

POLO RALPH LAUREN CORP
Form DEF 14A
July 03, 2008

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

SCHEDULE 14A

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 Pursuant to §240.14a-12

POLO RALPH LAUREN CORPORATION

(Name of Registrant as Specified In Its Charter)

Edgar Filing: POLO RALPH LAUREN CORP - Form DEF 14A

(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 the transaction applies:

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

(3) Per unit price or other underlying value of the 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 the transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.

Edgar Filing: POLO RALPH LAUREN CORP - Form DEF 14A

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:

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO THE OWNERS OF CLASS A COMMON STOCK AND CLASS B COMMON STOCK OF POLO RALPH LAUREN CORPORATION:

The 2008 Annual Meeting of Stockholders of Polo Ralph Lauren Corporation, a Delaware corporation (the Company), will be held at the St. Regis Hotel, 20th Floor Penthouse, 2 East 55th Street, New York, New York, on Thursday, **August 7, 2008, at 9:30 a.m.**, local time, for the following purposes:

1. To elect twelve directors to serve until the 2009 Annual Meeting of Stockholders;
2. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending March 28, 2009; and
3. To transact such other business as may properly come before the meeting and any adjournments or postponements thereof.

Stockholders of record at the close of business on June 23, 2008 are entitled to notice of, and to vote at, the Annual Meeting of Stockholders and any adjournments or postponements thereof.

By Order of the Board of Directors

JONATHAN D. DRUCKER

Senior Vice President, General Counsel and Secretary

New York, New York

July 1, 2008

EACH STOCKHOLDER IS URGED TO EXECUTE AND RETURN THE ENCLOSED PROXY PROMPTLY. IN THE EVENT A STOCKHOLDER DECIDES TO ATTEND THE MEETING, IT, HE OR SHE MAY, IF SO DESIRED, REVOKE THE PROXY BY VOTING THE SHARES IN PERSON AT THE MEETING.

Important Notice Regarding the Availability of

Proxy Materials for the Annual Meeting of Stockholders

to be Held on August 7, 2008

The proxy statement and annual report to stockholders are available at: <http://investor.ralphlauren.com>.

Your Vote is Important

Please vote as promptly as possible

by signing, dating and returning the enclosed proxy card

PROXY STATEMENT

FOR ANNUAL MEETING OF STOCKHOLDERS

To Be Held On August 7, 2008

This proxy statement is furnished to the stockholders of Polo Ralph Lauren Corporation, a Delaware corporation, in connection with the solicitation by the Company's Board of Directors of proxies for the 2008 Annual Meeting of Stockholders of the Company to be held at the St. Regis Hotel, 20th Floor Penthouse, 2 East 55th Street, New York, New York on Thursday, August 7, 2008, at 9:30 a.m., local time, and at any adjournments or postponements thereof. This proxy statement and the accompanying proxy are being mailed to the Company's stockholders on or about July 3, 2008. In this proxy statement, we refer to Polo Ralph Lauren Corporation as the Company, we or us.

A proxy delivered pursuant to this solicitation may be revoked by the person executing the proxy at any time before it is voted by giving written notice to the Secretary of the Company, by delivering a later dated proxy, or by voting in person at the Annual Meeting of Stockholders. The address of the Company's principal executive offices is 650 Madison Avenue, New York, New York 10022.

Only holders of record of shares of the Company's Class A Common Stock and Class B Common Stock (together, the Common Stock) at the close of business on June 23, 2008, the record date for the Annual Meeting of Stockholders, are entitled to notice of, and to vote at, the Annual Meeting of Stockholders and adjournments or postponements thereof. The presence, in person or by proxy, of the holders of one-third of the total number of shares of Common Stock outstanding on the record date will constitute a quorum for the transaction of business at the Annual Meeting of Stockholders. Each owner of record of Class A Common Stock on the record date is entitled to one vote for each share. Each owner of record of Class B Common Stock on the record date is entitled to ten votes for each share. On June 23, 2008, there were 56,699,424 outstanding shares of Class A Common Stock and 43,280,021 outstanding shares of Class B Common Stock. Except for the election of directors, the Class A Common Stock and Class B Common Stock vote together as a single class on all matters presented for the consideration of the stockholders of the Company.

The Company's Board of Directors has by resolution fixed the number of directors at twelve. Three directors (the Class A Directors) will be elected by a plurality vote of the shares of Class A Common Stock present in person or by proxy at the Annual Meeting of Stockholders and eligible to vote, and nine directors (the Class B Directors) will be elected by a plurality vote of the shares of Class B Common Stock present in person or by proxy at the Annual Meeting of Stockholders and eligible to vote. The ratification of the appointment of Ernst & Young LLP (Ernst & Young) as the Company's independent registered public accounting firm will require the affirmative vote of a majority of the total votes cast on the proposal by the shares of Common Stock present in person or by proxy at the Annual Meeting of Stockholders and eligible to vote. The Class A Common Stock is publicly traded on the New York Stock Exchange (NYSE) under the symbol RL; the Class B Common Stock is owned by Ralph Lauren and entities owned by, or established for the benefit of, Mr. Lauren, or members of his family.

All properly executed proxies delivered pursuant to this solicitation and not revoked will be voted at the Annual Meeting of Stockholders in accordance with the directions given in such proxies. With respect to the election of directors to serve until the 2009 Annual Meeting of Stockholders, holders of either class of Common Stock may vote in favor of all nominees for election by that class, withhold their votes as to specific nominees, or withhold their votes as to all nominees for election by that class. With respect to the ratification of the appointment of Ernst & Young as the Company's independent registered public accounting firm for the fiscal

year ending March 28, 2009, stockholders may vote in favor of ratification, vote against ratification, or abstain from voting. Stockholders should specify their choices on the enclosed form of proxy. If no specific instructions are given with respect to the matters to be acted upon, the shares represented by a properly signed proxy will be voted FOR the election of all nominees for election as directors in the applicable class (Proposal 1) and FOR the proposal to ratify the appointment of Ernst & Young as the Company's independent registered public accounting firm for the fiscal year ending March 28, 2009 (Proposal 2).

Abstentions and broker non-votes are included in determining whether a quorum is present but will not be counted as votes cast on proposals presented to stockholders. Abstentions and broker non-votes will have no effect on the election of directors, which is by plurality vote.

(PROPOSAL 1)

ELECTION OF DIRECTORS

The Company's Second Amended and Restated By-laws provide that its Board of Directors may fix the number of directors constituting the entire Board between six and twenty. The Board has currently fixed the number of directors constituting the entire Board of Directors at twelve. The Company's Board of Directors is presently divided into two classes, with all directors being elected annually. Pursuant to the Company's Amended and Restated Certificate of Incorporation, the three Class A Directors will be elected by the holders of Class A Common Stock and the nine Class B Directors will be elected by the holders of Class B Common Stock, each to serve until the 2009 Annual Meeting of Stockholders and until his or her successor is elected and qualified.

Each of the Company's current directors have been nominated for re-election at the 2008 Annual Meeting of Stockholders. Joel L. Fleishman, Frank A. Bennack, Jr. and Terry S. Semel have been nominated for election as Class A Directors, and Ralph Lauren, Roger N. Farah, Jackwyn L. Nemerov, John R. Alchin, Arnold H. Aronson, Joyce F. Brown, Judith A. McHale, Steven P. Murphy and Robert C. Wright have been nominated for election as Class B Directors. The Company knows of no reason why any nominee would be unable or unwilling to serve. If any nominee becomes unable or unwilling to serve for any reason, the Board, based on the recommendation of the Nominating & Governance Committee, may either reduce the number of directors or designate a substitute nominee. If a substitute nominee is designated, the persons named in the enclosed proxy will vote all proxies that would otherwise be voted for the named nominee or nominees for the election of such substitute nominee or nominees.

THE BOARD OF DIRECTORS OF THE COMPANY RECOMMENDS A VOTE FOR EACH NOMINEE AS A DIRECTOR TO HOLD OFFICE UNTIL THE 2009 ANNUAL MEETING OF STOCKHOLDERS AND UNTIL HIS OR HER SUCCESSOR IS ELECTED AND QUALIFIED. PROXIES RECEIVED BY THE BOARD OF DIRECTORS WILL BE SO VOTED UNLESS STOCKHOLDERS SPECIFY IN THEIR PROXIES THAT AUTHORITY IS WITHHELD AS TO ONE OR MORE NOMINEES.

CLASS A DIRECTOR NOMINEES FOR ELECTION

Frank A. Bennack, Jr.	Age 75	Mr. Bennack has been a director of the Company since January 1998. In June 2008, Mr. Bennack resumed his former role as Chief Executive Officer of The Hearst Corporation, a position he will hold on an interim basis until a successor is named. Mr. Bennack has been the Chairman of the Executive Committee and Vice Chairman of the Board of Directors of The Hearst Corporation since 2002, after serving as President and Chief Executive Officer of The Hearst Corporation since 1979. He is also a member of the Board of Directors of Hearst-Argyle Television, Inc. and serves as the Chairman of Lincoln Center for the Performing Arts.
Joel L. Fleishman	Age 74	Mr. Fleishman, a director of the Company since January 1999, has been Professor of Law and Public Policy at the Terry Sanford Institute of Public Policy at Duke University since 1971 and the Director of the Samuel and Ronnie Heyman Center for Ethics, Public Policy and the Professions at Duke University since 1989. Mr. Fleishman is also a member of the Board of Directors, as well as Chairman of the Audit Committee, of Boston Scientific Corporation, and serves as Chairman of the Board of Directors of the Urban Institute and Chairman of the Visiting Committee of the Kennedy School of Government, Harvard University.
Terry S. Semel	Age 65	Mr. Semel has been a director of the Company since September 1997. He has been Chairman and CEO of Windsor Media since January 2008. Mr. Semel served as a non-executive Chairman and a member of the Board of Directors of Yahoo! Inc. from June 2007 to January 2008 and served as the Chairman and Chief Executive Officer of Yahoo! Inc. from May 2001 to June 2007. Mr. Semel was Chairman of the Board and Co-Chief Executive Officer of the Warner Bros. Division of Time Warner Entertainment LP from March 1994 until October 1999, and of the Warner Music Group from November 1995 until October 1999. Prior to 1994, Mr. Semel served both as Vice Chairman and President and Chief Operating Officer of Warner Bros. Mr. Semel is on the Board of Emerson College, The Paley Center for Media and the Los Angeles County Museum of Art.

CLASS B DIRECTOR NOMINEES FOR ELECTION

Ralph Lauren	Age 68	Mr. Lauren has been the Chairman, Chief Executive Officer and a director of the Company since prior to the Company's initial public offering in 1997, and was a member of the Advisory Board or Board of Directors of the Company's predecessors since their organization. Mr. Lauren founded the Company's business in 1967.
Roger N. Farah	Age 55	Mr. Farah has been the President, Chief Operating Officer and a director of the Company since April 2000. He was Chairman of the Board of Venator Group, Inc. (now Foot Locker, Inc.) from December 1994 until April 2000, and was Chief Executive Officer of Venator Group, Inc. from December 1994 until August 1999. Mr. Farah is a member of the Board of Directors of Aetna Inc. and a member of the Board of Directors of Progressive Corp.

Jackwyn L. Nemerov	Age 56	Ms. Nemerov has been an Executive Vice President of the Company since September 2004 and a director of the Company since February 2007. She was President & Chief Operating Officer of Jones Apparel Group, Inc. from January 1998 until March 2002.
John R. Alchin	Age 60	Mr. Alchin has been a director of the Company since February 2007. He served as Executive Vice President and Co-Chief Financial Officer and Treasurer of Comcast Corporation, a broadband cable provider offering a variety of consumer entertainment and communication products and services, from November 2002 to December 2007. He served as Executive Vice President and Treasurer of Comcast from January 2000 to November 2002. Mr. Alchin joined Comcast in 1990 as Senior Vice President and Treasurer. Mr. Alchin is also a member of the Board of Directors, Audit Committee and Compensation Committee of BNY Hamilton Funds, Inc.
Arnold H. Aronson	Age 73	Mr. Aronson has been a director of the Company since November 2001. He has been a Managing Director, Retail Strategies at Kurt Salmon Associates, a global management consulting firm specializing in services to retail and consumer products companies, since 1997. In his career, Mr. Aronson served as Chairman and Chief Executive Officer of Saks Fifth Avenue, Inc., Batus Retail Group, the then parent entity of Saks Fifth Avenue, Marshall Fields, Kohls and others, and then of Woodward & Lothrop/John Wanamaker. Mr. Aronson currently serves as Vice Chairman of the Board of Trustees of The New School University and as Chairman of the Board of Governors of its Eugene Lang College and is a member of the Board of Governors of its Parsons School of Design.
Dr. Joyce F. Brown	Age 61	Dr. Brown has been a director of the Company since May 2001. She has been the President of the Fashion Institute of Technology and Chief Executive Officer of the Educational Foundation for the Fashion Industries since 1998. From 1983 to 1992, Dr. Brown served as Vice Chancellor, as well as the University Dean, of the City University of New York and Acting President of Baruch College. From 1993 to 1994, she served as the Deputy Mayor of Public and Community Affairs for the City of New York. From 1994 to 1998, Dr. Brown was a Professor of Clinical Psychology at the Graduate School and University Center of the City University of New York, where she is now Professor Emerita. Dr. Brown is also a member of the Board of Directors of USEC Inc. and Linens 'n Things, Inc.
Judith A. McHale	Age 61	Ms. McHale has been a director of the Company since February 2001. She served as the President and Chief Executive Officer of Discovery Communications, Inc., the parent company of cable television's Discovery Channel, from June 2004 to December 2006, and served as its President and Chief Operating Officer from 1995 to 2004. Ms. McHale is also a member of the Board of Directors and Audit Committee of Host Hotel & Resorts, Inc. and a member of the Board of Directors of DigitalGlobe Inc.

Steven P. Murphy	Age 54	Mr. Murphy has been a director of the Company since November 2005. He has served as the President and Chief Executive Officer of Rodale Inc., a privately held publishing company, since 2002. He joined Rodale in 2000 as its President and Chief Operating Officer. Mr. Murphy held the position of Executive Vice President and Managing Director of Disney Publishing Worldwide from 1998 until 2000. From 1991 to 1998, Mr. Murphy served as President of EMI Music/Angel records.
Robert C. Wright	Age 65	Mr. Wright has been a director of the Company since May 2007. He has been a Senior Advisor at Lee Equity Partners, LLC, an investment firm, since May 2008. He served as the Vice Chairman of General Electric Company's (GE) board and as an Executive Officer and a member of the Corporate Executive Office of GE from 2000 to May 2008. Mr. Wright joined NBC as President and Chief Executive Officer in 1986, and was made Chairman and Chief Executive Officer of the network in 2001. He then served as Chairman and Chief Executive Officer of NBC Universal from 2004 to 2007, and continued to serve as Chairman of the NBC Universal board of directors until 2007. Prior to his association with NBC and NBC Universal, Mr. Wright served as President of General Electric Financial Services and, before that, as President of Cox Cable Communications.

The Company's Board of Directors held five meetings during its 2008 fiscal year, which ended on March 29, 2008. All of the members of the Company's Board of Directors attended at least 75% of the five meetings held by the Board of Directors during its 2008 fiscal year, which ended on March 29, 2008. All of the members of the Company's Board of Directors, other than Terry S. Semel, attended at least 75% of the aggregate number of meetings held by the Board of Directors and the committees of the Board of Directors on which he or she served. The Company's Board of Directors and its committees also act from time to time by unanimous written consent in lieu of meetings.

CORPORATE GOVERNANCE

The Company's Board of Directors and management are committed to sound corporate governance. The Company has in place a comprehensive corporate governance framework which incorporates the corporate governance requirements of the Sarbanes-Oxley Act of 2002, the Securities and Exchange Commission (the "SEC") and the NYSE. Consistent with the Company's commitment to corporate governance, the Company does not rely on the exceptions from certain of the NYSE's corporate governance listing requirements available to majority controlled companies. The key components of the Company's corporate governance framework are set forth in the following documents:

the Company's Amended and Restated Certificate of Incorporation;

the Company's Second Amended and Restated By-Laws;

the Company's Corporate Governance Policies;

the Company's Audit Committee Charter;

the Company's Nominating & Governance Committee Charter;

the Company's Compensation Committee Charter;

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

the Company's Code of Ethics for Principal Executive Officers and Senior Financial Officers.

Each of the above documents is available on the Company's investor relations website at <http://investor.ralphlauren.com> by clicking on "Corporate Governance". Copies of these documents are available to stockholders without charge upon written request to the Company's Investor Relations Department, 625 Madison Avenue, New York, New York 10022. Only the Board of Directors may grant a waiver under the Company's codes of ethics to any director or executive officer, and any such waiver will be promptly posted on the Company's website.

Director Independence

The Company's Board of Directors believes that a majority of its directors should be independent, and has determined that all of its non-management directors, Mr. John R. Alchin, Mr. Arnold H. Aronson, Mr. Frank A. Bennack, Jr., Dr. Joyce F. Brown, Mr. Joel L. Fleishman, Ms. Judith A. McHale, Mr. Steven P. Murphy, Mr. Terry S. Semel and Mr. Robert C. Wright, are independent in accordance with the guidelines established under the Company's Corporate Governance Policies and the NYSE's corporate governance listing standards. The Company's guidelines for determining directors' independence are set forth as Appendix A to this proxy statement.

Independent Committees of the Board

The Company's Board of Directors has established three committees consisting solely of independent directors: the Audit Committee, the Compensation Committee and the Nominating & Governance Committee.

The current members of the Audit Committee are Frank A. Bennack, Jr. (Chair), John R. Alchin, Dr. Joyce F. Brown and Judith A. McHale. The Audit Committee appoints the Company's independent registered public accounting firm, and approves in advance all audit and permitted non-audit services performed by them and the scope and cost of their annual audits. The Audit Committee reviews (i) the results of the independent registered public accounting firm's annual audits and quarterly reviews, (ii) management's compliance with the Company's major accounting and financial reporting policies, (iii) the adequacy of the Company's financial organization and management's procedures and policies relating to its internal control over financial reporting, and (iv) the Company's compliance with applicable laws relating to accounting practice.

The Audit Committee met five

times in fiscal 2008. The Board has determined that each member of the Audit Committee is financially literate and that at least two members of the Audit Committee, Mr. Bennack, its Chair, and Mr. Alchin, are audit committee financial experts, as defined by the SEC. The Audit Committee has adopted a formal policy for the approval of the performance of all audit and non-audit services of the independent registered public accounting firm. This policy is described under (PROPOSAL 2) RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

The current members of the Compensation Committee are Joel L. Fleishman (Chair), Frank A. Bennack, Jr., Steven P. Murphy and Terry S. Semel. The Compensation Committee reviews and approves compensation plans and arrangements with respect to the Company's executive officers and administers the employee benefit plans in which executive officers may participate, including the Company's Amended and Restated 1997 Long-Term Stock Incentive Plan (the "1997 Stock Incentive Plan") and its Executive Officer Annual Incentive Plan (the "EOAIP"). The Compensation Committee met six times in fiscal 2008. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers who serve on our Board or Compensation Committee.

The current members of the Nominating & Governance Committee are Dr. Joyce F. Brown (Chair), Arnold H. Aronson, Joel L. Fleishman, Steven P. Murphy and Robert C. Wright. The Nominating & Governance Committee identifies individuals qualified to become directors, recommends director nominees to the Board, develops and recommends corporate governance policies to the Board, exercises oversight of the evaluation of the Board members and committees, as well as that of senior management, and recommends to the Board policies and principles for Chief Executive Officer succession, selection and performance reviews. The Nominating & Governance Committee met twice in fiscal 2008.

Non-Management Director Meetings

The Company's non-management directors met four times in fiscal 2008 without any management representatives present. Pursuant to the Company's Corporate Governance Policies, the leader of meetings of the non-management directors is chosen from among the chairs of the Audit, Compensation and Nominating & Governance Committees based on the topics to be discussed. The session leader can retain independent consultants and schedule meetings. Pursuant to the Company's Corporate Governance Policies, an executive session consisting of only those non-management directors who qualify as independent is held at least once a year.

Director Nominating Procedures

The Nominating & Governance Committee identifies and evaluates candidates for nomination as directors and submits its recommendations to the full Board for its consideration. The Committee, guided by the membership criteria established by the Board in the Company's Corporate Governance Policies, seeks highly qualified candidates who combine a broad spectrum of experience and expertise with a reputation for integrity. The Company's Board selects director nominees based upon contributions they can make to the Board and management regardless of gender or race, and seeks to maintain a majority of independent directors. The Committee solicits and receives suggestions for, as well as comments upon, director candidates from other directors, including the Chairman of the Board, and usually engages third parties either to assist in the search for director candidates or to assist in gathering information regarding director candidates' background and experience. If the Committee engages a third party to assist it, the Committee approves the fees that the Company pays for these services.

The Nominating & Governance Committee will consider candidates recommended by the Company's directors, members of management and stockholders, and will evaluate candidates recommended by stockholders on the same basis as other candidates. Candidates should have experience in positions with a high degree of responsibility and be leaders in the companies or institutions with which they are affiliated. Upon receiving a

stockholder recommendation, the Nominating & Governance Committee will initially determine the need for additional or replacement Board members and then evaluate the candidate based on the information it receives with the stockholder recommendation or that it may otherwise acquire, and may, in its discretion, consult with the Chairman and other members of the Company's Board. If the Nominating & Governance Committee determines that a more comprehensive evaluation is warranted, it may obtain additional information about the director candidate's background and experience, including by means of interviews with the candidate.

The Company's stockholders may recommend candidates at any time, but the Nominating & Governance Committee requires recommendations for election at an annual meeting of stockholders to be submitted to the Committee no later than 120 days before the first anniversary of the date of the proxy statement sent to stockholders in connection with the previous year's annual meeting of stockholders in order to be considered for nomination by the Nominating & Governance Committee. The Nominating & Governance Committee believes this deadline is appropriate and in the best interests of the Company and the Company's stockholders because it ensures that it has sufficient time to evaluate properly all proposed candidates. Therefore, to submit a candidate for consideration for nomination at the 2009 Annual Meeting of Stockholders, a stockholder must submit the recommendation, in writing, by March 3, 2009. The written notice must include:

all information relating to each potential candidate whom the stockholder is recommending that would be required to be disclosed in a solicitation of proxies for the election of such person as a director pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended ("Exchange Act"), including such person's written consent to being named in the proxy statement as a nominee and to serve as a director if elected;

the name and address of the stockholder giving the notice, as they appear on our books, and of the beneficial owner of those shares; and

the class and number of shares which are owned beneficially or of record by the stockholder and the beneficial owner.

Recommendations must be sent to the Nominating & Governance Committee, Office of the Secretary, Polo Ralph Lauren Corporation, 625 Madison Avenue, New York, New York 10022.

The Company's stockholders may directly nominate an individual for election as a director at an annual meeting of stockholders by complying with the nominating procedures set forth in the Company's Second Amended and Restated By-laws, which are described below under the caption "ADDITIONAL MATTERS - Stockholder Proposals for the 2009 Annual Meeting of Stockholders" .

Director Communications

Stockholders and interested parties may contact any of the Company's directors, including the Chairman of the Board, the Chairs of the Board's independent Committees, any Committee of the Board, the Board's non-management directors as a group or the entire Board, by writing to them as follows: [Name(s)/Title(s)], Office of the Secretary, Polo Ralph Lauren Corporation, 625 Madison Avenue, New York, New York 10022. Communications received in this manner will be handled in accordance with the procedures approved by the Company's independent directors, who have requested that certain items that are unrelated to the duties and responsibilities of the Board should be excluded, such as:

spam

junk mail and mass mailings

product complaints

product inquiries

new product suggestions

resumés and other forms of job inquiries

surveys

business solicitations or advertisements

In addition, material that is threatening, illegal or similarly unsuitable will be excluded, with the provision that any communication that is filtered out will be available to any non-management director upon request.

Audit Committee Communications

Complaints and concerns relating to accounting, internal control over financial reporting or auditing matters may be communicated to the Audit Committee, which consists solely of non-employee directors, through the Office of the Secretary as described above under Director Communications . Any such communication may be anonymous.

All complaints and concerns will be reviewed by the Audit Committee or a designated member of the Audit Committee. If the Audit Committee or its member designee determines that a reasonable basis exists for conducting a formal investigation, the Audit Committee will direct and supervise the investigation, and may retain independent legal counsel, accountants and other advisors as it deems necessary. Confidentiality will be maintained to the fullest extent consistent with the need to conduct an adequate review. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of his or her employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding accounting, internal controls or auditing matters.

Director Attendance at Annual Meetings

As provided in the Company's Corporate Governance Policies, directors are expected to attend Annual Meetings of Stockholders. All of the twelve directors then constituting the entire Board attended the 2007 Annual Meeting of Stockholders.

Audit Committee Report

The Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to the Company's consolidated financial statements, the Company's compliance with legal and regulatory requirements, the Company's system of internal control over financial reporting and the qualifications, independence and performance of its internal and independent registered public accounting firm. We have the sole authority and responsibility to select, evaluate and, when appropriate, replace the Company's independent registered public accounting firm. The Committee currently is composed of four independent directors and operates under a written charter adopted by the Audit Committee and ratified by the Board.

Management is responsible for the Company's financial reporting process, including the Company's internal control over financial reporting, and for the preparation of the Company's consolidated financial statements in accordance with generally accepted accounting principles. Deloitte & Touche LLP (Deloitte Touche), as the Company's independent registered public accounting firm for the fiscal year ending March 29, 2008, was responsible for auditing those financial statements and expressing its opinion as to the fairness of the financial statement presentation in accordance with generally accepted accounting principles, and the effectiveness of the Company's internal control over financial reporting. Our responsibility is to oversee and review these processes. We are not, however, professionally engaged in the practice of accounting or auditing and do not provide any expert or other special assurance as to such financial statements concerning compliance

with laws, regulations or generally accepted accounting principles or as to auditor independence. We rely, without independent verification, on the information provided to us and on the representations made by management and the independent registered public accounting firm.

In this context, we have met and held discussions with management and Deloitte & Touche, the Company's independent registered public accounting firm for the fiscal year ended March 29, 2008. Management represented to us that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and we have reviewed and discussed with management, the Company's internal auditors and Deloitte & Touche the Company's consolidated financial statements for the fiscal year ended March 29, 2008 and the Company's internal control over financial reporting. We also discussed with Deloitte & Touche the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (Communication with Audit Committees). Deloitte & Touche provided to us the written disclosures and the letter required by Independence Standards Board Standard No. 1, as amended (Independence Discussions with Audit Committees), and we discussed their independence with them. In determining Deloitte & Touche's independence, we considered whether their provision of non-audit services to the Company was compatible with maintaining independence. We received regular updates on Deloitte & Touche's fees and the scope of audit and non-audit services it provided. All such services were provided consistent with applicable rules and our pre-approval policies and procedures.

Based on our discussions with management, our internal auditors and Deloitte & Touche and our review of the audited financial statements, including the representations of management and Deloitte & Touche with respect thereto, and subject in all cases to the limitations on our role and responsibilities referred to above and set forth in the Audit Committee Charter, we recommended to the Board of Directors that the Company's audited consolidated financial statements for the fiscal year ended March 29, 2008 be included in the Company's Annual Report on Form 10-K. We also approved, subject to stockholder ratification, the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending March 28, 2009.

Members of the Audit Committee

Frank A. Bennack, Jr. (Chair)

John R. Alchin

Dr. Joyce F. Brown

Judith A. McHale

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the beneficial ownership of the Company's Common Stock as of June 23, 2008 by: (i) each stockholder who is known by the Company to beneficially own in excess of five percent of any class of the Company's voting securities, (ii) each director, (iii) each of the executive officers whose names appear in the summary compensation table under the heading SUMMARY COMPENSATION TABLE below (the named executive officers) and (iv) all directors and executive officers as a group. Except as otherwise indicated, each stockholder listed below has sole voting and investment power with respect to the shares beneficially owned by such person. The rules of the SEC consider a person to be the beneficial owner of any securities over which the person has or shares voting power or investment power. In addition, a person is deemed to be the beneficial owner of securities if that person has the right to acquire beneficial ownership of such securities within 60 days, including through conversion or exercise of an option or other right. Unless otherwise indicated below, the address of each shareholder is 650 Madison Avenue, New York, New York 10022. As of June 23, 2008, there were 1,147 holders of record of the Company's Class A Common Stock.

	Class A Common Stock		Class B Common Stock(1)		Voting Power of Total Common Stock %
	Number	%	Number	%	
Ralph Lauren	1,478,554(2)	2.5%	41,803,143(3)	97%	85.5%
Roger N. Farah	450,000(4)	*			*
Jackwyn L. Nemerov	330,192(5)	*			*
John R. Alchin	7,286(6)	*			*
Arnold H. Aronson	21,356(7)	*			*
Frank A. Bennack, Jr.	35,356(8)	*			*
Dr. Joyce F. Brown	5,506(9)	*			*
Joel L. Fleishman	39,356(10)	*			*
Judith A. McHale	24,356(11)	*			*
Steven P. Murphy	10,356(12)	*			*
Terry S. Semel	33,356(13)	*			*
Robert C. Wright	3,286(14)	*			*
Tracey T. Travis	85,244(15)	*			*
Mitchell A. Kosh	17,469(16)	*			*
FMR Corp.	8,737,128(17)	15.4			1.8
Select Equity Group, Inc.	5,850,722(18)	10.3			1.2
OppenheimerFunds, Inc.	5,468,176(19)	9.6			1.1
Barclays Global Investors, NA	4,310,841(20)	7.6			*
Baron Capital Group Inc.	3,459,020(21)	6.1			*
All directors and executive officers as a group (14 persons)	2,541,673(22)	4.3%	41,803,143(3)	97%	85.5%

* Less than 1.0%

- (1) Each share of Class B Common Stock is convertible at the option of the holder into one share of Class A Common Stock. Each share of Class B Common Stock will be automatically converted into one share of Class A Common Stock upon transfer to a person who is not a member of the Lauren family.
- (2) Consists of vested options representing the right to purchase shares of Class A Common Stock. Does not include unvested options to purchase 200,000 shares of Class A Common Stock and 403,309 unvested restricted stock units that entitle Mr. Lauren to receive an equal number of shares of Class A Common Stock and that are subject to accelerated vesting in certain circumstances as described under Executive Employment Agreements Ralph Lauren's Employment Agreement.

- (3) Includes (i) 1,557,503 shares of Class B Common Stock owned by RL Family, L.P., a partnership of which Mr. Lauren is the sole general partner, (ii) 10,756,171 shares of Class B Common Stock owned by RL Holding, L.P., a partnership controlled by RL Holding Group, Inc., a corporation wholly owned by Mr. Lauren, (iii) 26,272 shares of Class B Common Stock owned by RL Holding Group, Inc., (iv) 8,658,882 shares held by certain grantor retained annuity trusts established by Mr. Lauren of which Mr. Lauren and Roger N. Farah are the trustees and (v) 3,183,862 shares held by certain grantor retained annuity trusts established by Ricky Lauren, Mr. Lauren's wife, of which Ms. Lauren and Mr. Farah are the trustees. The 10,756,171 shares of Class B Common Stock held by RL Holding, L.P. constitute 24.9% of the total number of outstanding shares of Class B Common Stock. This amount excludes 660,740 shares of Class B Common Stock distributed on December 17, 2007 from one of Mr. Lauren's terminating grantor retained annuity trusts to a successor trust for the benefit of Mr. Lauren's issue and for various trusts of which Mr. Lauren is a grantor. Mr. Lauren was a trustee of the terminating grantor retained annuity trust. Mr. Lauren is not a trustee of the successor trust and Mr. Farah is one of the trustees of this successor trust. This amount also excludes 816,138 shares of Class B Common Stock distributed on April 15, 2008 from one of the terminating grantor retained annuity trusts held by Ms. Lauren to a successor trust for the benefit of Ms. Lauren's issue and for various trusts of which Ms. Lauren is a grantor. Ms. Lauren was a trustee of the terminating grantor retained annuity trust. Ms. Lauren is not a trustee of the successor trust and Mr. Farah is one of the trustees of this successor trust.
- (4) Includes vested options representing the right to purchase 450,000 shares of Class A Common Stock. Does not include an aggregate of 545,748 unvested restricted stock units, 376,552 of which are performance based. Does not include an aggregate of 11,842,744 shares of Class B Common Stock held by grantor retained annuity trusts established by Ralph Lauren and Ricky Lauren of which Mr. Farah is a co-trustee. Does not include an aggregate of 1,476,878 shares of Class B Common Stock held by successor trusts established by Ralph Lauren and Ricky Lauren for the benefit of their issues of which Mr. Farah serves as one of the trustees.
- (5) Includes 30,000 restricted shares of Class A Common Stock and vested options to purchase 281,270 shares of Class A Common Stock. Does not include unvested options to purchase 34,170 shares of Class A Common Stock or unvested performance based restricted stock units with respect to 39,834 shares of Class A Common Stock, subject to upward adjustment.
- (6) Includes 786 restricted shares of Class A Common Stock and vested options representing the right to purchase 2,500 shares of Class A Common Stock. Does not include unvested options representing the right to purchase 7,007 shares of Class A Common Stock.
- (7) Includes 3,000 shares owned by Mr. Aronson's spouse, 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 14,036 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.
- (8) Includes 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 24,536 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.
- (9) Includes 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 3,536 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.
- (10) Includes 4,000 shares held indirectly in a retirement account, 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 21,536 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.
- (11) Includes 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 23,036 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.

- (12) Includes 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 8,036 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.
- (13) Includes 1,142 restricted shares of Class A Common Stock and vested options representing the right to purchase 24,536 shares of Class A Common Stock. Does not include unvested options to purchase 3,079 shares of Class A Common Stock.
- (14) Includes 786 restricted shares of Class A Common Stock and vested options representing the right to purchase 2,500 shares of Class A Common Stock. Does not include unvested options to purchase 7,007 shares of Class A Common Stock.
- (15) Includes vested options representing the right to purchase 78,495 shares of Class A Common Stock. Does not include unvested options to purchase 13,469 shares of Class A Common Stock or unvested performance based restricted stock units with respect to 9,640 shares of Class A Common Stock, subject to upward adjustment.
- (16) Includes vested options representing the right to purchase 9,450 shares of Class A Common Stock. Does not include unvested options to purchase 4,504 shares of Class A Common Stock or unvested performance based restricted stock units with respect to 6,880 shares of Class A Common Stock, subject to upward adjustment.
- (17) According to a Schedule 13G dated March 7, 2008: (i) Fidelity Management & Research Company (Fidelity), a wholly-owned subsidiary of FMR Corp., is the beneficial owner of 7,928,590 shares of Class A Common Stock as a result of Fidelity acting as investment advisor to various investment companies registered under Section 8 of the Investment Company Act of 1940 (the Fidelity Funds); (ii) Strategic Advisers, Inc. (SAI) is the beneficial owner of 67 shares of Class A Common Stock; (iii) FIL Limited (FIL) is the beneficial owner of 488,892 shares of Class A Common Stock; (iv) Pyramis Global Advisors, LLC (PGALLC) is the beneficial owner of 85,100 shares of Class A Common Stock; and Pyramis Global Advisors Trust Company (PGATC) is the beneficial owner of 234,479 shares of Class A Common Stock. Each of FMR Corp. and Edward C. Johnson 3d, Chairman of FMR Corp., may be deemed to beneficially own the shares of Class A Common Stock beneficially owned by Fidelity, SAI, PGALLC and PGATC. Each of Edward C. Johnson 3d and FMR Corp., through its control of Fidelity and the Fidelity Funds, has the sole power to dispose of the 7,928,590 shares of Class A Common Stock owned by the Fidelity Funds. Each of Edward C. Johnson 3d and FMR Corp, through its control of SAI, has the sole power to vote or direct the vote of, and to dispose of, the 67 shares of Class A Common Stock owned by individuals to which they provide advisory services. FIL has sole dispositive power over 488,892 shares of Class A Common Stock and sole power to vote or direct the vote over 447,592 shares of Class A Common Stoc