

## **EXPRESS, INC.**

### **CORPORATE GOVERNANCE GUIDELINES**

The following Corporate Governance Guidelines (“Guidelines”) have been adopted by the Board of Directors (the “Board”) of Express, Inc. (the “Company”) to assist the Board in the exercise of its responsibilities to the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, Bylaws and other corporate governance documents, and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. These Guidelines are subject to modification by the Board, and the Board shall be able, in the exercise of its discretion, to deviate from these Guidelines from time to time, as the Board may deem appropriate or as required by applicable laws and regulations.

#### **I. Director Qualifications**

The Board will have a majority of directors who meet the criteria for independence of the New York Stock Exchange. In order for a director to qualify as independent, the Board must affirmatively determine that such director is independent, and disclose that determination, to the extent required. The Compensation and Governance Committee is responsible for developing the criteria for, and reviewing periodically with the Board, the requisite skills and characteristics of new Board members, as well as the composition of the Board as a whole. These criteria will include members’ independence, as well as consideration of diversity, age, skills, and experience in the context of the needs of the Board. The Compensation and Governance Committee also will consider a combination of factors for each nominee, including (a) the nominee’s ability to represent all stockholders without a conflict of interest; (b) the nominee’s ability to work in and promote a productive environment; (c) whether the nominee has sufficient time and willingness to fulfill the substantial duties and responsibilities of a director; (d) whether the nominee has demonstrated the high level of character and integrity expected by the Company; (e) whether the nominee possesses the broad professional and leadership experience and skills necessary to effectively respond to the complex issues encountered by a publicly-traded company; and (f) the nominee’s ability to apply sound and independent business judgment. Nominees for directorship will be selected by the Compensation and Governance Committee in accordance with these criteria and the policies, principles and requirements in its charter. The invitation to join the Board should be extended on behalf of the Board by the Chairman of the Board or such other director designated by the Board.

The size of the Board is set from time to time (consistent with the Bylaws and Certificate of Incorporation). The Board prefers approximately six to nine members, but is willing to expand the Board in order to add an outstanding candidate or to prepare for departures of directors.

It is the sense of the Board that individual directors who change the principal responsibility or occupation they held when they were elected to the Board should volunteer to resign from the Board. It is not the sense of the Board that in every instance the directors who retire from, or change, such responsibility or occupation should necessarily leave the Board. There should, however, be an opportunity for the Board through the Compensation and

Governance Committee to review the continued appropriateness of Board membership under the circumstances. To be clear, any officer of the Company who is a director shall volunteer to resign from the Board when such individual ceases to be employed by the Company.

Directors should not serve on more than four other boards of public companies in addition to the Company's Board. Directors are expected to advise the Chairman of the Board (and the Lead Director, if applicable) in advance of accepting an invitation to serve on another for-profit company board or assignment to any other for-profit company's audit or compensation committee. No director may be nominated to a new term if he or she would be age seventy-two or older at the time of the election, unless such director is also the chief executive officer of the Company. No director shall serve as a director, officer or employee of a competitor of the Company.

The Board does not believe it should establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. In order to assure the appropriate balance between members with new and different perspectives and those with a deep understanding of the Company built up over many years, the Compensation and Governance Committee will review a director's continuation on the Board each time such director's term of office expires. This will also allow each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board.

## **II. Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. In discharging that obligation, directors are entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and the Company's Certificate of Incorporation, Bylaws and any indemnification agreements, and to exculpation as provided by state law and the Company's Certificate of Incorporation and Bylaws.

Directors are expected to attend the annual meeting of stockholders and all or substantially all of the Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting and shall preserve the confidentiality of confidential material given or presented to directors. Directors are also expected to comply with stock ownership guidelines, as they may be in effect from time to time.

The offices of Chairman of the Board and Chief Executive Officer may be at times combined and at times separated. The Board has discretion in combining or separating the positions as it deems appropriate in light of prevailing circumstances. The Board of Directors believes that the combination or separation of these offices should continue to be considered as part of the succession planning process.

In the event that the Chairman of the Board is not independent, the Board believes that it is beneficial for the independent directors to designate one of the independent directors as a lead director (“Lead Director”). In addition to other duties set forth in these Guidelines, the Lead Director shall serve as liaison between the independent and non-independent directors, provide input to the Chairman of the Board and/or the Chief Executive Officer with respect to the information provided to the Board, facilitate communications and coordination of activities among the committees and other directors as appropriate, serve as the chair of any meeting in which the Chairman of the Board is absent and approve and coordinate the retention of advisors and consultants to the Board and such other responsibilities as the independent directors may designate from time to time.

The Chairman of the Board will establish the agenda for each Board meeting which shall be reviewed and approved by the Lead Director if the Chairman of the Board is not independent. At the beginning of the year, the Chairman of the Board will establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen) which shall be reviewed and approved by the Lead Director if the Chairman of the Board is not independent. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company’s long-term strategic plans and the principal issues that the Company will face in the future during at least one Board and/or committee meeting each year. The Chairman of the Board (or the Lead Director if the Chairman of the Board is not independent) shall review and approve meeting schedules to assure that there is sufficient time for discussion of all agenda items.

The independent directors will have the opportunity to meet in executive session as often as they deem appropriate, but it is the sense of the Board that the independent directors shall meet in executive session at least annually. If a Lead Director has been appointed, the Lead Director may call an executive session of independent directors at any time, consistent with the Company’s Bylaws and Certificate of Incorporation. The Chairman of the Board (or the Lead Director if the Chairman of the Board is not independent) shall preside at these meetings and his or her name will be disclosed in the annual proxy statement. In order that interested parties may be able to make their concerns known to the independent directors, the Company shall disclose a method for such parties to communicate directly with the Chairman of the Board or the Lead Director if the Chairman of the Board is not independent.

The Board believes that the management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, however, it is expected that Board members would do this with the knowledge of management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

### **III. Election of Directors**

In accordance with the Company's Bylaws, if none of the Company's stockholders provides the Company notice of an intention to nominate one or more candidates to compete with the Board's nominees in a director election, or if the Company's stockholders have withdrawn all such nominations by the tenth (10th) day before the Company mails its notice of meeting to the Company's stockholders, a nominee must receive more votes cast for than against his or her election or re-election in order to be elected or re-elected to the Board. The Board expects a director to tender his or her resignation if he or she fails to receive the required number of votes for re-election. The Board shall nominate for re-election as director only candidates who agree to tender, promptly following the annual meeting at which they are nominated for re-election as director, irrevocable resignations that will be effective upon (i) the failure to receive the required vote at the annual meeting at which they have been nominated for re-election and (ii) the Board's acceptance of such resignation. In addition, the Board shall fill any director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of resignation tendered by other directors in accordance with these Guidelines.

If an incumbent director fails to receive the required vote for re-election, the Compensation and Governance Committee will act on an expedited basis to determine whether to accept the Director's resignation and will submit such recommendation for prompt consideration by the Board. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation. The Compensation and Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation.

### **IV. Board Committees**

The Board will have at all times an Audit Committee and a Compensation and Governance Committee. All of the members of these committees will be independent directors under the criteria established by the New York Stock Exchange and all members of the Audit Committee will be independent under the Securities Exchange Act of 1934. In order for a director to qualify as independent, the Board must affirmatively determine that such director is independent, and disclose that determination, to the extent required. Committee members will be appointed by the Board upon recommendation of the Compensation and Governance Committee, which shall consider the expertise of individual directors among other matters. It is the sense of the Board that consideration should be given to rotating committee members periodically and rotating Committee Chairs every five years or so, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance.

The Chair of each committee, in consultation with the committee members will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chair of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year each committee will establish a schedule of agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee will be furnished to all directors.

The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance, and the Company shall bear all fees and expenses associated with any such retention. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

#### **V. Director Access to Officers and Employees**

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Company.

The Board welcomes regular attendance at each Board meeting of senior officers of the Company. If the Chief Executive Officer wishes to have additional Company personnel attend on a regular basis, this suggestion should be brought to the Board for approval.

#### **VI. Director Compensation; Charitable Contributions**

The form and amount of director compensation will be determined by the Board upon the recommendation of the Compensation and Governance Committee. The Compensation and Governance Committee will be advised by an independent compensation consultant in developing its recommendations for director compensation. The Board believes that director compensation should (1) be competitive with the market and geared towards attracting and retaining highly-qualified, independent professionals to represent the Company's stockholders; (2) fairly compensate directors for their time and effort; and (3) align directors' interests with the long-term interests of stockholders. The Compensation and Governance Committee will consider a director's compensation when determining such director's independence.

The Company will make charitable contributions in line with established priorities and practices, and the recipients of these charitable contributions may include organizations affiliated with directors. However, the Company will not make charitable contributions at the request (or on behalf) of any independent director.

#### **VII. Director Orientation and Continuing Education**

New directors may and are encouraged to participate in an orientation program that includes discussions with senior management, visits to Company facilities, and the provision of

information regarding the business, plans, organization, financial statements, risk management issues and key policies and procedures of the Company. Each Board member should maintain the necessary level of qualifications to perform the responsibilities of a director and member of any committee of which such person is a member. The Company may offer continuing education programs to assist the directors in maintaining their qualifications. The Board expects that the Company will provide at least one continuing education presentation per year. The Secretary shall be responsible for coordinating the education programs for directors and for keeping the Board abreast of corporate governance developments.

### **VIII. Chief Executive Officer Evaluation and Management Succession**

The Board is responsible for evaluating the performance of the Chief Executive Officer. The Compensation and Governance 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. The independent directors shall review the Compensation and Governance Committee's evaluation and make final determinations with respect to the Chief Executive Officer's performance. The Compensation and Governance Committee shall, in consultation with or the approval of other independent directors, make determinations with respect to the Chief Executive Officer's compensation based on the evaluation of the Chief Executive Officer's performance and any other relevant factors.

The Board is responsible for succession planning for the Chief Executive Officer position and for monitoring and advising on management's succession planning for other executive officers and key contributors. The Board shall review and discuss the succession plans for the Chief Executive Officer position and the Company's other executive officers and key contributors at least once annually. The Chief Executive Officer should make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

### **IX. Annual Performance Evaluation**

The Compensation and Governance Committee shall administer annual performance evaluations of the Board and its committees, including a review of the Compensation and Governance Committee, and present its evaluations to the Board for further review and evaluation by the Board. The assessment will focus on the Board's and the committees' contributions to the Company and specifically focus on areas in which the Board or management believes that the Board could improve.

### **X. Amendments, Modifications and Waivers**

These Guidelines, and the charters of the Board committees, may be amended, modified or waived by the Board and waivers and amendments of these Guidelines may also be made by the Compensation and Governance Committee, subject in each case to timely compliance with all applicable disclosure requirements.