Ramsden's grant date fair value was determined at the time of his appointment as COO and the mix was designed to emphasize PSAs. The grant to Ms. Chang represents her annual equity grant, determined based on her performance, market pay data, and consideration of the competitiveness of her overall compensation package.

Aggregate Grant Date Fair Value and Target Mix of Annual Long-Term Incentives

Named Executive Officer	Aggregate Grant Date Fair Value	PSAs	RSUs	SARs
Michael S. Jeffries	\$ 5,291,182 ⁽¹⁾	100%	0%	0%
Jonathan E. Ramsden	\$ 2,001,644 ⁽¹⁾	75%	0%	25%
Diane Chang	\$ 1,844,180 ⁽¹⁾	50%	25%	25%

⁽¹⁾ The PSA values for each of Mr. Jeffries, Mr. Ramsden and Ms. Chang do not include values representing the portions of Fiscal 2014 PSAs that are based on an annual EBIT Margin Improvement metric for each of Fiscal 2015 and Fiscal 2016. The annual EBIT Margin Improvement metrics for such portions of these Fiscal 2014 PSA grants are to be established by the Compensation Committee at the beginning of each of Fiscal 2015 and Fiscal 2016, and, therefore, the values of such portions were not determinable during Fiscal 2014.

Performance Share Awards. The number of PSAs earned will vary from 0% to 200% of target, depending on the level of achievement with respect to the rigorous performance criteria described above. The threshold EBIT Margin Improvement goal for PSAs granted to NEOs in Fiscal 2014 was not achieved and, as such, that portion of those PSA awards was forfeited. In addition, the PSAs granted to NEOs in March 2013 were forfeited because the minimum EPS goal was not achieved.

Restricted Stock Units (Annual Grant). The Company typically includes a performance component to the vesting schedule for RSUs for the NEOs. Subject to continued employment with the Company, performance-based RSUs granted in Fiscal 2014 to Ms. Chang will vest 25% a year over a four-year period beginning on the first anniversary of the grant date, provided the Company's adjusted non-GAAP net income is positive for the fiscal year ended immediately preceding the date the installment is to vest. If this performance hurdle is not met, the RSUs will not vest in accordance with the vesting schedule for that year. Ms. Chang would have the opportunity to earn back this unvested portion of the RSU award if the cumulative performance criteria are met in a subsequent year, subject to her continued employment with the Company. The Compensation Committee retains the right to adjust equity vesting schedules for specific circumstances.

Stock Appreciation Rights. The SARs granted in Fiscal 2014 to Mr. Ramsden and Ms. Chang vest 25% a year over four years beginning on the one-year anniversary of the grant date, subject to continued employment with the Company.

Inducement and Equity Replacement Grants

In connection with their hiring by the Company, each of Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz received inducement and equity replacement grants designed to induce each executive officer to commence employment with the Company and to replace unvested equity grants awarded to each executive officer by his or her former employer that were forfeited as a result of the termination of employment with the former employer.

Ms. Crevoiserat received inducement and equity replacement grants in the form of RSUs and SARs which will all vest (assuming continued employment) 25% a year over a four-year period beginning on the first anniversary of the grant date.

Table of Contents

Mr. Angelides received an inducement grant in the form of SARs which will vest (assuming continued employment) 25% a year over a four-year period beginning on the first anniversary of the grant date. Mr. Angelides also received an equity replacement grant in the form of RSUs which will vest (assuming continued employment) 50% on the first anniversary of the grant date, an additional 30% on the second anniversary of the grant date and an additional 20% on the third anniversary of the grant date. Mr. Angelides' offer letter also described an inducement grant to be made in Fiscal 2015 in the form of PSAs with an approximate grant date fair value of \$1,875,000. As part of the Fiscal 2015 annual grant (made on March 24, 2015), Mr. Angelides received an annual grant in the form of PSAs, SARs and RSUs with an approximate grant date fair value of \$2,106,544 (this grant will be further described in the Company's Proxy Statement for the 2016 Annual Meeting of Stockholders).

Ms. Horowitz received an inducement grant in the form of SARs which will vest (assuming continued employment) 25% a year over a four-year period beginning on the first anniversary of the grant date and an inducement grant in the form of PSAs. The number of PSAs earned will vary from 0% to 200% of target, depending on the level of achievement with respect to the rigorous performance criteria described above. For Fiscal 2014, the threshold EBIT Margin Improvement goal was not achieved and, as such, that portion of the PSA award granted to Ms. Horowitz was forfeited. Ms. Horowitz also received an equity replacement grant in the form of RSUs which will vest (assuming continued employment) 25% a year over a four-year period beginning on the first anniversary of the grant date.

The following table shows a calculated aggregate grant date fair market value of the inducement and equity replacement grants that were granted to Mr. Crevoiserat, Mr. Angelides and Ms. Horowitz in Fiscal 2014.

Aggregate Grant Date Fair Value and Mix of Inducement and Equity Replacement Grants Made in Fiscal 2014

Named Executive Officer	Aggregate	PSAs	RSUs	SARs
	Grant Date Fair Value			
Joanne C. Crevoiserat	\$ 4,012,608	0%	69%	31%
Christos E. Angelides	\$ 8,222,092	0%	93%	7%
Fran Horowitz	\$ 3,462,698 ⁽¹⁾	12%	81%	7%

⁽¹⁾ The Aggregate Grant Date Fair Value shown for Ms. Horowitz does not include the PSA values representing the portions of the Fiscal 2014 PSAs that are based on an annual EBIT Margin Improvement metric for each of Fiscal 2015 and Fiscal 2016. The annual EBIT Margin Improvement metrics for such portions of these Fiscal 2014 PSA grants are to be established by the Compensation Committee at the beginning of each of Fiscal 2015 and Fiscal 2016, and, therefore, the values of such portions were not determinable during Fiscal 2014.

Equity Grant Policy

The Compensation Committee follows an Equity Grant Policy pursuant to which the Committee reviews and approves individual grants for the NEOs, as well as the total number of shares covered by PSAs, RSUs and SARs granted to all associates. The annual equity grants typically are reviewed and approved at the Compensation Committee's regular March meeting, although sign-on equity awards are generally approved at the time an executive officer commences employment with the Company. The grant date for the annual equity grants is the date of the Compensation Committee meeting at which they are approved. Administration of PSA, RSU and SAR awards is managed by the Company's human resources department with specific instructions related to timing of grants given by the Compensation Committee. The Company has no intention, plan or practice to select annual grant dates for NEOs in coordination with the release of material, non-public information, or to time the release of such information because of award dates.

Benefits

As associates of the Company, the NEOs are eligible to participate in all of the broad-based Company-sponsored benefits programs on the same basis as other full-time associates.

Table of Contents

In addition to the qualified Abercrombie & Fitch Co. Savings and Retirement Plan (the 401(k) Plan), the Company has a nonqualified deferred compensation plan, the Abercrombie & Fitch Nonqualified Savings and Supplemental Retirement Plan (the Nonqualified Savings and Supplemental Retirement Plan), that allows members of senior management to defer a portion of their compensation over and above the Internal Revenue Service (IRS) limits imposed on the Company s 401(k) Plan. The Company also makes matching and retirement contributions to the Nonqualified Savings and Supplemental Retirement Plan on behalf of the participants. Company contributions have a five-year vesting schedule from the date of employment by the Company. The Nonqualified Savings and Supplemental Retirement Plan allows participants the opportunity to save and invest their own money on a similar basis (as a percentage of their compensation) as other associates under the 401(k) Plan. Furthermore, the Nonqualified Savings and Supplemental Retirement Plan is competitive, and the Company s contribution element provides retention value. The Company s Nonqualified Savings and Supplemental Retirement Plan is further described and Company contributions and the individual account balances for the NEOs are disclosed under the section captioned **EXECUTIVE COMPENSATION Nonqualified Deferred Compensation** beginning on page 83. The Company provides a separate Supplemental Executive Retirement Plan to the Company s former Chief Executive Officer, the material provisions of which are described under the section captioned **EXECUTIVE COMPENSATION Pension Benefits** on page 83. There are no other participants in this plan.

The Company offers a life insurance benefit for all full-time associates equal to two times base salary. For Vice Presidents and above, the death benefit is set at four times base salary, up to a maximum of \$2,000,000.

The Company offers a long-term disability benefit to all full-time associates which covers 60% of base salary for the disability period. In addition, the Company offers an Executive Long-Term Disability Plan for all associates earning over \$200,000 in base salary which covers an additional 15% of base salary and 75% of target annual cash incentive compensation for the disability period.

The Company does not offer perquisites to its executive officers that are not widely available to all full-time associates, with the exception of the former Chief Executive Officer, who was provided certain perquisites, including supplemental life insurance, personal security, and limited personal use of Company aircraft, as more fully described in the footnotes to the **Fiscal 2014 Summary Compensation Table** beginning on page 74.

Role of the Compensation Committee

In Fiscal 2014, Compensation Advisory Partners LLC (CAP) served as the Compensation Committee s independent compensation consultant and Gibson, Dunn & Crutcher LLP (Gibson Dunn) served as the Committee s independent outside counsel. The only services that CAP and Gibson Dunn perform for the Company are at the direction of the Compensation Committee. Neither CAP nor Gibson Dunn provided any services to the Company in Fiscal 2014 other than executive and director compensation consulting and advisory services. In this regard, the Compensation Committee has adopted a policy regarding the use of outside compensation consultants that provides as follows:

If the Committee retains a compensation consultant to provide advice, information and other services to the Committee relating to the compensation of the Company s Chief Executive Officer, its officers identified in Rule 16a-1(f) under the Exchange Act or its non-associate directors or other matters within the responsibility of the Committee, such consultant may only provide services to, or under the direction of, the Committee and is prohibited from providing any other services to the Company.

The Compensation Committee has the right to terminate the services of the outside counsel and the compensation consultant at any time. While the Compensation Committee retains Gibson Dunn and CAP directly, Gibson Dunn and CAP interact with the Company s Senior Vice President of Human Resources, the Company s General Counsel and the Company s COO and their respective staffs in carrying out assignments in order to obtain compensation and performance data for the executive officers and the Company. In addition, the Compensation Committee s advisors may, at their discretion, seek input and feedback from management of the Company regarding their work product prior to presentation to the Compensation Committee in order to confirm

Table of Contents

information is accurate or address other similar issues. Representatives from Gibson Dunn and CAP are generally present at all Compensation Committee meetings, and generally attend executive sessions of the Committee. Both firms provide independent perspectives on any management proposals. In Fiscal 2014, the Compensation Committee reviewed the factors specified in the NYSE listing standards and determined that each of CAP and Gibson Dunn was independent and their respective work did not raise any conflict of interest.

Decisions regarding the compensation of the Chief Executive Officer and the other NEOs are made solely by the Compensation Committee, although it does receive input from its independent advisors and management of the Company. The former Chief Executive Officer provided recommendations for the compensation of the other NEOs. The former Chief Executive Officer also provided input regarding his own goals, targets and performance. The Compensation Committee often requests certain Company executive officers to be present at Compensation Committee meetings where executive compensation and Company and individual performance are discussed and evaluated so they can provide input into the decision-making process. Executive officers may provide insight, suggestions or recommendations regarding executive compensation during periods of general discussion, but do not have a vote in any decision-making.

Compensation and Benefits Structure***Pay Level Determination of the appropriate pay opportunity***

Pay levels for all associates of the Company, including the NEOs listed in the **Fiscal 2014 Summary Compensation Table** beginning on page 74, are based on a number of factors, including each individual's role and responsibilities within the Company, current compensation, experience and expertise, pay levels in the competitive market for similar positions, internal pay equity relationships including those between the executive officers and the former Chief Executive Officer and the performance of the individual, his/her area of responsibility and the Company as a whole. The Compensation Committee approves the pay levels for all the executive officers. In determining the pay levels, the Compensation Committee considers all elements of compensation and benefits.

The primary data source used in setting competitive market levels for the NEOs is information publicly disclosed by the peer retail companies listed below, based on a comparison prepared annually by the independent compensation consultant for the Compensation Committee. The Compensation Committee does not precisely benchmark each NEO's compensation to a defined market level, but the Committee does review market information as a general reference. In a given year, the Compensation Committee may engage in a more detailed review which may result in significant adjustments to a given executive officer's compensation. Actual total compensation in a given year will vary above or below the individual's target compensation levels based primarily on the attainment of overall Company financial goals and the creation of stockholder value.

The peer retail companies used by the Compensation Committee in determining the competitive market with respect to Fiscal 2014 compensation decisions are included in the table below. At the time the peer group was determined, the Company's revenues approximated the peer group median and the Company's market capitalization was positioned between median and the 75th percentile. At the end of Fiscal 2014, the Company was positioned at the 38th percentile in terms of revenues and the 19th percentile in terms of market capitalization.

Aéropostale, Inc.	Guess?, Inc.	Ross Stores, Inc.
American Eagle Outfitters, Inc.	Kate Spade & Company (f/k/a Fifth & Pacific Companies, Inc.)	Tiffany & Co.
Ann Inc.	L Brands, Inc. (f/k/a Limited Brands, Inc.)	Urban Outfitters, Inc.
Coach, Inc.	Nordstrom, Inc.	V.F. Corporation
Dick's Sporting Goods, Inc.	PVH Corp.	Williams-Sonoma, Inc.
Express, Inc.	Quiksilver, Inc.	
Foot Locker, Inc.	Ralph Lauren Corporation	

Table of Contents***Employment Agreements, Severance and Change-in-Control Benefits***

The Compensation Committee carefully considers the use and conditions of employment agreements. The Compensation Committee recognizes that, in certain circumstances, formal written employment contracts are necessary in order to successfully recruit and retain senior executive officers. Consistent with this approach, in connection with their commencement of employment with the Company, each of Ms. Crevoiserat, Mr. Angelides and Ms. Horowitz entered into offer letters with the Company that provide for certain benefits upon termination of employment and/or upon a change in control of the Company. The Compensation Committee believed that it was in the best interest of the Company to enter into these offer letters as a means of securing the employment of each of these executives and to provide the executives with a degree of security given the transition occurring at the Company. In addition, all associates who participate in the Company's stock-based compensation plans, including the NEOs, are entitled to certain benefits in the event of termination of employment due to death or disability or a change in control as set forth in the plan documents for the Company's stock-based compensation plans. The terms and conditions of these arrangements are discussed in further detail in the section captioned **EXECUTIVE COMPENSATION Potential Payments Upon Termination or Change of Control** beginning on page 86.

In addition, while employed by the Company, Mr. Jeffries was party to an employment agreement with the Company. The Compensation Committee believed it was in the best interest of the Company to ensure that Mr. Jeffries' employment was secured through the use of a contract. In connection with his retirement, Mr. Jeffries entered into a retirement agreement with the Company, providing him compensation as if his employment had been terminated without cause pursuant to his employment agreement. The termination benefits for Mr. Jeffries under the employment agreement provided for accelerated vesting of long-term incentives only in limited circumstances. Unvested long-term incentive awards that were granted to Mr. Jeffries within two years prior to the date of Mr. Jeffries' retirement were forfeited. Unvested long-term incentive awards held by Mr. Jeffries that were granted at least two years prior to such retirement became fully vested as of the retirement date, except that to the extent such awards contained performance-based vesting criteria, vesting occurred at the end of the applicable performance period based on actual performance over the entire performance period. The amounts paid to Mr. Jeffries in connection with his retirement are discussed in further detail in the section captioned **EXECUTIVE COMPENSATION Potential Payments Upon Termination or Change of Control** beginning on page 86.

Clawback Policy

Each of the plans pursuant to which annual and long-term incentive compensation is paid to the Company's executive officers (*i.e.*, the Incentive Plan, the 2005 LTIP and the 2007 LTIP) includes a stringent clawback provision, which allows the Company to seek repayment of any incentive amounts that were erroneously paid. Each of the plans provides that if (i) a participant (including one or more NEOs) has received payments under the plan pursuant to the achievement of a performance goal and (ii) the Compensation Committee determines that the earlier determination as to the achievement of the performance goal was based on incorrect data and in fact the performance goal had not been achieved or had been achieved to a lesser extent than originally determined and a portion of such payment would not have been paid given the correct data, then such portion of any such payment made to the participant must be repaid by such participant to the Company, without any requirement of misconduct on the part of the participant. There is no requirement for there to have been misconduct on the part of any executive officer for the clawback to apply.

Stock Ownership Guidelines

As disclosed above under the caption **Executive Summary Best Practices** on page 63, the Board believes it is important that the executive officers and directors have, and are recognized both internally and externally as having, long-term financial interests that are aligned with those of the Company's stockholders. Accordingly, the Board adopted stock ownership guidelines for all directors and executive officers effective as of November 12, 2009, which were made more robust as of June 20, 2013. The Company's stock ownership guidelines are posted on the Corporate Governance page of the Company's website at www.abercrombie.com, accessible through the Investors page.

Table of Contents

Stock ownership guidelines for the Company's executive officers are determined as a multiple of the executive officer's base salary. The guideline for the Company's Chief Executive Officer is set at five times annual base salary. The guideline for other executive officers is set at one times annual base salary. The guidelines are initially calculated using the executive officer's base salary as of the later of the date the guidelines were adopted or the date the person was first designated as an executive officer by the Board. The guidelines may be re-calculated, in the discretion of the Nominating and Board Governance Committee, when an individual changes pay grade (*e.g.*, from senior vice president to executive vice president) and otherwise from time to time.

Until the amount contemplated by the guideline is achieved, the executive officer is required to retain an amount equal to 50% of the net shares received as a result of the exercise of stock options or stock-settled SARs or the vesting of restricted stock or RSUs. Net shares for purposes of the guidelines are those shares that remain after shares are sold or netted to pay (1) the exercise price of stock options or SARs (if applicable) and any withholding taxes associated with such exercise or (2) withholding or other taxes payable upon vesting of restricted stock or RSUs.

Failure to meet or, in unique circumstances, to show sustained progress toward meeting the stock ownership guidelines may be a factor considered by the Compensation and Organization Committee in determining future long-term incentive equity grants and/or appropriate levels of incentive compensation.

Executive officers who are subject to the stock ownership guidelines are to be notified each fiscal year as to the status of their compliance with the guidelines based on information available to the Company's benefits department. Executive officers may provide supplemental information regarding shares held in street name, individual brokerage accounts or owned by a spouse or other immediate family member, if such information would be relevant to the calculation of such executive officer's compliance with these stock ownership guidelines.

Directors are required to hold shares of the Company's Common Stock with an initial value equal to five times the amount of the annual retainer paid to directors, calculated using the annual retainer as of the later of the date of the guidelines were adopted and the date the director is elected to the Board. It is anticipated that directors should be able to achieve the guideline within three years of joining the Board.

Compensation Considerations Related to Tax Deductibility under Internal Revenue Code Section 162(m)

Section 162(m) of the Internal Revenue Code generally prohibits any publicly-held corporation from taking a federal income tax deduction for compensation paid in excess of \$1,000,000 in any taxable year to the Chief Executive Officer and to each of the other three most highly compensated executive officers (excluding the Chief Financial Officer) whose compensation is required to be disclosed pursuant to Item 402 of SEC Regulation S-K. Section 162(m) exempts qualified performance-based compensation, among other things, from this deductibility limitation. However, the Compensation Committee's policy is to maximize the deductibility of executive compensation, to the extent compatible with the needs of the business, as the Committee believes that compensation and benefits decisions should be primarily driven by the needs of the business, rather than by tax policy. Therefore, the Compensation Committee may make pay decisions (such as the determination of the base salary of the former Chief Executive Officer) that result in compensation expense that is not fully deductible under Section 162(m). Further, the application of Section 162(m) is complex and may change with time (with potentially retroactive effect).

Compensation Considerations Related to Accounting

When determining amounts of long-term incentive grants to executive officers and other associates, the Compensation Committee examines the accounting cost associated with the grants. Under U.S. generally accepted accounting principles, grants of options, SARs, RSUs, PSAs and other share-based payments result in an accounting charge for the Company. The Compensation Committee considers the accounting implications of the executive compensation program, including the estimated cost for financial reporting purposes of equity compensation as well as the aggregate grant date fair value of equity compensation computed in accordance with FASB ASC Topic 718.

Table of Contents**REPORT OF THE COMPENSATION AND ORGANIZATION****COMMITTEE ON EXECUTIVE COMPENSATION**

The Compensation and Organization Committee reviewed the **COMPENSATION DISCUSSION AND ANALYSIS** and discussed it with management of the Company. Based on such review and discussion, the Compensation and Organization Committee recommended to the Board that the **COMPENSATION DISCUSSION AND ANALYSIS** be included in this Proxy Statement.

Submitted by the Compensation and Organization Committee:

Michael E. Greenlees (Chair) Terry L. Burman Diane L. Neal** Charles R. Perrin* Craig R. Stapleton*

* Became member of Compensation and Organization Committee on February 20, 2014.

** Became member of Compensation and Organization Committee on June 19, 2014.

EXECUTIVE OFFICER COMPENSATION**Summary Compensation Table**

The following table summarizes the compensation paid to, awarded to or earned by the NEOs for Fiscal 2014, Fiscal 2013 and Fiscal 2012 in accordance with the rules promulgated by the SEC effective as of February 28, 2010.

Fiscal 2014 Summary Compensation Table

Name and Principal Position	Fiscal			Stock	Option	Non-Equity
During 2014 Fiscal Year	Year	Salary ⁽¹⁾	Bonus ⁽²⁾	Awards ⁽³⁾	Awards and SARs ⁽⁴⁾	Incentive Plan Compensation ⁽⁵⁾ &nb