

**EXPRESS, INC.**

**COMPENSATION AND GOVERNANCE COMMITTEE CHARTER**

**I. Membership**

The Compensation and Governance Committee (the “Committee”) of Express, Inc. (the “Company”) shall consist of at least three directors from the Company’s board of directors (the “Board”). All Committee members shall (1) meet the applicable independence requirements of the New York Stock Exchange, (2) shall otherwise meet the membership qualification requirements contained in this Charter and in the Company’s Corporate Governance Guidelines, and (3) be, to the extent required by the Board, a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 (the “Exchange Act”). In the event that any member of the Committee does not qualify as a “non-employee director” for purposes of Section 16 of the Exchange Act, then all compensation that is intended to be exempt from Section 16 shall also be approved by the Board or a subcommittee made up of members of the Board who qualify as non-employee directors. Committee members shall be appointed by the Board annually and when a vacancy exists and may be removed by the Board at any time for any reason.

**II. Purpose**

The Committee’s primary purposes are to:

- assist the Board in discharging its responsibilities relating to compensation of the Company’s Board members and officers;
- review and evaluate the Company’s overall compensation philosophy and oversee the Company’s equity, incentive and other compensation and benefits plans;
- prepare the compensation committee report on executive officer compensation required by the Securities and Exchange Commission (the “SEC”) for inclusion in the Company’s annual proxy statement or Annual Report on Form 10-K;
- identify and assess persons qualified to become Board members, consistent with the qualification standards and criteria approved by the Board;
- recommend to the Board a slate of director nominees for election or reelection at the annual meeting of stockholders;
- recommend to the Board the structure and membership of Board committees;
- recommend to the Board persons to fill Board and committee vacancies;
- oversee annual evaluations of the Board, committees of the Board, and management; and

- develop and recommend to the Board, and review periodically, a set of Corporate Governance Guidelines applicable to the Company and amendments thereto and make other recommendations to the Board relative to corporate governance issues.

### **III. Structure and Operations**

The Board shall designate one of the members of the Committee as Chair of the Committee. The Committee shall meet periodically at such times as it determines to be necessary or appropriate, shall be accountable to the Board, shall maintain records of its meetings and actions, and shall periodically report to the Board regarding any issues, recommendations or findings as it deems appropriate. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Committee may act only upon approval of a majority of its members. The action of the Committee at a meeting at which a quorum is present shall be the act of the Committee. The Committee may act in writing by the unanimous consent of its members. The Committee may invite members of management or others to its meetings. However, management should be absent from any discussion or review where the individual compensation of such persons is determined. The Committee shall have the opportunity at each regularly scheduled meeting to meet in executive session without the presence of management. The Committee may delegate any of its responsibilities to one or more subcommittees as it may deem appropriate to the extent allowed by applicable law and the rules of the New York Stock Exchange.

### **IV. Authority and Resources**

The Committee shall have the sole authority to (1) select, retain and terminate any search firm engaged to assist in identifying director candidates and (2) select, retain and terminate (or obtain the advice of) any adviser to assist in the performance of its duties, including the evaluation of director, Chief Executive Officer or other executive officer compensation, but only after taking into consideration all factors relevant to the adviser's independence from management, including those specified in Section 303A.05(c) of the NYSE Listed Company Manual. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any firm or adviser retained by the Committee and shall have the sole authority to approve the firm's or adviser's fees and other terms and conditions of the firm's or adviser's retention. The Committee may conduct or authorize studies and investigations into any matters within the scope of its responsibilities and may retain outside legal or other advisers to assist in the conduct of any such study or investigation or for any other reason as determined by the Committee. The Company shall pay all third parties retained by the Committee such reasonable compensation, including without limitation usual and customary expenses and charges, as shall be determined by the Committee. The Company also shall pay such ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties as shall be determined by the Committee.

### **V. Responsibilities**

The responsibilities of the Committee shall include the following, along with any other matters as the Board may delegate to the Committee from time to time:

**1. Chief Executive Officer Performance.** The Committee shall review and approve corporate goals and objectives relevant to Chief Executive Officer compensation and shall evaluate the Chief Executive Officer's performance in light of these goals and objectives.

**2. Chief Executive Officer Compensation.** The Committee shall review and approve, either as a Committee or together with the other independent directors as directed by the Board, the compensation arrangements for the Chief Executive Officer, including base salary, incentive awards, equity-based awards, and any other long-term incentive awards based on the evaluation of the Chief Executive Officer's performance and any other relevant factors.

**3. Director Compensation.** The Committee shall review periodically, and recommend to the Board any changes to, the form and amount of compensation for directors in light of the following principles: (a) compensation should be competitive with the market and geared towards attracting and retaining highly-qualified independent professionals to represent the Company's stockholders; (b) compensation should fairly pay directors for their time and effort; and (c) compensation should align directors' interests with the long-term interests of stockholders. The Committee shall periodically review the principles underlying director compensation and make recommendations to the Board when appropriate.

**4. Officer Compensation.** The Committee, after consultation with and upon recommendation of the Chief Executive Officer, shall determine for officers (a) annual compensation; and (b) any employment contract, severance/termination agreement, retirement arrangement, change in control arrangement, and any special or supplemental benefit arrangement that differs in a material way from the Company's form contracts, agreements and arrangements.

**5. Compensation Principles and Philosophy.** When appropriate, the Committee shall recommend to the non-management Board members changes to the Chief Executive Officer and other officer compensation principles and periodically review the general employee compensation philosophy to ensure it is appropriate and does not incentivize unnecessary and excessive risk taking.

**6. Compensation and Benefits Programs.** The Committee shall oversee overall compensation and benefits programs and policies. Named fiduciary responsibility and responsibility for day-to-day administration of such programs is delegated to the Senior Vice President-Human Resources, including authority to make certain limited amendments, modifications or supplements to designated benefit plans, trusts and related documents. Amendment or modification authority not so delegated remains with the Committee or the Board, as appropriate. The Committee shall also make recommendations to the Board with respect to the profit-sharing contributions to the Company's 401(k) plan.

**7. Incentive Compensation Plans and Equity-Based Plans.** When appropriate, and after consultation with the Chief Executive Officer, the Committee shall approve the creation and/or revision of incentive compensation plans affecting Company officers and equity-based plans and grants thereunder and oversee such plans' administration and discharge any responsibilities such plans may impose on the Committee.

**8. Report for Proxy Statement.** The Committee shall annually prepare a report on executive officer compensation as required by SEC rules and regulations to be included in the Company's annual proxy statement or Annual Report on Form 10-K, and shall review and discuss with management, prior to the filing of the proxy statement or Annual Report on Form 10-K, the disclosure relating to executive compensation, including Compensation Discussion & Analysis and executive and director compensation tables. The Committee shall also assist management in

the preparation of the disclosure in the Company's annual proxy statement regarding director independence and the operations of the Committee.

**9. Say-on-Pay.** The Committee shall review and recommend for approval by the Board (a) the Company's approach with respect to the advisory vote on executive compensation ("say-on-pay") and (b) how frequently the Company should give stockholders the opportunity to have a say-on-pay, taking into account the results of stockholder advisory votes on the frequency of say-on-pay at the Company. The Committee also shall review the results of say-on-pay and consider any implications.

**10. Recommend Criteria for Selection of Directors.** The Committee is responsible for developing the criteria for the requisite skills and characteristics of new Board members as well as composition of the Board as a whole. The Committee shall periodically review and, if desirable, recommend changes to the criteria for the selection of new directors as adopted by the Board from time to time as set forth in the Company's Corporate Governance Guidelines.

**11. Recommend Director Candidates.** The Committee shall recommend to the Board a slate of director nominees for election or reelection at each annual meeting of stockholders. The Committee shall identify, recruit and recommend to the Board only those candidates that the Committee believes are qualified to become Board members consistent with the criteria for selection of new directors adopted from time to time by the Board and shall consider the performance of incumbent directors in determining whether to recommend them for reelection. The Committee shall consider director candidates timely submitted by the Company's stockholders in accordance with the notice provisions and procedures set forth in the Company's Bylaws and shall apply the same criteria to the evaluation of those candidates as the Committee applies to other director candidates.

**12. Recommend Committee Members.** The Committee shall recommend to the Board candidates to serve as members and Chairpersons of each of the Board's committees. In recommending a director for committee membership, the Committee shall take into consideration the factors set forth in the charter of the applicable committee, if any, as well as any other factors it deems appropriate, including without limitation, the Company's Corporate Governance Guidelines, the consistency of the director's experience and qualifications with the goals of the committee and the interplay of the director's experience and qualifications with the qualifications and experience of the other committee members.

**13. Fill Board and Committee Vacancies.** The Committee shall propose to the Board director candidates to fill vacancies on the Board or on Board committees in the event of a director's resignation, death or retirement, a change in Board or committee composition requirements, or the expansion of the Board or committee. In the case of proposing a director nominee to fill a vacancy on the Board created by an expansion of the Board, the Committee shall also recommend to the Board the class of directors in which the candidate should serve.

**14. Review Committee Structures.** The Committee shall periodically review and, if desirable, recommend to the Board changes in the number, responsibilities and membership of the Board committees, and recommend that the Board establish any special committees as necessary to properly address ethical, legal or other matters that may arise from time to time.

**15. Review Changed Circumstances of Directors.** The Committee shall review the appropriateness of a director's continued Board and committee membership in light of any change in the director's employment, relationship with the Company or any other changed circumstance that could affect the director's independence, qualifications, or availability.

**16. Develop Corporate Governance Guidelines.** The Committee shall develop and recommend to the Board a set of Corporate Governance Guidelines pursuant to the rules of the New York Stock Exchange, review and reassess the adequacy of the Corporate Governance Guidelines at least annually and recommend to the Board any changes deemed appropriate. The Committee shall stay abreast of developments in the area of corporate governance generally to ensure that the Company remains current in its governance policies. If necessary or advisable, the Committee will recommend to the Board appropriate revisions to the Company's corporate governance framework, including its certificate of incorporation and bylaws.

**17. Evaluate Stockholder Proposals.** The Committee shall evaluate and make recommendations to the Board regarding stockholder proposals.

**18. Annual Performance Evaluation.** The Committee shall establish procedures for the Committee to exercise oversight of, and shall administer, annual performance evaluations of management, the Board and the Board's committees, including a review of this Committee by its members, and shall present the evaluations to the Board. The performance evaluation of the Committee shall be conducted in such manner as the Committee deems appropriate, and the report to the Board may take the form of an oral report.

**19. Review Committee Charter.** The Committee shall review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board.