PVH CORP. /DE/
Form DEF 14A
May 06, 2016

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934
Filed by the Registrant
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 Rule 14a-12

PVH CORP.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)
Payment of Filing Fee (Check the appropriate box):

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:

(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:

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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:

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PVH CORP.

NOTICE OF ANNUAL MEETING
OF STOCKHOLDERS

Date, Time and Location:

Date:
Thursday, June 16, 2016

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

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

Purposes:

1-
Vote on the election of 10 nominees for director to serve a one-year term

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

3-
Vote to ratify the appointment of auditors to serve for the current fiscal year

4-
Transact other business that may properly come before the meeting

Who Can Attend:

*
Holders of record as of the record date of the Company's Common Stock or their proxies

*
Beneficial owners having evidence of ownership

*
Invited guests of the Company

Who Can Vote:

*
Stockholders of record at the close of business on April 22, 2016 only.

If you hold stock through a bank or broker, a copy of an account statement from your bank or broker as of the record date will suffice as evidence of ownership. Attendees also must present a picture ID to be admitted.

You are requested to fill in, date and sign the enclosed proxy, which is solicited by the Board of Directors of the Company, and to mail it promptly in the enclosed envelope.

By order of the Board of Directors,

Mark D. Fischer
Secretary
New York, New York
May 6, 2016

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PVH CORP.

PROXY SUMMARY

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

Annual Meeting of Stockholders

Date

*

Thursday, June 16, 2016

Time

*

8:45 a.m., Eastern Daylight Savings Time

Place

*

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

Record Date

*

April 22, 2016

Voting

*

Stockholders as of the record date are entitled to vote.

*

Each share of our Common Stock is entitled to one vote.

Admission

*

Attendance at the meeting will be limited to holders of record as of the record date of our Common Stock or their proxies, beneficial owners having evidence of ownership and guests of the Company.

*

If you hold stock through a bank or broker, a copy of an account statement as of the record date will suffice as evidence of ownership.

*

Attendees must present a picture ID.

Voting Matters and Vote Recommendation

See “Voting Information” for more information

| Matter | Board Vote Recommendation | Required Vote | Broker Discretionary Vote Allowed |
|---|---|---|---|
| Election of directors | FOR Each Director Nominee | Majority of votes cast | No |
| Advisory vote on executive compensation | FOR | Majority of shares present and entitled to vote on this matter | No |
| Ratification of Ernst & Young LLP as our independent auditor for fiscal year 2016 | FOR | Majority of shares present and entitled to vote on this matter | Yes |

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Director Election

See “Election of Directors” for more information

The following table provides summary information about each director nominee. Each director is elected annually by a majority of votes cast.

| Name | Age | Director Since | Principal Occupation | Independent | Committee Memberships AC | CC | CR | NC | Other Public Company Boards |
|---|---|---|---|---|---|---|---|---|---|
| Mary Baglivo | 58 | 2007 | Chief Marketing Officer/VP Global Marketing, Northwestern University | | | | | | 1 |
| Brent Callinicos | 50 | 2014 | Former Chief Financial Officer and current advisor, Uber Technologies Inc. | | | | | | 1 |
| Emanuel Chirico | 58 | 2005 | Chief Executive Officer, PVH Corp. | | | | | | 1 |
| Juan R. Figuereo | 60 | 2011 | Executive Vice President and Chief Financial Officer, Revlon, Inc. | | C | | | | 0 |
| Joseph B. Fuller | 59 | 1991 | Professor of Management Practice, Harvard Business School; Founder, Joseph Fuller LLC | | | | | C | 0 |
| V. James Marino | 65 | 2007 | Retired Chief Executive Officer, Alberto-Culver Company | | | | | | 1 |
| G. Penny McIntyre | 54 | 2015 | Former Chief Executive Officer, Sunrise Senior Living, LLC | | | | C | | 0 |
| Henry Nasella | 69 | 2003 | Partner and Co-Founder, LNK Partners | P | | C | | | 0 |
| Edward R. Rosenfeld | 40 | 2014 | Chief Executive Officer, Steven Madden, Ltd. | | | | | | 1 |
| Craig Rydin | 64 | 2006 | Operating Partner, LNK Partners; | | | | | | 1 |

Former Chairman of the Board of Directors, Yankee Holding Corp.; Former Non-Executive Chairman, The Yankee Candle Company, Inc.

| | | |
|---|---|---|
| Key: | AC<br>Audit & Risk Management Committee | NC<br>Nominating, Governance & Management Development Committee |
| | CC<br>Compensation Committee | C<br>Committee Chair |
| | CR<br>Corporate Responsibility Committee | P<br>Presiding Director |

Each director nominee is a current director and during 2015 attended at least 75% of the aggregate of all meetings of the Board and each committee on which he or she sits.

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Executive Compensation Matters

See "Compensation Discussion and Analysis," "Executive Compensation" and "Advisory Vote on Executive Compensation" for more information

Business Highlights

We achieved solid underlying financial performance in 2015.

* Our earnings per share was $7.05† on a non-GAAP basis, inclusive of a $1.38 negative impact compared to 2014 primarily related to foreign currency exchange rates. This exceeded our initial guidance of $6.75 to $6.90† on a non-GAAP basis and subsequent guidance updates. Earnings per share excluding such negative impact increased 15% compared to 2014 earnings per share on a non-GAAP basis, which was consistent with our long-term targets.

* Our Calvin Klein business was a highlight, as investments we made over the last few years continued to generate solid results, and we saw strength across virtually all regions where we operate.

* Our Tommy Hilfiger business saw positive momentum in its international markets, highlighting the power of the brand.

* Our Heritage Brands business produced a notable improvement in profitability.

* Earnings before interest and taxes was $761 million on a GAAP basis compared to $530 million in the prior year.

* Earnings before interest and taxes increased 5%† on a non-GAAP and constant currency basis (decreased 9%† including foreign currency exchange rate impacts) from $921 million† on a non-GAAP basis in the prior year.

Executive Compensation Advisory Vote

The Board of Directors recommends that stockholders approve, on an advisory basis, the compensation paid to our Named Executive Officers (who are identified on page 15 and we sometimes refer to herein as "NEOs"), as described in this Proxy Statement for these reasons:

Pay for Performance

Our compensation program is a pay for performance model based upon the philosophy that we should incentivize our executive officers to improve our financial performance, profitably grow our businesses and increase stockholder value, and reward them only if they attain these objectives. As such, the bulk of each Named Executive Officer's compensation package consists of short-term and long-term incentive awards that pay out only if we achieve specific financial targets and equity awards that are linked to increases in stock value over time, anchored by a competitive base salary.

The compensation paid demonstrated that our pay for performance model works, as good financial performance for 2015 resulted in annual bonus payouts for all Named Executive Officers above target levels but weak long-term results for various performance share unit awards with two- and three-year performance cycles that ended in 2015 or shortly thereafter resulted in no payouts made to the Named Executive Officers.

Best Practices in Executive Compensation

Our executive officer compensation program is designed to attract, motivate, and retain key executives and align their compensation with the long-term interests of stockholders. We achieve our objectives through:

*

Compensation packages that:

•

Are subject to a large degree on our performance and the performance of our Common Stock and emphasize long-term components.

•

Include performance targets that are rigorous but do not encourage excessive risk.

•

Use different financial measures for long-and short-term performance-based awards.

•

Include a limit on the maximum amount that an executive officer can receive as a payout for each incentive award.

*

Governance practices that include the following:

•

We use a non-aspirational peer group. We rank the middle of the group by revenue and the companies are in the same or related businesses as we.

†

Reconciliations to GAAP amounts appear on Exhibit A.

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- We do not reprice stock options, grant make-up awards, make awards subject to multiple independent goals or engage in other practices that have the effect of eliminating or decreasing performance incentives.

- All of our incentive compensation plans include clawback provisions.

- Our Chief Executive Officer is required to hold Common Stock with a value equal to six times his base salary and our other executive officers must hold Common Stock with a value equal to their base salaries. Executive officers must hold 50% of their after-tax shares received upon the vesting or exercise of equity awards until they satisfy their guideline.

- We prohibit executive officers from pledging shares and hedging their ownership of our Common Stock.

- Change in control arrangements are "double trigger."

- Equity awards are "double trigger" after a change in control.1

- Our compensation program does not rely on significant pension or welfare benefits or perquisites.

- No employment agreement provides for tax gross-ups or includes long-term compensation in the calculation of the amount of severance payable.

Auditors

See "Ratification of the Appointment of Auditor" for more information

The Board recommends that stockholders ratify the selection of Ernst & Young LLP as our independent auditor.

| | Ernst & Young LLP Fees | |
|---|---|---|
| | 2015 | 2014 |
| Audit fees | $ 5,710,000 | $ 5,526,000 |
| Audit-related fees | 33,000 | 39,000 |
| Tax fees | 2,711,000 | 2,623,000 |
| All other fees | 13,000 | — |
| | $ 8,467,000 | $ 8,188,000 |

2017 Annual Meeting

* Stockholder proposals submitted for inclusion in the proxy statement for our 2017 Annual Meeting pursuant to Rule 14a-8 of the Securities Exchange Act (which we refer to as the "Exchange Act") must be received by us by January 7, 2017.

The proxies designated by the Board of Directors will have discretionary authority to vote on any matter properly presented by a stockholder for consideration at the 2017 Annual Meeting but not submitted for inclusion in the proxy materials for such meeting unless notice of the matter is received by us on or before March 23, 2017 and certain other conditions of the applicable rules of the Securities and Exchange Commission (which we refer to as the “SEC”) are satisfied.

1
Beginning with awards granted after 2013.

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PVH CORP.

PROXY STATEMENT FOR ANNUAL MEETING
OF STOCKHOLDERS

## GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of PVH CORP. to be used at the Annual Meeting of Stockholders, which will be held at The Graduate Center — City University of New York, 365 Fifth Avenue, Elebash Recital Hall, Main Level, New York, New York, on Thursday, June 16, 2016, at 8:45 a.m., Eastern Daylight Savings Time, and at any adjournments thereof.

Our principal executive offices are located at 200 Madison Avenue, New York, New York 10016-3903. The approximate date on which this Proxy Statement and the enclosed proxy card were first sent or given to stockholders was May 6, 2016.

Disclosures in this Proxy Statement generally pertain to matters related to our most recently completed fiscal year, which ended on January 31, 2016. References herein to “2015” and other years refer to fiscal years, which are designated by the calendar year in which they commence.

### “Green” Initiative

As part of our Corporate Responsibility programs, we are advancing “green” practices to our external communications with investors. Instead of receiving future copies of our Annual Reports to Stockholders and proxy statements by mail, stockholders of record and most beneficial owners can elect to receive an e-mail that will provide electronic links to these documents. Opting to receive your proxy materials online will give you faster delivery of the documents, save us the cost of printing and mailing, and enable us to lessen our environmental impact by allowing us to print and mail fewer copies of these materials.

You may enroll in our electronic proxy delivery service at any time by going directly to www.proxyconsent.com/pvh and following the enrollment instructions. If you hold your shares in a bank or brokerage account, you also may have the opportunity to receive copies of these documents electronically. Please check the information in the proxy materials provided to you by your bank or broker regarding the availability of this service.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 16, 2016

Our Annual Report to Stockholders for our fiscal year ended January 31, 2016, this Proxy Statement and all other proxy materials are available at http://www.pvhannualmeetingmaterials.com.

## VOTING INFORMATION

Stockholders who execute proxies retain the right to revoke them at any time by notice in writing to the Secretary of the Company, by revocation in person at the meeting or by presenting a later dated proxy. Beneficial owners of our Common Stock who are not holders of record should contact their bank, brokerage firm or other custodian, nominee or fiduciary if they wish to revoke their proxy. Shares represented by proxies will be voted at the meeting unless revoked. The shares represented by the proxies solicited by the Board of Directors will be voted in accordance with the directions given therein unless revoked. Shares will be voted FOR the election of all of the nominees for director with respect to item 1 of the attached Notice of Annual Meeting of Stockholders and FOR the proposals set forth in items 2 and 3 of the Notice, if no directions are given in a valid proxy.

Stockholders vote by casting ballots (in person or by proxy), which are tabulated by the inspectors of election. Abstentions and broker “non votes” are included in the determination of the number of shares present at the meeting for quorum purposes. Abstentions will have the same effect as negative votes, except that abstentions will have no effect on the election of directors, as they are not considered to be votes cast in the election and directors are elected by a majority of the votes cast. Broker “non votes” are not counted in the tabulations of the votes cast on proposals presented to stockholders because they are not considered to be entitled to vote on matters as to which broker authority is withheld. A broker non vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner. Banks, brokers and other nominees have discretionary voting power only with respect to the ratification of the appointment of our auditor, as this is the only proposal considered to be a “routine” matter under New York Stock Exchange rules. We encourage all beneficial owners to vote their shares because banks, brokers and other nominees cannot vote on the other matters.

Common stockholders of record at the close of business on April 22, 2016, the record date set by the Board of Directors for the meeting, will be entitled to one vote for each share of our Common Stock then held. As of the record date, there were 81,040,325 shares of Common Stock outstanding.

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## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

### 5% Stockholders

The following table presents certain information with respect to the persons who are known by us to be the beneficial owners of more than five percent of our Common Stock as of the record date for the meeting.
The persons listed below have advised us that they have sole voting and investment power with respect to the shares listed as owned by them, except as otherwise indicated.

| Name and Address of Beneficial Owner | Amount Beneficially Owned | Percent of Class |
|---|---|---|
| The Vanguard Group, Inc.1<br>100 Vanguard Blvd.<br>Malvern, PA 19355 | 7,151,591 | 8.8 |
| BlackRock, Inc.2<br>55 East 52nd Street<br>New York, NY 10055 | 4,732,948 | 5.8 |

1
The Vanguard Group, Inc. (which we refer to as “Vanguard”), an investment adviser in accordance with Exchange Act Rule 13d-1(b)(1)(ii)(E), may be deemed to be the beneficial owner of 7,151,591 shares of our Common Stock, including 153,523 shares with respect to which it has sole voting power, 8,100 shares with respect to which it has shared voting power, 6,989,132 shares of which it has sole dispositive power and 162,459 shares of which it has shared dispositive power. These amounts include the beneficial ownership by Vanguard Fiduciary Trust Company, a wholly-owned subsidiary of Vanguard, of 127,559 shares as a result of its serving as investment manager of collective trust accounts and the beneficial ownership by Vanguard Investments Australia, Ltd., a wholly owned subsidiary of Vanguard, of 60,864 shares as a result of its serving as investment manager of Australian investment offerings. Information (other than percentage ownership) reported on the table and in this footnote is as of December 31, 2015 and is based on the Statement of Beneficial Ownership on Schedule 13G/A filed by Vanguard on February 10, 2016 with the SEC.

2
BlackRock, Inc., a parent holding company or control person in accordance with Exchange Act Rule 13d-1(b)(1)(ii)(G), may be deemed to be the beneficial owner of 4,732,948 shares of Common Stock, including 4,037,099 shares with respect to which it has sole voting power and as to all 4,732,948 of which it has sole dispositive power. Information (other than percentage ownership) reported on the table and in this footnote is as of December 31, 2015 and is based on the Statement of Beneficial Ownership on Schedule 13G/A filed by BlackRock, Inc. on February 10, 2016 with the SEC.

### Directors, Nominees for Director and Executive Officers

The following table presents certain information with respect to the number of shares of our Common Stock beneficially owned as of the record date by the following persons:

*
Each of our directors

*
Each of the nominees for director

*

Our Named Executive Officers

*
Our directors, the nominees for director and our executive officers, as a group

Each of the persons named below has sole voting and investment power with respect to the shares listed as owned by him or her except as otherwise indicated below.

| | Amount Beneficially Owned1 | Percent of Class |
|---|---|---|
| Mary Baglivo | 12,860 | * |
| Brent Callinicos | 2,357 | * |
| Emanuel Chirico | 672,587 | * |
| Francis K. Duane | 62,730 | * |
| Juan R. Figuereo | 3,075 | * |
| Joseph B. Fuller | 22,940 | * |
| Daniel Grieder | 32,649 | * |
| V. James Marino | 18,103 | * |
| G. Penny McIntyre | 0 | * |
| Henry Nasella | 20,0002 | * |
| Edward R. Rosenfeld | 0 | * |
| Craig Rydin | 8,888 | * |
| Michael A. Shaffer | 80,139 | * |
| Steven B. Shiffman | 27,719 | * |
| All directors, nominees for director and executive officers as a group (16 people) | 1,049,869 | 1.3 |

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*
Less than 1% of class.

1
The figures in the table are based upon information furnished to us by our directors, nominees for director and executive officers and upon our records. The figures include the shares held for the benefit of our executive officers in a trust for the PVH Stock Fund. The PVH Stock Fund is one of the investment options under our Associates Investment Plan, which is a defined contribution plan (a so-called "401(k)" plan) under the Employee Retirement Income Security Act of 1974, as amended. We refer to the Associates Investment Plan as the "AIP." Participants in the AIP who make investments in the PVH Stock Fund may direct the vote of shares of Common Stock held for their benefit in the trust for the PVH Stock Fund.

As of the record date, the following persons have the right to cast votes equal to the following number of shares held in the trust for the PVH Stock Fund (which have been rounded to the nearest full share): Emanuel Chirico, 9,156 shares; Francis K. Duane, 1,528 shares; Michael A. Shaffer, 6,691 shares; Steven B. Shiffman, 3,539 shares; and all of our directors, nominees for director and executive officers as a group, 21,604 shares.
The Trustee of the trust for the PVH Stock Fund has the right to vote shares in the trust that are unvoted as of two days prior to the meeting in the same proportion as the vote by all other participants in the AIP who have cast votes with respect to their investment in the Fund. The committee that administers the AIP makes all decisions regarding the disposition of Common Stock held in the trust for the Fund, other than the limited right of a participant to receive a distribution of shares held for his or her benefit. As such, the committee may be deemed to be a beneficial owner of the Common Stock held in the trust. Mr. Shaffer and an executive officer who is not a NEO are members of that committee. The figures in the table do not include shares in the trust for the Fund, other than those applicable to Mr. Shaffer's and the other executive officer's investment in the Fund, to the extent that, as members of the committee, they may be deemed to have beneficial ownership of the shares held in the trust. There were 471,579 shares of Common Stock (0.6% of the outstanding shares) held in the trust as of the record date.
The table also includes the following shares which each of the individuals and the group listed on the table have the right to acquire within 60 days of the record date upon the exercise of stock options granted to them: Emanuel Chirico, 578,300 shares; Francis K. Duane, 49,075 shares; Daniel Grieder, 25,300 shares; Henry Nasella, 10,000 shares; Michael A. Shaffer, 65,525 shares; Steven B. Shiffman, 22,575 shares; and all of our directors, nominees for director and executive officers as a group, 806,575 shares.
The table also includes the following shares of Common Stock that are subject to restricted stock unit awards made to the individuals and as a group, the restrictions on which will lapse within 60 days of the record date: Mary Baglivo, 1,193 shares; Brent Callinicos, 1,193 shares; V. James Marino, 1,193 shares; Craig Rydin, 1,193 shares and all of our directors, nominees for director and executive officers as a group, 4,772 shares.
2
Includes 10,000 shares held by a family limited liability company.

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## ELECTION OF DIRECTORS

### Directors

Our Board of Directors has established 10 as the number of directors constituting the entire Board. All nominees elected as directors at the meeting will serve for a term of one year or until their successors are elected and qualified. All of the nominees were elected directors at last year's Annual Meeting of Stockholders. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve.

The election of directors requires the affirmative vote of a majority of the votes cast at the meeting. In determining whether a director nominee has received the requisite vote for election, abstentions and broker non votes will have no effect. Our Corporate Governance Guidelines provide that (i) a director who fails to be re-elected as a result of not obtaining a majority vote of stockholders must offer a letter of resignation for the Board of Directors' consideration; (ii) the Board's Nominating, Governance & Management Development Committee must make a recommendation to the full Board on whether to accept or reject the resignation, or whether other action should be taken; and (iii) the Board must act on the Committee's recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date of the certification of the election results. Our Corporate Governance Guidelines also provide that (x) the Committee and Board may consider any factors and information that they consider appropriate and relevant in making their respective decisions; and (y) the director who tenders his or her resignation cannot participate in the decisions.

The Board of Directors recommends a vote FOR the election of the 10 nominees named below. Proxies received in response to this solicitation will be voted FOR the election of the nominees unless otherwise specified in a proxy.

| Name | Principal Occupation | Age | Year Became a Director |
|---|---|---|---|
| Mary Baglivo | Chief Marketing Officer/VP Global Marketing, Northwestern University | 58 | 2007 |
| Brent Callinicos | Former Chief Financial Officer and current advisor, Uber Technologies Inc., an on-demand car service company | 50 | 2014 |
| Emanuel Chirico | Chief Executive Officer, PVH Corp. | 58 | 2005 |
| Juan R. Figuereo | Executive Vice President and Chief Financial Officer, Revlon, Inc., a global cosmetics, hair color, hair care and hair treatments, beauty tools, men's grooming products, anti-perspirant deodorants, fragrances, skincare, and other beauty care products company | 60 | 2011 |
| Joseph B. Fuller | Professor of Management Practice, Harvard Business School; Founder, Joseph Fuller LLC, a business consulting firm | 59 | 1991 |
| V. James Marino | Retired Chief Executive Officer, Alberto-Culver Company, a personal care products company | 65 | 2007 |
| G. Penny McIntyre | Former Chief Executive Officer, Sunrise Senior Living, LLC, a provider of senior living facilities | 54 | 2015 |
| Henry Nasella | Partner and Co-Founder, LNK Partners, a private equity investment firm | 69 | 2003 |
| Edward R. Rosenfeld | Chief Executive Officer, Steven Madden, Ltd., a designer and marketer of fashion footwear and accessories | 40 | 2014 |
| Craig Rydin | Operating Partner, LNK Partners, a private equity investment firm; Former Chairman of the Board of Directors, Yankee Holding Corp.; Former Non-Executive Chairman, The Yankee Candle Company, Inc., a designer, manufacturer and branded marketer of premium scented candles | 64 | 2006 |

Additional Information

Other Public Company Directorships

Several of our directors also currently serve as directors of other public companies:

* Ms. Baglivo is a director of Host Hotels & Resorts, L.P.

* Mr. Callinicos is a director of Baidu, Inc.

* Mr. Chirico is a director of Dick's Sporting Goods, Inc.

* Mr. Marino is a director of Office Depot, Inc.

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*
Mr. Rosenfeld is a director of Steven Madden, Ltd.

*
Mr. Rydin is a director of priceline.com Incorporated.

Several of our directors held directorships at other public companies during the last five years:

*
Mr. Marino served at Alberto-Culver Company from 2006 to 2011 and at OfficeMax Incorporated from 2011 to 2013 (when it merged into Office Depot, Inc.).

*
Mr. Rydin served at Yankee Holding Corp. from 2001 to 2013.

Other Employment Information

Each of our directors has been engaged in the principal occupation indicated in the foregoing table for more than the past five years, except:

*
Ms. Baglivo was Chairman and Chief Executive Officer of the Americas, Saatchi & Saatchi Worldwide, an advertising agency, from January 2008 to August 2012 and Chairman and Chief Executive Officer of Latin America and Multicultural at Saatchi and Saatchi from August 2012 to March 2013.

*
Mr. Callinicos was Chief Financial Officer, Uber Technologies Inc., from September 2013 to March 2015, Vice President, Treasurer and Chief Accounting Officer of Google Inc., a global technology leader, from 2012 to September 2013 and Vice President and Treasurer of Google from 2007 to 2012.

*
Mr. Figuereo was Executive Vice President and Chief Financial Officer of NII Holdings, Inc. from October 2012 to October 20152 and Executive Vice President and Chief Financial Officer of Newell Rubbermaid, Inc., a consumer and commercial products company, from December 2009 to August 2012.

*
Mr. Fuller was Founder, Director and Vice-Chairman, Monitor Company LP, an international management consulting firm, from 1983 to 2012.3

*
Mr. Marino was President and Chief Executive Officer of Alberto-Culver Company from November 2006 to May 2011.

*
Ms. McIntyre was Chief Executive Officer of Sunrise Senior Living, LLC, from November 2013 to May 2014, President of the Consumer Group of Newell RubberMaid Inc., from November 2011 through November 2012, and Group President of Newell RubberMaid's Office Products Group, from June 2009 through November 2012.

Independence of Our Directors

The Board of Directors has determined the independence (or lack thereof) of each of the directors and nominees for director and concluded that a majority of our directors are independent, as required under the rules of the New York Stock Exchange, on which exchange our Common Stock is listed for trading. Specifically, the Board determined that Mr. Chirico, as an executive of the Company, is not independent, and that Ms. Baglivo, Ms. McIntyre and each of

Messrs. Callinicos, Figuereo, Fuller, Marino, Nasella, Rosenfeld and Rydin are independent under Section 303A.02 of the New York Stock Exchange rules.

In making these independence determinations, the Board of Directors considered (i) whether a director had, within the last three years, any of the relationships under Section 303A.02(b) with us which would disqualify a director from being considered independent, (ii) whether the director had any disclosable transaction or relationship with us under Item 404 of Regulation S-K of the Exchange Act, which relates to transactions and relationships between directors and their affiliates, on the one hand, and us and our affiliates (including management), on the other, and (iii) the factors suggested in the New York Stock Exchange’s Commentary to Section 303A.02, such as a commercial, consulting and other relationships, or other interactions with management that do not meet the absolute thresholds under Section 303A.02 or Item 404(a) but which, nonetheless, could reflect upon a director’s independence from management. In considering the materiality of any transactions or relationships that do not require disqualification under Section 303A.02(b), the Board considered the materiality of the transaction or relationship to the director, the director’s business organization and us and whether the relationship between (i) the director’s business organization and the Company, (ii) the director and the Company and (iii) the director and his business organization interfered with the director’s business judgment. Mr. Chirico had a relationship with us that disqualifies him from being independent under Section 303A.02. None of the other directors had any relationship with us that required any further consideration.

No family relationship exists between any director or executive officer of the Company.

2

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

3

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

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Experience, Qualifications, Attributes and Skills of Our Directors

The Nominating, Governance & Management Development Committee considers a variety of factors in selecting our directors. These include a person’s qualification as independent under the New York Stock Exchange rules, as well as consideration of skills and experience in the context of the needs of the Board of Directors. Important factors considered by the Committee are a person’s understanding of our business, experience as a director of other public companies, leadership, financial skills, business experience and skills that are relevant to our operations and plans for growth and expansion and, for an existing director, his or her tenure and contributions made as a director of the Company.

The following sets forth the specific experience, qualifications, attributes or skills that led to the conclusion that each of the nominees for director should continue to serve as a director:

*

Mary Baglivo brings to the Board valuable marketing, advertising and strategic planning expertise developed during her professional career, including as Chief Marketing Officer/VP Global Marketing of Northwestern University and Chairman and Chief Executive Officer of several divisions at Saatchi & Saatchi Worldwide, an advertising agency.

*

Brent Callinicos is a CPA with extensive experience working in financial and accounting roles in public companies and working with public company boards. He has been a senior executive with the last three companies at which he has worked and served in several board advisory roles. He also brings experience in the corporate responsibility area, including as a board member of EOS Climate, a leader in leveraging carbon markets to ensure the complete life cycle management of refrigerants.

*

Emanuel Chirico has extensive knowledge of the operational and financial aspects of the Company acquired during his ten years as the Company’s Chief Executive Officer, six years as Chief Financial Officer and six years as Controller. In addition, Mr. Chirico provides the Board with valuable insight into the Company’s business and management’s strategic vision.

*

Juan R. Figuereo has a strong background in finance and accounting (principally with large multi-national public companies, such as Pepsico, Wal-Mart, Newell-Rubbermaid and, now, Revlon), consumer goods and retail. His resume includes experience living and working in international markets where the Company has or is planning to expand operations. Mr. Figuereo has also considerable experience in brand building and driving innovation at established companies.

*

Joseph B. Fuller has extensive experience advising management with respect to strategy, corporate finance, governance and marketing (including with respect to channel management, pricing trends and innovation) that he developed as a co-founder and executive of an international management consulting firm. As a professor at a renowned business school, he has knowledge of management principles used by leading businesses worldwide.

*

V. James Marino, the former President and Chief Executive Officer of Alberto-Culver Company, a large global consumer products company, brings to the Board significant senior executive leadership experience in the consumer products industry. He has expertise in areas including corporate strategy development and execution, brand building and multichannel distribution, each on a domestic and international basis, as well as public company reporting. In addition, his work on the Board of Directors of OfficeMax and Office Depot provides him with additional perspective on the retail landscape, consumer goods and governance of public companies.

*

G. Penny McIntyre has extensive general management experience in consumer products, including with multi-brand businesses that distribute goods in multiple channels and at a range of price points. Ms. McIntyre’s skills also encompass global marketing and brand building with companies such as Coca Cola and Newell Rubbermaid, where her roles included working overseas and managing international growth.

*

Henry Nasella has significant management experience, gained in senior executive positions in publicly traded retail companies, including Staples and Star Markets, and as a partner in private equity firms. In addition, Mr. Nasella has extensive experience serving on boards of directors and board committees, including retail companies such as Staples, Denny’s and Au Bon Pain.

*

Edward R. Rosenfeld brings over 18 years of experience focused on the retail, apparel and footwear industries. He has been part of the executive management team of Steven Madden since 2005, serving in finance and strategic planning roles before becoming Chief Executive Officer. Prior to joining Steven Madden, he was an investment banker in a mergers and acquisitions practice focused on the retail and apparel industries.

*

Craig Rydin has significant management and leadership experience, which he gained over 30 years in various executive positions in the consumer products and retail industry, including at companies like Yankee Candle, Campbell Soup, Godiva Chocolatier and Pepperidge Farm. In addition, Mr. Rydin has extensive experience serving on the audit and compensation committees of several public and private company boards of directors, including priceline.com, Fitness Connection and Au Bon Pain.

Diversity

Although the Nominating, Governance & Management Development Committee does not have a specific policy with regard to the consideration of diversity in identifying director nominees, the Committee does consider the diversity of its members and potential candidates in selecting new directors. This consideration includes the diversity of business and financial talents, skills, abilities and experiences, as well as the race, ethnicity and gender of qualified candidates. We are proud of the diversity of backgrounds that characterize our current Board of Directors and believe that the diversity that exists on the Board provides significant benefits to us.

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Meetings

Our Corporate Governance Guidelines provide that each member of the Board of Directors is expected to use reasonable efforts to attend, in person, or by telephone or video conference, all meetings of the Board and of any committees of which they are a member, as well as the annual meeting of stockholders. All of the current members of the Board attended the 2015 Annual Meeting of Stockholders.

There were seven meetings of the Board of Directors during 2015. All of the current directors attended at least 75% of the aggregate number of meetings of the Board and the Committees of the Board on which they served.

Our non-management directors meet regularly in executive sessions without management or the management directors. Mr. Nasella, our presiding director, presides at the executive sessions of the non-management directors.

Committees

The Board of Directors has standing Audit & Risk Management; Compensation; Nominating, Governance & Management Development; and Corporate Responsibility Committees. Each committee has a written charter adopted by the Board of Directors that is available free of charge on our website, www.pvh.com.

Audit & Risk Management Committee

The Audit & Risk Management Committee is currently composed of Messrs. Figuereo (Chairman), Marino and Rosenfeld, each of whom served on the Committee for the entirety of 2015. Bruce Maggin, a retired director, served as a member of the committee until June 2015. Each of Messrs. Figuereo, Marino and Rosenfeld has been determined by the Board to be independent for purposes of audit committee service under the New York Stock Exchange's listing standards and Exchange Act Rule 10A-3 and an "audit committee financial expert," as defined in Item 407 of Regulation S-K under the Exchange Act.

The Audit & Risk Management Committee must be composed of three or more directors, all of whom must meet the independence requirements identified above. The Committee is charged with providing assistance to the Board in fulfilling the Board's oversight functions relating to the quality and integrity of our financial reports, monitoring our financial reporting process and internal audit function, monitoring the outside auditing firm's qualifications, independence and performance, and performing such other activities consistent with its charter and our By-laws, as the Committee or the Board deems appropriate. The Committee will also have such additional functions as are required by the New York Stock Exchange, the SEC and federal securities law. The Committee is directly responsible for the appointment, compensation and oversight of the work of the outside auditing firm.

The Audit & Risk Management Committee held nine meetings during 2015.

Compensation Committee

The Compensation Committee is currently composed of Ms. Baglivo and Messrs. Nasella (Chairman) and Rydin, each of whom served on the Committee for the entirety of 2015. Our Chief Executive Officer, Chief Human Resources Officer, and General Counsel regularly attend and participate in meetings, as do representatives of ClearBridge Compensation Group ("ClearBridge"), the Committee's independent compensation adviser since 2009.

The Compensation Committee must be composed of three or more directors. All members must be independent under the rules of the New York Stock Exchange and Rule 10c-1 of the Exchange Act and must qualify as "outside" directors under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and as "non-employee" directors under Rule 16b-3 under the Exchange Act. The Board has determined that all current members satisfy such requirements. The Committee is charged with discharging the Board's responsibilities relating to the compensation of our Chief Executive Officer and all of our other "executive officers" as defined under New York Stock Exchange rules (which covers both "executive officers" and "officers" under the Exchange Act). The Committee also has overall responsibility for approving or recommending to the Board approval of, and evaluating, all of our compensation plans, policies and programs and is responsible for preparing the disclosure required by Item 407(e)(5) of Regulation S-K to be included in the proxy statement for each annual meeting of stockholders.

The Compensation Committee has delegated limited authority to our Chief Executive Officer to make equity awards under our 2006 Stock Incentive Plan, principally in connection with promotions and new hires. Pursuant to this authority, the Chief Executive Officer may grant, on an annual basis, a maximum of 100,000 shares, with each stock option treated as one share and each restricted stock unit granted treated as two shares, and may grant up to 5,000 stock options and 2,500 restricted stock units to each grantee. In addition, beginning in 2016, the Committee also delegated limited authority to our Chief Executive Officer to make discretionary equity awards to high potential and high performing executives below the senior executive level. Any awards made would be in addition to an individual's standard annual grant and subject to the parameters established by the Committee. For 2016, these awards may not exceed $5 million in the aggregate and no individual may receive an award in excess of the individual's standard annual award. The Committee has sole authority to grant equity awards to individuals whose compensation is set by the Committee, such as Section 16 officers and employees who are, or could be, a "covered employee" within the meaning of Section 162(m) of the Code.

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The Compensation Committee meets regularly throughout each year. Compensation decisions regarding the most recently completed fiscal year (e.g., determination of payouts of incentive plan awards) and the current fiscal year (e.g., setting base salaries, establishing performance-based awards and granting equity awards) are generally made at the meetings during the first quarter of the year. In addition, the Committee considers and approves at these meetings any new incentive compensation plans or arrangements that need to be approved by the Board or our stockholders. The other meetings are typically focused on reviewing our compensation programs generally and discussing potential changes to the program, including to address corporate governance and regulatory developments, as well as to address compensation issues relating to changes in executives and promotions among the executive ranks.

The Compensation Committee directs the compensation consultant, approves the scope of the compensation consultant's work each year and approves the compensation consultant's fees. The compensation consultant meets and works with the Committee and the Committee Chairman, as well as with our Chief Executive Officer and our Chief Human Resources Officer, in developing each year's compensation packages and overall compensation program. The Committee reviews the compensation program and related matters annually and instructs the compensation consultant to provide information, analysis and recommendations to the Committee. Areas of focus in 2015 included the performance measures, performance cycles and payouts under our incentive compensation plans. The Chief Human Resources Officer reviews drafts of the materials the compensation consultant prepares for distribution to the Committee to ensure the accuracy of our internal data and, together with our General Counsel, provides additional guidance to the Committee regarding applicable matters such as employee perceptions and reactions, and legal and disclosure developments. The compensation consultant also assists the Committee in regard to its assessment of risks in our compensation program and consideration of tally sheets.

Management is prohibited from retaining the compensation consultant without obtaining the prior approval of the Compensation Committee. No such approval has been sought.

The Compensation Committee held seven meetings during 2015.

Nominating, Governance & Management Development Committee

The Nominating, Governance & Management Development Committee currently consists of Messrs. Fuller (Chairman), Nasella and Rydin, each of whom served on the Committee for the entirety of 2015. The Committee must be composed of three or more directors, all of whom must meet the independence requirement under the rules of the New York Stock Exchange. The Board has determined that all current members satisfy such requirement.

The Nominating, Governance & Management Development Committee is charged with identifying individuals qualified to become Board members and recommending director nominees to the Board, recommending director nominees for each committee, and recommending the Board Corporate Governance Guidelines relating to Board service. In evaluating potential candidates and the need for new directors, the Committee may consider factors such as professional experience and business, charitable or educational background, performance, age, service on other boards of directors and years of service on the Board, as the members deem appropriate.

The Nominating, Governance & Management Development Committee is also responsible for chief executive officer and management succession planning, as well as senior management development, and Board evaluations (see page 13).

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

The Nominating, Governance & Management Development Committee held seven meetings during 2015.

Corporate Responsibility Committee

The Corporate Responsibility Committee is currently composed of Ms. McIntyre (Chairperson), Ms. Baglivo and Mr. Callinicos, each of whom, other than Ms. McIntyre, served on the Committee for the entirety of 2015. Ms. McIntyre joined the Committee upon joining the Board in February 2015. Mr. Maggin and Rita Rodriguez, another retired director, served as members of the Committee until June 2015.

The Corporate Responsibility Committee must be composed of two or more directors and each must meet the independence requirement under the rules of the New York Stock Exchange. The Board has determined that all current members satisfy such requirement. The Committee is charged with acting in an advisory capacity to the Board and management with respect to policies and strategies that affect the Company’s role as a socially responsible organization.

The Corporate Responsibility Committee held four meetings during 2015.

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Other Corporate Governance Matters

Corporate Governance Guidelines

The Board of Directors has adopted Corporate Governance Guidelines. The Guidelines address several key areas of corporate governance, including director qualifications and responsibilities, Board committees and their charters, the responsibilities of the presiding director, director independence, director access to management, director compensation, director orientation and education, evaluation of management, management development and succession planning, and annual performance evaluations for the Board. The Nominating, Governance & Management Development Committee reviews the Guidelines annually and determines whether to recommend changes to the Board. The Guidelines are available free of charge on our website, www.pvh.com.

Leadership Structure of the Board

Our Chief Executive Officer currently serves as Chairman of the Board of Directors. Our Corporate Governance Guidelines provide for the independent directors to elect one of the independent directors to serve as presiding director for any annual period during which the Chief Executive Officer serves as Chairman. The Nominating, Governance & Management Development Committee is responsible for nominating the director to serve in such role. Mr. Nasella currently serves as our presiding director.

The duties of the presiding director include the following:

* presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of non-management directors, including separate sessions of independent directors if there are non-independent, non-management directors;

* serving as liaison between the Chairman and the non-management directors;

* discussing with management or approving non-routine information sent to the Board;

* reviewing and approving meeting agendas;

* assuring that there is sufficient time for discussion of all agenda items;

* having the authority to call meetings of the non-management and independent directors; and

* if reasonably requested, ensuring that he or she is available for consultation or communication with stockholders.

The Board believes that no single leadership model is right for the Company and that whether the offices of Chief Executive Officer and Chairman should be combined or separate depends on the circumstances. The Board believes that combining these two roles, coupled with a presiding director with the duties described above, currently is the most effective leadership structure for us. Mr. Chirico’s combined role has promoted unified leadership and direction for the Board and executive management and has allowed for a single, clear focus for the chain of command to execute our strategic initiatives and business plans. Mr. Chirico’s extensive knowledge of and tenure at the Company places him in a unique leadership role.

The Board has adopted a number of governance practices to assure effective independent oversight, including:

*

requiring that the members of all key Board committees be independent under the rules of the New York Stock Exchange;

*
holding executive sessions of the non-management directors after every Board meeting and, when not all non-management directors are independent, regularly continuing these sessions with only the independent directors present; and

*
requiring a strong, independent, clearly defined presiding director role (as discussed above).

Board Evaluations

The Nominating, Governance & Management Development Committee oversees the annual Board evaluation process, which includes the construction of comprehensive questionnaires covering the Board, each committee and individual director performance. The questionnaires for the Board and each committee are also provided to executives and outside advisors who regularly attend the relevant committee's meetings. The independent directors hold a meeting annually to discuss the results of and comments received on the Board questionnaire separate from a regular meeting of the Board. The committees consider their questionnaire comments and results are generally provided in advance of the meeting to facilitate discussion. The results of the individual self-assessments are reviewed by the Nominating, Governance & Management Development Committee to consider recommendations for education, the best ways to utilize each director's skills, agenda items for Board meetings and make decisions on director nominations and the consideration of new directors.

Director Education

We encourage directors to pursue educational opportunities to enable them to better perform their duties and learn about emerging issues. In addition, we provide educational materials, including New York Stock Exchange materials, in-house education materials and outside publications, to directors on a regular basis. We have not budgeted or limited the amount to be spent on director education. Instead, we allow directors to

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determine the amount of education that they deem appropriate. The Nominating, Governance & Management Development Committee may also request directors seek out education programs or the Board receive presentations based on results from the individual director self-assessments. In our Corporate Governance Guidelines, we strongly encourage directors to attend at least one external director education program per year.

Risk Oversight

The Board of Directors oversees the management of risks related to the operation of our business. As part of its oversight, the Board receives periodic reports from members of senior management on various aspects of risk, including our enterprise risk management program and business continuity planning. Each of the Board committees oversees the management of risks that fall within its respective area of responsibility. In performing this function, each committee has full access to management, as well as the ability to engage advisors. The Chairperson of each committee reports on the applicable committee's activities at each Board meeting and has the opportunity to discuss risk management with the full Board at that time.

The Audit & Risk Management Committee has principal responsibility for risk assessment and risk management, as required under its charter and by New York Stock Exchange rules. As part of this role, the Committee monitors the operation of our enterprise risk management program. The Audit & Risk Management Committee receives an annual enterprise risk management report in which we identify our most significant operating risks and the mitigating factors that exist to control those risks. The Committee also receives regular reports from our Chief Risk Officer, Director of Risk Management, financial reporting and tax teams, General Counsel and others on various issues of risk and risk management programs. In addition, the Committee meets privately on a regular basis with representatives of our independent auditors to discuss our auditing and accounting processes and management.

The Compensation Committee considers as part of its oversight of our executive compensation program the potential for risky behavior in connection with our executive compensation program and the incentives created by the compensation awards that it administers. The Committee receives a risk assessment from its compensation consultant that analyzes the risks represented by each component of our executive compensation program, as well as mitigating factors. We discuss this in further detail herein under the heading "Risk Considerations In Compensation Programs."

The Corporate Responsibility Committee monitors human rights, work conditions and environmental programs administered by our Global Compliance teams and receives updates on issues of significance that are encountered in our business.

Code of Ethics; Code of Business Conduct and Ethics

We have a Code of Ethics for our Chief Executive Officer and our senior financial officers. In addition, we have a Code of Business Conduct and Ethics for our directors, officers and employees. These codes are posted on our website, www.pvh.com. We intend to disclose on our website any amendments to, or waivers of, the Code of Ethics that would otherwise be reportable on a current report on Form 8-K. Such disclosure would be posted within four business days following the date of the amendment or waiver.

Political and Lobbying Activities

It is our practice not to contribute to political candidates, parties and causes. We do participate from time-to-time in lobbying activities, principally through our membership in industry associations. We also were actively involved in seeking an extension of the African Growth and Opportunity Act, which offers incentives for African countries to continue their efforts to open their economies and build free markets. We believe East Africa provides a potential opportunity for us to be involved in the vertically integrated production of apparel in an environment where our corporate responsibility standards can be implemented from the outset, including adherence to best practices in working conditions, workers' rights, building and fire safety, and use of green energy sources.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based upon our review of the filings furnished to us pursuant to Rule 16a-3(e) promulgated under the Exchange Act and on representations from our officers and directors, all filing requirements of Section 16(a) of the Exchange Act were complied with during the fiscal year ended January 31, 2016.

COMPENSATION COMMITTEE REPORT

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

Proxy Statement.

Compensation Committee

Henry Nasella, Chairman

Mary Baglivo

Craig Rydin

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## COMPENSATION DISCUSSION AND ANALYSIS

### Introductory Note

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

*
Emanuel Chirico, our Chairman and Chief Executive Officer

*
Michael A. Shaffer, our Executive Vice President and Chief Operating & Financial Officer

*
Francis K. Duane, Chief Executive Officer, Heritage Brands and North America Wholesale

*
Daniel Grieder, Chief Executive Officer, Tommy Hilfiger Global and PVH Europe

*
Steven B. Shiffman, Chief Executive Officer, Calvin Klein

### Executive Summary

We have evolved from our 1881 roots to become a diversified global company with over $8 billion in 2015 revenues through a combination of strategic acquisitions and by successfully growing our brands globally across all distribution channels. We launched the Van Heusen soft-folding collar in 1921, acquired IZOD in 1995, and added Calvin Klein and ARROW to our portfolio in the early 2000s, Tommy Hilfiger in 2010, and Calvin Klein Underwear, Calvin Klein Jeans, Speedo4, Warner's and Olga in 2013 through our acquisition of The Warnaco Group, Inc. (which we refer to as "Warnaco"). Our global infrastructure, sourcing network, and brand teams are leveraged over three business groups — Calvin Klein, Tommy Hilfiger and Heritage Brands — which market these and other brands, helping us to secure our position as one of the largest apparel companies in the world.

### 2015 Performance

We achieved solid underlying financial performance. Earnings per share was $7.05† on a non-GAAP basis. This exceeded our initial guidance of $6.75 to $6.90† on a non-GAAP basis and subsequent guidance updates. GAAP earnings per share was $6.89 compared to $5.27 in the prior year.

Our earnings per share decreased on a non-GAAP basis, inclusive of a $1.38 negative impact compared to the prior year primarily related to foreign currency exchange rates.

Earnings per share on a non-GAAP, constant currency basis (which excludes the negative impact primarily related to foreign currency exchange rates) was $8.43†, or an increase of 15%† compared to earnings per share of $7.30† on a non-GAAP basis in the prior year.

Approximately 65% of our earnings before interest and taxes on a non-GAAP basis (and 45% of our revenues) in 2015 were generated outside the United States. The U.S. dollar appreciated against the currencies of substantially all the foreign jurisdictions where we operate, including (but not limited to) the euro, Canadian and Australian dollars, Chinese yuan renminbi, and Brazilian real. The appreciation of the U.S. dollar against these currencies had a significant negative impact on the reported results for our international businesses, as revenues and earnings generated in these markets faced both translational and transactional pressures.5

As one of the largest apparel companies in the world, these currency-related headwinds were significant and were impossible to circumvent completely. Accordingly, our stock experienced significant downward pressure. This was disappointing, as we believe that our solid underlying results and execution of our strategic objectives were overshadowed by the macroeconomic backdrop.

For 2015:

*

Our Calvin Klein business was a highlight, as investments we made over the last few years continued to generate solid results, and we saw strength across virtually all regions where we operate.

*
Our Tommy Hilfiger business saw positive momentum in its international markets, highlighting the power of the brand.

*
Our Heritage Brands business produced a notable improvement in profitability.

*
Earnings before interest and taxes was $761 million on a GAAP basis compared to $530 million in the prior year.

†
Reconciliations to GAAP amounts appear on Exhibit A.

4
The Speedo brand is licensed in perpetuity for North America and the Caribbean from Speedo International, Limited.

5
Translational pressures relate to the conversion to U.S. dollars of revenues earned in foreign currencies. Sales convert into a lower value in U.S. dollars in our results when the dollar increases in value against the foreign currency. Transactional pressures relate to the purchase of goods in U.S. dollars by our foreign subsidiaries, which is a standard practice in the industry. Our results were negatively affected by the appreciation of the U.S. dollar because it meant the inventories held in foreign jurisdictions had a higher local currency value and a higher local currency cost of goods when sold, meaning lower profitability.

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*
Earnings before interest and taxes increased 5%† on a non-GAAP and constant currency basis (decreased 9%† including foreign currency exchange rate impacts) from $921 million† on a non-GAAP basis in the prior year.

Our earnings per share, revenue, and earnings before interest and taxes performance over the past three years were as follows:

*
Excludes the negative impact primarily relating to foreign currency impact. Reconciliations to GAAP amounts appear on Exhibit A.

The charts below demonstrate our performance against our 2015 peer group for the one -, two - and three -year periods ended 2015 in key performance metrics.

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

2
Overall percentile ranking excludes Total Shareholder Return vs. S&P 500.

2015 Compensation Highlights

Our stockholders overwhelmingly approved the compensation of our NEOs in the annual advisory vote, with approximately 97% of the votes cast in favor of this proposal (nearly identical to the results since voting was implemented in 2012). We interpret these results, coupled with discussions that we have had with investors, as a validation of our compensation program. As a result, we retained our general approach to executive compensation, except for the changes noted below under “Other Highlights” that we believe enhance alignment with stockholder interests.

†

Reconciliations to GAAP amounts appear on Exhibit A.

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Compensation results demonstrated that our pay for performance model works, as good financial performance for 2015 resulted in annual bonus payouts for all NEOs above target levels but weak long-term results for various performance share unit awards with performance cycles that ended in 2015 or shortly thereafter resulted in no payouts being made to the NEOs. More specifically, as a result of our solid performance in 2015:

* Messrs. Chirico and Shaffer, whose bonus awards are based solely on corporate performance, received annual bonuses between target and maximum levels.

* Mr. Duane, who receives awards subject to both corporate and divisional performance, received an aggregate payout that was at substantially the same level as the bonuses paid to Messrs. Chirico and Shaffer.

* Mr. Grieder, who also receives bonus awards subject to both corporate and divisional performance, earned an aggregate bonus well above target level based on the outperformance of the Calvin Klein Europe and Tommy Hilfiger International businesses.

* Mr. Shiffman, who also receives bonus awards subject to both corporate and divisional performance, earned a total bonus payout that was just above target due to weakness in the Calvin Klein North America business.

However, as a result of our underperformance over the past few years, no payouts were earned by any of the NEOs for the performance share units granted to them in 2014 for the two-year performance cycle ended in 2015, as cumulative earnings per share for the period was below the threshold level. There was also no payout of the “GRIP II” (Growth and Retention Incentive Plan II) performance share unit awards we granted in 2013 to incentivize certain executives, including the NEOs, to oversee the smooth integration of Warnaco’s businesses and the growth of those businesses consistently with management’s plans developed in connection with the acquisition. The performance measures used for the GRIP II awards were absolute stock price growth and total shareholder return (which we also refer to as “TSR”) as compared to the total shareholder return of the companies included in the S&P 500 Index at the time the award was made. One-half of the award was tied to each measure and covered a three-year performance cycle ended May 5, 2016. Performance did not reach the threshold level for either measure.

The following graph illustrates the strong alignment of our compensation program with the creation of long-term stockholder value. It shows Mr. Chirico’s target total compensation and actual total compensation for each of 2013, 2014 and 2015 as compared to our one-year and cumulative three-year TSR for each of those years; Mr. Chirico’s compensation rises and falls with our TSR. Target total compensation consists of salary, target bonus, the value of stock option and restricted stock unit grants made in each year, the target value of performance share unit awards for the performance cycle beginning in each year, and one-third of the value of the GRIP II award. Actual total compensation includes actual salary, actual bonus paid, the value of stock option and restricted stock unit grants made in each year (i.e., the same value included in target total compensation) and the value as of the last business day of the year of the payouts earned on performance share unit awards for performance cycles that ended in each year (although the awards earned in 2013 and 2014 were subject to a one-year vesting period and not paid out until 2014 and 2015, respectively). For 2013, actual total compensation also includes one-third of the value of the payout of a special performance share unit award granted in 2010 in connection with the Tommy Hilfiger acquisition covering a three-year performance cycle from June 2010 to June 2013. The alignment of pay is also consistent with the TSR for the S&P 500 index, as shown below the graph.

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The charts below demonstrate that the compensation paid to our Named Executive Officers is generally consistent with the charts above that show our performance for 2015 and the two- and three-year periods then ended as compared to our peer group. The following charts are the benchmarking comparisons for the 2015 actual total cash compensation and actual total compensation of each of our NEOs. “Total cash compensation” consists of salary and bonus, and “total compensation” consists of salary, bonus, the value of stock option and restricted stock unit grants made in 2015 and the value of the payouts received from long-term incentive awards for performance cycles that ended in 2015.

1

Mr. Shaffer is compared to peer CFOs and Messrs. Duane, Grieder and Shiffman are compared to peer group business unit heads (squares). Messrs. Shaffer, Duane, Grieder and Shiffman are all compared to the average of the 2nd, 3rd, 4th, and 5th ranked peer group executives (triangles).

CEO Compensation

*

There were no changes to Mr. Chirico’s compensation package.

*

Mr. Chirico’s compensation as presented in the Summary Compensation Table was $11.6 million, down 11% from 2014.

Compensation of Other NEOs

*

We increased the base salaries of the other NEOs to reflect their individual performance and peer comparisons.

*

We increased Mr. Shaffer’s potential bonus payout percentage at target due to his role, internal pay equity and peer comparison.

*

We increased Mr. Grieder’s annual bonus opportunity to address the additional responsibilities he assumed for our Calvin Klein Europe business when he became Chief Executive Officer, Tommy Hilfiger Global and PVH Europe, on July 1, 2014.

Pay for Performance

*

All NEOs, other than Mr. Grieder, saw a decrease in cash compensation due to our performance during 2015. Mr. Grieder's compensation increased as a result of the change to his bonus opportunity, as described immediately above, and the performance of the Calvin Klein Europe business.

*
We used negative discretion in paying out the bonuses to all NEOs based on corporate performance. The decision to use negative discretion reflected a qualitative assessment of our performance by the Compensation Committee as compared to the earnings per share performance yielded by the bonus plan calculation.

Other Highlights

*
The performance cycle for annual grants of performance share unit awards was increased from two years with an additional one year vesting period to three years (without an additional vesting period).

*
The performance measure for annual grants of performance share unit awards was changed from cumulative earnings per share to absolute stock price growth and total shareholder return as compared to the total shareholder return of the companies included in the S&P 500 Index at the time the award was made for the three-year performance cycle. One-half of the award was tied to each measure.

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## 2015 Compensation Program

### Philosophy and Approach

Our compensation program is a pay for performance model based upon the philosophy that we should incentivize our executive officers to improve our financial performance, profitably grow our businesses and increase stockholder value, and reward them only if they attain these objectives. As such, the bulk of each Named Executive Officer's compensation package consists of short-term and long-term incentive awards that pay out only if we achieve specific financial targets and equity awards that are linked to increases in stock value over time, anchored by a competitive base salary.

We compare the total potential compensation that a Named Executive Officer can earn to the most comparable executives at the companies in our peer group (see pages 26 to 27) when establishing the compensation packages each year. We calculate the total compensation paid or expected to be paid to our Named Executive Officers at the end of each year and compare that amount to the total compensation paid to the comparable executives.

Daniel Grieder.   The compensation package for Mr. Grieder has been structured somewhat differently than the other NEOs due to a number of factors, including his significant ownership interest in our Common Stock when we acquired Tommy Hilfiger as a result of shares he received in exchange for his interests in Tommy Hilfiger, his employment outside of the U.S., and his status as a non-U.S. taxpayer. Accordingly, not all of the discussion regarding our NEOs pertains to him.

Mr. Grieder's cash compensation is paid in euros but is based on a base-salary level tied to Swiss francs. This approach was implemented in April 2015 because Mr. Grieder, who is a resident of Switzerland, had his salary effectively reduced when Swiss authorities unexpectedly decoupled the Swiss franc from the euro in January 2015, and the franc quickly and significantly increased in value against the euro. The effective reduction of Mr. Grieder's salary was approximately 20%. We reset his salary from euros to the Swiss franc equivalent on the effective date. All subsequent payments of his salary were made in euros on the then-current Swiss franc to euro exchange rate.

### Program Elements

The table shows the principal elements of our compensation program for our NEOs and the value attributable to each element for 2015. Base salaries are shown at the highest level for the year. See page 22. Bonuses are at the target level payouts. RSUs and stock options are at grant date value. Annual PSUs are at grant date value, at target. GRIP II awards are equal to one-third of total value, at target. See page 25 for a description of the GRIP II awards.

| COMPENSATION ELEMENT | BASE SALARY | ANNUAL BONUS | RESTRICTED STOCK UNITS ("RSUs") | STOCK OPTIONS | PERFORMANCE SHARE UNITS ("PSUs") |
|---|---|---|---|---|---|
| FREQUENCY | Reviewed annually | Granted annually | Granted annually | | Two awards:<br>Annual grant1<br>"GRIP II" award (made in 2013) |
| FORM | Cash | | Equity | | |
| FIXED VS. AT-RISK | Fixed | At-Risk | | | |
| PERFORMANCE CYCLE/VESTING | N/A | 1 year | 4 years – vesting 25% on 2nd and 3rd anniversaries and 50% on 4th anniversary of grant | 4 years – vesting 25% on each of 1st, 2nd, 3rd and 4th anniversaries of grant | 3 years |

| | | | | | |
|---|---|---|---|---|---|
| PERFORMANCE MEASURES | N/A | EPS for all NEOs<br><br>Divisional operating income for NEOs with divisional responsibilities | Adjusted net income2 | N/A | Absolute stock price growth and relative TSR |
| 2015 VALUES | | | | | |
| Emanuel Chirico | $1,350,000 | $2,025,000 | $1,525,214 | $2,161,688 | Annual Grant: $3,818,598<br><br>GRIP II: $1,996,974 |
| Michael A. Shaffer | $875,000 | $700,000 | $550,127 | $662,345 | Annual Grant: $251,253<br><br>GRIP II: $501,298 |
| Francis K. Duane | $1,075,000 | $806,250 | $450,084 | $613,016 | Annual Grant: $201,043<br><br>GRIP II: $501,298 |
| Daniel Grieder | €854,8993 | €854,899 | $500,380 | $471,861 | GRIP II: $998,487 |
| Steven B. Shiffman | $875,000 | $656,250 | $300,056 | $282,310 | Annual Grant: $201,043<br><br>GRIP II: $422,947 |

footnotes appear on following page

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footnotes to table on previous page

1
Mr. Grieder traditionally did not receive annual grants of PSUs. He received his first in 2016.

2
Applies only to the U.S.-based Named Executive Officers and is intended solely to satisfy the conditions for the deductibility of the awards under Section 162(m) of the Code.

3
Mr. Grieder's salary is paid in euros and has been converted from Swiss francs at a Swiss franc to euro exchange rate of 0.93945, which was the average rate for the year. See page 19.

Our compensation program does not prescribe a specific formula for the mix of pay elements but all compensation packages are weighted towards incentive compensation elements over base salary and long-term elements over annual elements. We start with the median of the applicable peer group executives when setting the compensation packages for each NEO and then consider both objective and subjective factors, such as job responsibility; individual, business unit and corporate performance; potential for advancement; tenure with the Company; and internal pay equity. Additionally, the Compensation Committee receives input from management, particularly Mr. Chirico and the Chief Human Resources Officer.

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Below are certain of our compensation practices. We do these things, or refrain from doing them, because we believe they align our compensation program (and our NEOs) with the interests of our stockholders, avoid excessive risk in our program or are considered best practices.

Things We Do

We engage with stockholders on inquiries regarding our compensation practices and the Chairman of the Compensation Committee is available at our Annual Meeting to answer questions on our compensation program.

Most compensation components are subject to our performance and the performance of our Common Stock, with an emphasis on long-term components.

We establish performance targets that we believe are rigorous but do not encourage excessive risk.

We use different performance measures for annual bonuses (earnings per share and divisional operating income) and long-term performance-based awards (relative TSR and absolute stock price).

Our Chief Executive Officer is required to hold Common Stock with a value equal to six times his annual base salary. Our other NEOs must hold Common Stock with a value equal to their respective annual base salaries.

NEOs who are not in compliance with their ownership guideline must hold 50% of their after-tax shares received upon vesting or exercise of awards until they are.

Our change in control arrangements are “double trigger.”

We believe we provide robust disclosure of our compensation program and each NEO’s compensation package, including in regard to the performance measures we use, goal setting, targets and payouts.

All of our incentive compensation plans include clawback provisions.

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

Awards under our incentive plans are capped.

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

Things We Do Not Do

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

We have not made outsized awards to induce someone to become employed by us.

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

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

We do not permit repricing of underwater stock options.

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

We do not use an aspirational peer group. Our revenue would place us between the sixth and seventh companies in the peer group (which includes 14 companies), as ranked by revenue.

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

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

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

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

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Executive Compensation Overview

Base Salaries

Objective. We pay base salaries to provide our executive officers with a stable and secure source of income at a market-competitive level in order to retain and motivate these individuals.

Considerations. Base salaries are based upon our overall performance and expected performance, the performance of each individual executive officer, and the performance of the executive's division (for operational executives), as well as upon market considerations, peer data and other factors. Examples of these other factors include time between salary increases, promotion (and the base salary of any predecessor in the position), expansion of responsibilities, advancement potential, and the execution of special or difficult assignments. Additionally, the Compensation Committee takes into account the relative salaries of our Named Executive Officers. No specific weight is attributed to any of the factors; all factors are considered and a subjective determination is made.

2015 Decisions. Salary increases are generally effective on June 1 of the year granted.

| Name | 2015 Base Salary | Increase from Prior Year (%) |
|---|---|---|
| Emanuel Chirico | $ 1,350,000 | — |
| Michael A. Shaffer | $ 875,000 | 2.9 |
| Francis K. Duane | $ 1,075,000 | 2.4 |
| Daniel Grieder | € 854,899 | 11.2 |
| Steven B. Shiffman | $ 875,000 | 2.9 |

Salary increases were generally based on the executive officers' performance during 2014, expected performance in 2015, additional responsibilities assumed in connection with promotions, internal equity, and peer data.

Short-Term Incentives

Performance Incentive Bonus Plan

Objective. We make annual bonus awards under our Performance Incentive Bonus Plan to provide cash compensation on an annual basis that is at-risk and contingent on the achievement of overall Company performance or divisional performance goals. We establish performance targets that we believe are rigorous but do not encourage excessive risk. No NEO has earned a maximum payout since 2011.

Considerations. We believe annual bonuses are appropriate to incentivize our Named Executive Officers to execute against the budget and divisional business plans reviewed and approved by our Board and discussed with investors at the beginning of each fiscal year.

2015 Decisions. The earnings per share and divisional earnings goals at target were based on the budget approved by the Board at the beginning of 2015, with the other goals based off of the applicable target. The earnings per share goal at target is also directly related to the earnings per share guidance we give to investors at the beginning of each year, typically being at or near the midpoint of the guidance range, as was the case in 2015. The earnings per share goal at target is typically above the actual earnings per share on a non-GAAP basis reported for the prior year. This was not the case for 2015.

The target level of performance for 2015 bonuses was set below actual 2014 earnings per share on a non-GAAP basis because of a projected $1.30 per share negative effect expected to be incurred primarily as a result of the strengthening of the U.S. dollar against most major foreign currencies in which we transact business. Since 2013, over 50% of our earnings have been generated outside of the U.S. and, beginning in 2014, the U.S. dollar began appreciating against the currencies of substantially all of the jurisdictions where we operate. We knew at the time bonus awards were made that the appreciation of the U.S. dollar against these currencies would have a significant impact on our reported results and established earnings goals that took into account the estimated impact.

The target goal exceeded 2014 performance on a non-GAAP basis by 11%, excluding the projected negative impact primarily relating to foreign currency. The threshold level performance goal for 2015 was approximately 85% of target and the maximum level performance goal was approximately 115% of target. The range varies from year to year based on the Compensation Committee's evaluation of the business environment, such as macroeconomic volatility and the consumer environment, although a specific formula or reference to any specific measures is not used. The performance goals for 2015 below and above target that needed to be achieved to attain the other performance levels were within the range used in prior years.

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| | Threshold Earnings Per Share ($) | (Decrease) From Prior Year Earnings Per Share (%) | Target Earnings Per Share ($) | (Decrease) Increase From Prior Year Earnings Per Share (%) | Maximum Earnings Per Share ($) | Increase From Prior Year Earnings Per Share (%) |
|---|---|---|---|---|---|---|
| Actual Goals | 5.80 | (20.5) | 6.80 | (6.8) | 7.80 | 6.8 |
| Goals Excluding FX Impact1 | 7.10 | (2.7) | 8.10 | 11.0 | 9.10 | 24.7 |

1
Represents goals and changes from prior year excluding the projected $1.30 negative impact primarily relating to foreign currency.

We used $7.05 as our earnings per share for determining bonus payouts, which is the same result reported to investors on a non-GAAP basis. We used negative discretion to eliminate certain one-time tax benefits that could have been included in the results off of which the corporate bonus was paid, as we believe the reduction was appropriate in light of a qualitative review of our actual performance. We believe it is important to note that the $7.05 included $1.38† primarily related to the negative effect of foreign currency, which is consistent with (and slightly above) the negative effect included in developing the bonus targets. The $7.05 represents a 3.4% decrease over 2014 earnings per share used for the payment of bonuses, including the negative effect of foreign currencies. Earnings per share improved 15.5%† if the foreign currency effect is excluded.

| | Potential Payouts (% of Base Salary) | | | Actual Payouts | |
|---|---|---|---|---|---|
| Name | Threshold | Target | Maximum | % of Base Salary | $ |
| Emanuel Chirico | 75 | 150 | 300 | 187.50 | 2,531,250 |
| Michael A. Shaffer | 37.5 | 80 | 175 | 103.75 | 907,813 |

Messrs. Duane, Grieder and Shiffman were eligible to receive bonus payouts based upon corporate earnings and the earnings of the business divisions for which each had or shared responsibility at the time the awards were granted. We increased Mr. Grieder’s annual bonus opportunity at the divisional level to address the additional responsibilities he assumed for our Calvin Klein Europe business when he became Chief Executive Officer, Tommy Hilfiger Global and PVH Europe, on July 1, 2014. His 2014 bonus award was made prior to his promotion and did not include performance opportunity for the Calvin Klein Europe business he now oversees.

| | | Earnings Goals | | | |
|---|---|---|---|---|---|
| Name (Business Divisions) | Percentage of Bonus Opportunity | Threshold | Target | Maximum | Actual |
| Francis K. Duane (Heritage Brands and North America Wholesale) | 50 | $ 200,000,000 | $ 216,809,000 | $ 240,000,000 | $ 222,932,000 |
| | 70 | € 215,500,000 | € 226,949,000 | € 249,500,000 | € 254,527,000 |

| | | | | | |
|---|---|---|---|---|---|
| Daniel Grieder (Tommy Hilfiger International and Calvin Klein Europe) | | | | | |
| Steven B. Shiffman (Calvin Klein Global Licensing and Retail) | 70 | $ 326,000,000 | $ 362,451,000 | $ 399,000,000 | $ 355,808,000 |

| | | Potential Payouts (% of Base Salary) | | | Actual Payouts | |
|---|---|---|---|---|---|---|
| Name | Earnings Component | Threshold | Target | Maximum | % of Base Salary | €/$ |
| Francis K. Duane | Company | 18.75 | 37.5 | 87.5 | 50.00 | $ 537,500 |
| | Divisional | 18.75 | 37.5 | 87.5 | 50.70 | $ 545,025 |
| | Total | 37.5 | 75 | 175 | 100.70 | $ 1,082,525 |
| Daniel Grieder | Company | 15 | 30 | 45 | 33.75 | € 288,528 |
| | Divisional | 35 | 70 | 105 | 105.00 | € 897,644 |
| | Total | 50 | 100 | 150 | 138.75 | € 1,186,172 |
| Steven B. Shiffman | Company | 11.25 | 22.5 | 52.5 | 30.00 | $ 262,800 |
| | Divisional | 26.25 | 52.5 | 122.5 | 47.72 | $ 417,550 |
| | Total | 37.5 | 75 | 175 | 77.72 | $ 680,050 |

†
Reconciliations to GAAP amounts appear on Exhibit A.

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Long-Term Incentives

Stock Options and Restricted Stock Units

Objective. We make annual grants under our 2006 Stock Incentive Plan of stock options and restricted stock units to our NEOs in order to align their interests with those of our stockholders. The value of these awards is at-risk.

Considerations. We believe that stock options provide an incentive to recipients to increase stockholder value over the long-term, as the maximum benefit of the stock options granted cannot be realized unless stock price appreciation occurs over a number of years. Moreover, we believe that stock options have the potential to deliver more value to an executive than restricted stock units.

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

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

2015 Decisions. We granted both stock options and restricted stock units to our Named Executive Officers during 2015. The restricted stock unit awards granted to Messrs. Chirico, Shaffer, Duane and Shiffman, who are on our U.S. payroll, are subject to a performance-based condition that is intended to satisfy the conditions for the deductibility of the awards under Section 162(m) of the Code, in addition to the time-based criteria for vesting. Specifically, the awards required us to achieve $150 million of adjusted net income for any of 2015, 2016, 2017 or 2018. We achieved the required level in 2015. As a result, each of these officers will vest in his award, assuming he remains employed by us through each of the vesting dates, which end in 2019.

Performance Share Units

Objective. We make annual grants under our 2006 Stock Incentive Plan of performance share units. The purpose of these awards is to provide compensation that is at-risk and contingent on the achievement of the selected performance criteria over an extended period. Performance share units have additional links to our performance and alignment with stockholder interests, as their value will increase if our stock price is higher at the end of the performance cycle than it was on the grant date (and will decrease if the stock price is lower). These awards also have retentive value because they generally only pay out if the participant remains employed for the entire performance cycle.

Considerations. Performance share unit awards granted in 2015 were subject to a three-year performance cycle, with 50% of the award subject to absolute stock price performance and 50% subject to relative total shareholder return. Prior to 2015, cumulative earnings per share had been the principal component of all annual performance share unit awards and we had used TSR and absolute stock price performance for the three-year performance cycle for the GRIP II award, which was granted in 2013. We discontinued using an earnings per share-based measure on the annual PSU awards after 2014 and there are no current long-term awards outstanding that are subject to an earnings per share-based measure. We changed the measures because we believe that using these additional measures provides a balanced focus on driving long-term financial performance with the ultimate goal of creating value for our stockholders and to address current views that the use of the same financial measure for both annual and long-term incentive compensation may not be "best practices."

Potential payouts of performance share unit awards are determined by taking the applicable monetary amounts at threshold, target and maximum and converting the amount to a number of shares based on the value of our Common Stock when the award is granted.

2015 Decisions — New Awards

All of our Named Executive Officers, other than Mr. Grieder, received awards of performance share units in 2015 with respect to a performance cycle covering the second quarter of 2015 through the first quarter of 2018. One-half of each executive's award is subject to achievement of absolute stock price growth and the other half is subject to our TSR relative to the total shareholder return of the other companies included in the S&P 500 Index at the time the awards were made. The following are the performance goals:

| | Threshold | Target | Maximum |
|---|---|---|---|
| Compound Annual Growth in Stock Price (%) | 5 | 12.5 | 20 |

| | | | |
|---|---|---|---|
| Relative TSR (Percentile) | 35th | 50th | 80th |

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

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The following are the potential payouts and the values of the payouts on the grant date:

| | Shares (#) | | | Award Values ($)1 | | |
|---|---|---|---|---|---|---|
| Name | Threshold | Target | Maximum | Threshold | Target | Maximum |
| Emanuel Chirico | 18,861 | 37,722 | 84,875 | 1,947,210 | 3,894,419 | 8,762,495 |
| Michael A. Shaffer | 1,241 | 2,482 | 4,964 | 128,121 | 256,242 | 512,483 |
| Francis K. Duane | 993 | 1,986 | 3,971 | 102,517 | 205,035 | 409,966 |
| Steven B. Shiffman | 993 | 1,986 | 3,971 | 102,517 | 205,035 | 409,966 |

1
The award values are equal to the number of shares multiplied by $103.24, the closing price of our Common Stock on the grant date. The award values are not calculated in the same manner as the grant date fair values that are required to be included in the Summary Compensation Table. See page 30.

2015 Decisions — Payouts of Awards for 2014 — 2015 Performance Cycle

None of our NEOs who were granted performance share unit awards earned payouts of their awards for the two-year performance cycle ended January 31, 2016. These awards, if they had paid out, would have included a one-year time vesting period following the certification of performance. The earnings per share growth targets and actual performance with respect to the cycle were as follows:

| Threshold Cumulative Earnings Per Share ($) | Compound Growth (%) | Target Cumulative Earnings Per Share ($) | Compound Growth (%) | Maximum Cumulative Earnings Per Share ($) | Compound Growth (%) | Actual ($) |
|---|---|---|---|---|---|---|
| 15.05 | 3.7 | 15.91 | 7.6 | 17.63 | 15.1 | 14.21 |

| | Shares (#) Potential Payouts | | | |
|---|---|---|---|---|
| Name | Threshold | Target | Maximum | Actual |
| Emanuel Chirico | 15,148 | 30,296 | 68,166 | 0 |
| Michael A. Shaffer | 997 | 1,994 | 3,987 | 0 |
| Francis K. Duane | 798 | 1,595 | 3,190 | 0 |
| Steven B. Shiffman | 798 | 1,595 | 3,190 | 0 |

GRIP II Awards

We granted the GRIP II awards in 2013 to incentivize certain executives, including the NEOs, to oversee the smooth integration of Warnaco's businesses and the growth of those businesses consistently with management's plans developed in connection with the acquisition. The performance measures used for these awards also are absolute stock price growth and TSR as compared to the TSR of the companies included in the S&P 500 Index at the time the award was made. The financial measures cover a three-year performance cycle. We took the GRIP II award into consideration in formulating 2015 compensation packages, ascribing one-third of the grant date value at target to each year.

The performance cycle for the GRIP II awards ended on May 5, 2016. The threshold performance levels were 5% cumulative annual growth for our stock price and TSR in the 35th percentile. We did not achieve threshold performance for either measure and, therefore, there were no payouts.

Other Benefits

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

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

Perquisites are limited and generally consist of discounts in our retail stores available to all employees and, in certain cases, clothing allowances and gym memberships. We provide clothing allowances for purchases at our Calvin Klein Collection store to key executives of our Calvin Klein business, including Mr. Shiffman, as well as other certain executives who regularly speak publicly, in order for them to portray the image of our Company and

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the Calvin Klein brand. We also own a car and employ a driver who drives executives to and from meetings, including among our four New York City and five New York metropolitan area offices, and provides other work services (such as messenger services). Although the majority of the driver's services (and, therefore, the costs associated with the car) are for business purposes, we do allow Mr. Chirico to use the service for personal purposes, generally his daily commute, as we believe this service enables him to be more productive during this time. Mr. Grieder is a resident of Switzerland and receives a housing allowance to cover housing expenses while working in Amsterdam, where our European operations are based. We believe this to be a common employment practice for key executives in Europe who work outside their home country and return to their home countries for weekends. Lastly, as part of certain of our marketing activities, including sponsorships of the National Football League's New York Giants and the National Basketball Association's Brooklyn Nets, we have a limited number of tickets (including use of a suite) to New York Giants football games at MetLife Stadium and events at the Barclays Center. These are provided at no cost to us and, at times, may be used personally by our NEOs, as they are available to all of our employees on a non-discriminatory basis. We also own rights to suites at Amsterdam Arena (home of Ajax Amsterdam, a team in the Eredivisie, the top soccer league in the Netherlands) and MetLife Stadium for the New York Jets, as well as a box for the United States Tennis Association's U.S. Open. Although primarily used for business purposes, tickets to the suites and box may on occasion be used personally by associates, including our NEOs.

Administration of Compensation Programs

General

Although this discussion and analysis is framed in terms of "our" (i.e., management's) approach to compensation and speaks to actions taken by the Compensation Committee of the Board of Directors, our compensation program is a cooperative effort among management, the Committee and the full Board, with advice from ClearBridge Compensation Group. ClearBridge is engaged by, and reports directly to, the Committee and has been determined by the Committee to be independent under SEC rules and NYSE listing standards. ClearBridge also advises, and reports to, the Nominating, Governance & Management Development Committee on non-employee director compensation.

Our compensation program and plans have flexibility that permit the use of other elements and varying terms. The Compensation Committee reviews the program annually, keeping abreast of regulatory changes, following marketplace developments and analyzing practices within our peer group.

This effort is intended to ensure that our practices are consistent with stockholder interests and enable us to recruit, retain and motivate qualified employees. In administering the program each year, the Compensation Committee determines what elements to use, the terms of all awards and, with respect to performance cycles concluded, the achievement of financial goals and any payouts to be made.

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

The corporate and divisional earnings targets discussed in this Proxy Statement all include adjustments and exclusions of the type discussed. These adjustments and exclusions may differ from those used by management when providing guidance and discussing results, particularly as a year progresses and unanticipated items are incurred, and as a multi-year performance cycle progresses and specific items are identified, actual costs are quantified and unanticipated items are incurred. As a result, the earnings results and targets discussed above differ from, or may not in the future be aligned with, our reported earnings.

Timing of Equity Awards. Our equity award policy provides that the annual grant of stock options and restricted stock units to our senior executives, including our NEOs, generally will be approved by the Compensation Committee at a meeting held during the period commencing two days after the public release of the prior year's earnings results and ending two weeks prior to the end of the first fiscal quarter of the current year. Equity awards may be made to our NEOs outside of the annual grant process in connection with a promotion, assumption of new or additional duties or other appropriate reason. All such grants to our NEOs must be approved by the Committee and generally will be made on the first business day of the month following the effective date of the precipitating event (or on the effective date, if the first business day of a month). The Committee retains the discretion not to make grants at the times provided in the policy if the members determine it is not appropriate to make a grant at such time, such as if they are in possession of material non-public information. Additionally, the Committee retains the discretion to make grants, including an annual equity grant, at times other than as provided in the policy if the members determine circumstances, such as changes in accounting and tax regulations, warrant making a grant at such other times.

Industry Peer Group

The Compensation Committee considers a study compiled by ClearBridge of compensation packages for executives in an industry peer group, generally culled from public filings and published compensation benchmark surveys, as part of its review when considering compensation packages. On an annual basis, ClearBridge identifies companies involved in the wholesale or retail of apparel and related products that use similar channels of distribution and are of a comparable size to us and the Committee reviews, considers and approves the group. The peer group is used to provide market context for compensation decisions, both because these are the companies with which we compete for executive talent and it helps the Committee assess the reasonableness of our compensation packages.

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The peer group consists of public companies with wholesale or retail apparel or related products businesses that had revenues for their most recently completed fiscal year between approximately 45% and 200% of our annual revenue. We removed Nordstrom Inc. from the peer group and added Michael Kors Holdings Limited to the peer group for 2015. Nordstrom was removed because we determined that their business was not sufficiently comparable to ours. Michael Kors was added because we believe it to be a comparable business and, having only gone public in 2012, they did not previously have sufficient information available publicly to include them in the peer group.

| | | |
|---|---|---|
| Abercrombie & Fitch Co. | Hanesbrands Inc. | Ralph Lauren Corporation |
| Avon Products, Inc. | L Brands, Inc. | The Gap, Inc. |
| Burberry Group plc | Levi Strauss & Co. | Tiffany & Co. |
| Coach, Inc. | Luxottica Group S.p.A. | V.F. Corporation |
| The Estee Lauder Companies Inc. | Michael Kors Holdings Limited | |

Prohibition on Pledging and Hedging

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

Clawbacks

All of our incentive compensation plans have provisions that allow us to seek recovery against individual executive officers for amounts paid under the plan in certain events due to fraud or misconduct.

Internal Pay Equity

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

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

Federal Income Tax Deductibility of Executive Compensation

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

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Employment Agreements, Termination of Employment and Severance

We have employment agreements with our Named Executive Officers. These agreements generally provide them with severance benefits while providing us with the protections of restrictive covenants. We use them to attract and retain qualified executives who could have job alternatives that they might accept absent the arrangements. The material terms of these agreements are described on pages 33 to 34. ClearBridge has advised us that the employment agreements for our U.S.-based executives provide benefits that are generally "market," particularly within our industry peer group. The severance multiplier for our CEO is 2X base salary and target bonus (3X in the event of a change in control); the multiplier for the other U.S.-based NEOs is 1.5X (2X in the event of a change in control).

| Name | Description | SEC Filing |
|---|---|---|
| Emanuel Chirico | Second Amended and Restated Employment Agreement | * Annual Report on Form 10-K for the fiscal year ended February 1, 2009, Exhibit 10.15 |
| | First Amendment to Second Amended and Restated Employment Agreement | * Quarterly Report on Form 10-Q for the period ended May 2, 2010, Exhibit 10.1 |
| | Second Amendment to Second Amended and Restated Employment Agreement | * Quarterly Report on Form 10-Q for the period ended August 1, 2010, Exhibit 10.6 |
| | Third Amendment to Second Amended and Restated Employment Agreement | * Current Report on Form 8-K filed January 28, 2011, Exhibit 10.1 |
| Michael A. Shaffer | Second Amended and Restated Employment Agreement | * Annual Report on Form 10-K for the fiscal year ended February 1, 2009, Exhibit 10.30 |
| | First Amendment to Second Amended and Restated Employment Agreement | * Current Report on Form 8-K filed January 28, 2011, Exhibit 10.2 |
| Francis K. Duane | Second Amended and Restated Employment Agreement | * Annual Report on Form 10-K for the fiscal year ended February 1, 2009, Exhibit 10.19 |
| | First Amendment to Second Amended and Restated Employment Agreement | * Quarterly Report on Form 10-Q for the period ended May 2, 2010, Exhibit 10.3 |
| | Second Amendment to Second Amended and Restated Employment Agreement | * Current Report on Form 8-K filed January 28, 2011, Exhibit 10.3 |

| | | |
|---|---|---|
| Daniel Grieder | Employment Contract<br>Addendum to Employment Contract | *<br>Annual Report on Form 10-K for the fiscal year ended February 1, 2015, Exhibits 10.28 and 10.29 |
| | Non-Competition and Non-Solicitation Agreement<br>European Management Term Sheet | *<br>Annual Report on Form 10-K for the fiscal year ended January 31, 2016, Exhibits 10.27 and 10.28 |
| Steven B. Shiffman | Second Amended and Restated Employment Agreement<br>First Amendment to Second Amended and Restated Employment Agreement<br>Second Amendment to Second Amended and Restated Employment Agreement | *<br>Annual Report on Form 10-K for the fiscal year ended February 1, 2015, Exhibits 10.25, 10.26 and 10.27 |

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Change In Control Provisions In Equity Plans and Awards

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

Use of Tally Sheets

We review tally sheets annually. The tally sheets cover prior year compensation and proposed compensation for the then-current year, including all elements of cash compensation, incentive compensation, perquisites and benefits. They also cover eight different termination of employment scenarios and up to 12 elements of compensation applicable to the relevant executive.

The tally sheets illustrate compensation opportunities and benefits and quantify payments and other value an executive would receive in the various termination of employment scenarios, meaning they show full “walk away” values. As such, they enable the Compensation Committee to see and evaluate the full range of executive compensation, understand the magnitude of potential payouts as a result of retirement, change in control and other events resulting in termination of employment, and consider changes to our compensation program, arrangements and plans in light of “best practices” and emerging trends.

Stock Ownership

All of our Named Executive Officers are in compliance with our stock ownership guidelines (described on page 24) as of the date of this Proxy Statement.

Stockholder Engagement

We engage with stockholders on inquiries regarding our compensation practices, as well as periodically seeking input from them for their views on our compensation program and the compensation paid to Mr. Chirico and the other NEOs. The Compensation Committee has discussed and considered communications received from stockholders relating to our compensation program and the Committee Chairman has responded to inquiries, where appropriate. In addition, the Committee Chairman typically attends our Annual Meeting (along with the other Committee members) and is available to answer questions raised at the meeting.

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EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The Summary Compensation Table includes the 2013, 2014 and 2015 compensation data for our Named Executive Officers for the years in which they were executive officers.

| Name and Principal Position | Years of Service1 | Fiscal Year | Salary ($) | Bonus ($) | Stock Awards2 ($) | Option Awards3 ($) | Non-Equity Incentive Plan Compensation4 ($) | Change in Pension Value and Non-qualified Deferred Compensation Earnings5 ($) | All Oth Compe ($) |
|---|---|---|---|---|---|---|---|---|---|
| Emanuel Chirico, age 58 Chairman and Chief Executive Officer, PVH Corp. | 22 | 2015 | 1,350,000 | 0 | 5,343,812 | 2,161,688 | 2,531,250 | 107,190 | 130,2 |
| | | 2014 | 1,350,000 | 0 | 5,316,787 | 2,603,832 | 1,771,875 | 1,827,043 | 156,9 |
| | | 2013 | 1,350,000 | 0 | 11,306,878 | 2,522,000 | 2,516,805 | 479,714 | 188,9 |
| Michael A. Shaffer, age 53 Executive Vice President and Chief Operating & Financial Officer, PVH Corp. | 25 | 2015 | 866,667 | 0 | 801,380 | 662,345 | 907,813 | 0 | 50,70 |
| | | 2014 | 833,333 | 0 | 699,849 | 681,956 | 557,855 | 596,007 | 63,82 |
| | | 2013 | 775,000 | 0 | 2,203,365 | 660,764 | 794,320 | 110,721 | 70,57 |
| Francis K. Duane, age 59 Chief Executive Officer, Heritage Brands and North America Wholesale, PVH Corp. | 17 | 2015 | 1,066,667 | 0 | 651,127 | 613,016 | 1,082,525 | 43,939 | 60,63 |
| | | 2014 | 1,041,667 | 0 | 649,914 | 738,316 | 689,115 | 1,074,625 | 76,74 |
| | | 2013 | 1,012,500 | 0 | 2,153,555 | 716,248 | 1,017,723 | 356,722 | 83,73 |
| Daniel Grieder, age 547 Chief Executive | 19 | 2015 | 927,585 | 0 | 500,380 | 471,861 | 1,308,704 | N/A | 120,1 |
| | | 2014 | 928,169 | 0 | 500,777 | 571,884 | 1,016,723 | N/A | 132,9 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Officer, Tommy Hilfiger Global and PVH Europe | | | | | | | | | |
| Steven B. Shiffman, age 58 Chief Executive Officer, Calvin Klein | 23 | 2015 | 866,667 | 0 | 501,099 | 282,310 | 680,050 | 94,106 | 71,47 |
| | | 2014 | 808,333 | 0 | 500,244 | 342,524 | 648,890 | 599,946 | 87,41 |

1
This represents service with us, including, with respect to Mr. Grieder, service with companies we acquired and their predecessors. It is not the same as their credited service for pension plan purposes, where applicable.

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

The following sets forth the breakdown between restricted stock units and performance share units of the referenced stock awards:

| Name | Fiscal Year | Restricted Stock Units ($) | Performance Share Unit Awards ($) | Total Stock Awards ($) |
|---|---|---|---|---|
| | 2015 | 1,525,214 | 3,818,598 | |
| Emanuel Chirico | | | | |