Ascena Retail Group, Inc.
Form DEF 14A
October 26, 2017
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934 (DEF 14A)

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

Ascena Retail Group, Inc.

(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):

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Fee previously paid 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:

933 MacArthur Boulevard

Mahwah, New Jersey 07430

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Meeting Date:	Thursday, December 7, 2017
Meeting Time:	3:00 p.m. local time
Location:	dressbarn s Corporate Headquarters Stage Street Café 933 MacArthur Boulevard Mahwah, New Jersey 07430

The Annual Meeting will be held for the following purposes:

(1) to consider the election of three directors to serve on the board of directors for three-year terms and until their successors are duly elected and qualified (Proposal One);

(2) to approve the Ascena Retail Group, Inc. Employee Stock Purchase Plan (Amended and Restated Effective as of January 1, 2018) (Proposal Two);

(3) to consider the approval, by non-binding advisory vote, of the compensation paid to our named executive officers during fiscal 2017 (commonly known as a say-on-pay proposal) (Proposal Three);

(4) to recommend, by non-binding advisory vote, the frequency of future advisory votes on compensation paid to our named executive officers (commonly known as a frequency of say-on-pay proposal) (Proposal Four);

(5) to ratify the appointment of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for the fiscal year ending August 4, 2018 (Proposal Five); and

(6) to transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

The board of directors has fixed the close of business on October 10, 2017 as the record date for the determination of the stockholders entitled to vote at the Annual Meeting or any adjournments or postponements thereof. Only stockholders of record at the close of business on the record date will be entitled to notice of, and to vote at, the

Annual Meeting.

In order to conserve natural resources and reduce the cost of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a fast and efficient manner, we are pleased to be able to take advantage of the Securities and Exchange Commission rule allowing companies to use a Notice and Access model to provide their stockholders with access to proxy materials via the Internet. On or about October 26, 2017, we will begin mailing a Notice of Internet Availability of Proxy Materials (the Notice of Internet Availability) to our stockholders informing them that our notice of annual meeting and proxy statement, Annual Report on Form 10-K and voting instructions are available on the Internet at https://proxyvote.com. As more fully described in the Notice of Internet Availability, all stockholders may choose to access our materials at https://proxyvote.com or may request to receive paper copies of the proxy materials.

BY ORDER OF THE BOARD OF
DIRECTORS

By: /s/ David Jaffe
David Jaffe
Chairman of the Board and
Chief Executive Officer
Dated: October 26, 2017

YOUR VOTE IS VERY IMPORTANT. EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING, WE HOPE THAT YOU WILL READ THE PROXY STATEMENT AND VOTE ON THE MATTERS TO BE CONSIDERED. YOU MAY VOTE YOUR PROXY BY TELEPHONE OR VIA THE INTERNET OR BY REQUESTING A PRINTED COPY OF THE PROXY MATERIALS AND RETURNING THE PROXY CARD ENCLOSED THEREIN.

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PROXY STATEMENT

In this proxy statement, the terms we, us and our refer to Ascena Retail Group, Inc., a Delaware corporation (Ascena or the Company), and its consolidated subsidiaries, ANN INC., referred to as ANN , Tween Brands, Inc., referred to as Justice , Lane Bryant, Inc., referred to as Lane Bryant , Maurices Incorporated, referred to as maurices , The Dress Barn, Inc., referred to as dressbarn , and Catherines Stores Corporation, referred to as Catherines .

GENERAL

The enclosed proxy is solicited by the board of directors (the Board) of Ascena for use at our 2017 Annual Meeting of Stockholders (the Annual Meeting) to be held at 3:00 p.m. local time, on Thursday, December 7, 2017 at dressbarn s Corporate Headquarters, Stage Street Café, 933 MacArthur Boulevard, Mahwah, New Jersey 07430, and any and all adjournments or postponements thereof. This proxy statement and form of proxy, along with our Annual Report on Form 10-K for the fiscal year ended July 29, 2017, are being made available to our stockholders on or about October 26, 2017. The proxy statement and proxy card are being made available to you because our records indicate that you owned shares of our common stock on October 10, 2017, the record date for the Annual Meeting.

Our Board is soliciting your proxy to be used at the Annual Meeting. When you sign the proxy card, you appoint two of our directors, Randy L. Pearce and Katie J. Bayne, as your representatives at the Annual Meeting. One or both of these individuals, or a substitute if necessary, will vote your shares at the Annual Meeting as you have instructed them on the proxy card. If you sign and deliver your proxy card, but you do not provide voting instructions, your proxy representative will vote in favor of the three nominees for director (Proposal One), in favor of Proposals Two, Three and Five, for once every one year with respect to the frequency of say-on-pay proposal (Proposal Four), and with respect to any other matter that may be presented at the Annual Meeting, in the discretion of the proxy representative. This way, your shares will be voted whether or not you attend the Annual Meeting. Even if you plan to attend the Annual Meeting, we recommend that you complete, sign and return your proxy card in advance of the Annual Meeting as your plans may change.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2017 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON DECEMBER 7, 2017

The Securities and Exchange Commission (the SEC) adopted rules that allow us to change the way we make our proxy statement and other Annual Meeting materials available to you. On or about October 26, 2017, we will begin mailing a notice, called the Notice of Internet Availability of Proxy Materials (the Notice of Internet Availability), to our stockholders advising them that our proxy statement, Annual Report on Form 10-K and voting instructions can be accessed via the Internet at https://proxyvote.com. You may then access these materials and vote your shares over the Internet or you may request that a printed copy of the proxy materials be sent to you. You will not receive a printed copy of the proxy materials unless you request one in the manner set forth in the Notice of Internet Availability. This allows us to conserve natural resources and reduces the cost of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a fast and efficient manner via the Internet. Copies of this proxy statement and our Annual Report on Form 10-K for the fiscal year ended July 29, 2017 are also available online at https://proxyvote.com.

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QUESTIONS AND ANSWERS ABOUT OUR ANNUAL MEETING

When and where will the Annual Meeting take place?

The Annual Meeting will be held on Thursday, December 7, 2017, at 3:00 p.m., at dressbarn s Corporate Headquarters, Stage Street Café, 933 MacArthur Boulevard, Mahwah, New Jersey 07430.

What is the purpose of the Annual Meeting?

At our Annual Meeting, holders of our common stock will be asked to vote on the following proposals:

(1) election of three directors to serve on the Board for three-year terms and until their successors are duly elected and qualified (Proposal One);

(2) to approve the Ascena Retail Group, Inc. Employee Stock Purchase Plan (Amended and Restated Effective as of January 1, 2018) (Proposal Two);

(3) to consider the approval, by non-binding advisory vote, of the compensation paid to our named executive officers during fiscal 2017 (commonly known as a say-on-pay proposal) (Proposal Three);

(4) to recommend, by non-binding advisory vote, the frequency of future advisory votes on the compensation paid to our named executive officers (commonly known as a frequency of say-on-pay proposal) (Proposal Four);

(5) ratification of the appointment of Deloitte & Touche LLP as our Independent Registered Public Accounting Firm for the fiscal year ending August 4, 2018 (Proposal Five); and

(6) to transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

What are the Board s voting recommendations?

THE BOARD RECOMMENDS A VOTE <u>FOR</u> THE ELECTION OF THE THREE NOMINATED DIRECTORS, <u>FOR</u> THE APPROVAL OF THE ASCENA RETAIL GROUP, INC. EMPLOYEE STOCK PURCHASE PLAN (AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2018), <u>FOR</u> THE SAY-ON-PAY PROPOSAL, FOR EVERY <u>ONE YEAR</u> WITH RESPECT TO THE FREQUENCY OF SAY-ON-PAY PROPOSAL AND <u>FOR</u> THE RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC

ACCOUNTING FIRM.

Unless you give other instructions on your proxy card, the persons referred to as proxy holders on the proxy card will vote in accordance with the recommendations of the Board or, with respect to any other matter that may be presented at the Annual Meeting for which no recommendation is given, in their own discretion.

Could other matters be decided at the Annual Meeting?

Our by-laws require prior notification of a stockholder s intent to request a vote on other matters at the Annual Meeting. The deadline for notification has passed, and we are not aware of any other matters that could be brought before the Annual Meeting. However, if any other business is properly presented at the Annual Meeting, your vote by proxy gives authority to Randy L. Pearce and Katie J. Bayne, the persons referred to as proxy holders on the proxy card (or a substitute, if necessary), to vote your shares on such matters at their discretion.

Who is entitled to attend the Annual Meeting?

All stockholders who owned our common stock at the close of business on October 10, 2017 (the Record Date), or their duly appointed proxies, may attend the Annual Meeting or any adjournments or postponements thereof. Registration begins at 2:45 p.m. on the date of the Annual Meeting. If you attend, please note that you may be asked to present valid photo identification, such as a driver s license or passport. Please note that if you hold your shares in street name (that is, through a broker, bank or other nominee), you must obtain a signed and properly executed proxy from your broker, bank or other nominee to vote your shares held in street name at the Annual Meeting, and such proxy, together with a broker statement evidencing your ownership, must be presented at the Annual Meeting.

Who is entitled to vote at the Annual Meeting?

Subject to the foregoing, all stockholders who owned our common stock at the close of business on the Record Date are entitled to attend and vote at the Annual Meeting or at any adjournments or postponements thereof.

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QUESTIONS AND ANSWERS ABOUT OUR ANNUAL MEETING

How many votes do I have?

You have one vote for each share of our common stock that you owned on the Record Date.

How many votes must be present to hold the Annual Meeting?

The presence in person or by proxy of the holders of a majority of the outstanding shares of our common stock entitled to vote at the Annual Meeting will constitute a quorum for the transaction of business at the Annual Meeting. Once a share of the Company s common stock is represented for any purpose at the Annual Meeting, it is deemed present for quorum purposes for the Annual Meeting and for any adjournment of the Annual Meeting. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining the presence or absence of a quorum for the transaction of business. A broker non-vote occurs when a broker or nominee holding shares for a beneficial owner does not vote on a proposal because the broker or nominee does not have the necessary voting power for that proposal and has not received instructions from the beneficial owner. In order for us to determine that enough votes will be present to hold the Annual Meeting, we urge you to vote in advance by proxy even if you plan to attend the Annual Meeting.

Assuming a quorum is present, how many votes will be required to approve each proposal?

A majority of the votes cast at the Annual Meeting will elect the three nominees to serve as directors. A majority of the votes cast means that the number of shares voted FOR a nominee for director exceeds the number of votes cast AGAINST such nominee;

The proposal to approve the Ascena Retail Group, Inc. Employee Stock Purchase Plan (Amended and Restated Effective as of January 1, 2018) will be approved if the votes cast in favor of the proposal at the Annual Meeting exceed the votes cast in opposition to the proposal;

The say-on-pay proposal will be approved, by non-binding advisory vote, if the votes cast in favor of the proposal exceed the votes cast in opposition to the proposal;

The frequency of say-on-pay proposal will be determined, by non-binding advisory vote, based upon the alternative receiving the greatest number of votes cast; and

The proposal to ratify the appointment of the Independent Registered Public Accounting Firm will be approved if the votes cast in favor of the proposal at the Annual Meeting exceed the votes cast in opposition to the proposal.

A note about broker non-votes: Under NYSE rules, brokers are not permitted to vote uninstructed shares for non-routine matters, which include director elections and executive compensation matters. As a result, if your shares are held by a brokerage firm for you as beneficial owner and you do not instruct your broker how to vote your shares on Proposal One (election of directors), Proposal Two (approval of the Ascena Retail Group, Inc. Employee Stock Purchase Plan (Amended and Restated Effective as of January 1, 2018)), Proposal Three (the say-on-pay proposal) or Proposal Four (the frequency of say-on-pay proposal), your brokerage firm cannot vote them for you. Please make sure that you provide instructions to your broker regarding Proposals One, Two, Three and Four. The ratification of the appointment of independent accountants is a routine item under NYSE rules. As a result, brokers who do not receive instructions as to how to vote on Proposal Five may vote on that matter in their discretion.

What is the effect of a broker non-vote or abstention on the proposals to be voted on at the Annual Meeting?

Abstentions and broker non-votes will be considered as present for quorum purposes, but will have no impact on the vote on any of the proposals.

How many votes may be cast by all stockholders?

A total of 196,007,504 votes may be cast at the Annual Meeting, consisting of one vote for each share of our common stock outstanding on the Record Date.

How do I vote?

You can vote your shares in one of two ways: either by proxy or in person at the Annual Meeting by written ballot. If you choose to vote by proxy you may do so via the Internet or by telephone, or by requesting a printed copy of the proxy materials, and signing and returning the proxy card enclosed therein. Each of these procedures is explained below. Even if you plan to attend the Annual Meeting, the Board recommends that you vote by proxy so your shares of common stock will be voted as directed by you if you are unable to attend the Annual Meeting.

Because many stockholders cannot attend the Annual Meeting in person, it is necessary that a large number of stockholders be represented by proxy. By following the procedures for voting via the Internet or by telephone, or by requesting a printed copy of the proxy materials and signing

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QUESTIONS AND ANSWERS ABOUT OUR ANNUAL MEETING

and returning the proxy card enclosed therein, you will enable Mr. Pearce and/or Ms. Bayne, each of whom is named on the proxy card as a proxy holder, to vote your shares at the Annual Meeting in the manner indicated. If you sign and return your proxy card, but do not specify how you want your shares to be voted, they will be voted, in accordance with the Board s recommendation, FOR the three director nominees named in Proposal One, in favor of Proposals Two, Three and Five, for every one year with respect to Proposal Four, and with respect to any other matter that may be presented at the Annual Meeting, in the discretion of the proxy holders named in your proxy card.

Voting via the Internet

You can vote your shares via the Internet by following the instructions in the Notice of Internet Availability or by accessing www.proxyvote.com and following the instructions contained on that website. The Internet voting procedures are designed to authenticate your identity and to allow you to vote your shares and confirm that your voting instructions have been properly recorded. If you vote via the Internet, you do not need to mail a proxy card.

Voting by Telephone

You can vote your shares by telephone by calling the number provided on the voting website (www.proxyvote.com) and on the proxy card. The telephone voting procedures are designed to authenticate your identity and to allow you to vote your shares and confirm that your voting instructions have been properly recorded. If you vote via the telephone, you do not need to mail a proxy card.

Voting by Mail

You can vote by mail by requesting that a printed copy of the proxy materials be sent to your home address. Upon receipt of the materials, you may fill out the proxy card enclosed therein and return it per the instructions on the card.

May I change or revoke my vote after I submit my proxy?

Yes. To change your vote previously submitted by proxy, you may:

- Cast a new vote by mailing a new proxy card with a later date or by voting via the Internet or telephone on a later date; or

- If you hold shares in your name, attend the Annual Meeting and vote in person.

If you wish to revoke rather than change your vote, written revocation must be received by our Corporate Secretary prior to the Annual Meeting.

What if I participate in the Company s 401(k) Savings Plan?

If you are a participant in the Company s 401(k) Savings Plan (the 401(k) plan) and own shares of the Company s common stock in your 401(k) plan account as of the Record Date, you will receive, with respect to the number of shares held for your account under the 401(k) plan as of the Record Date, a proxy card that will serve as a voting instruction to the trustee of the 401(k) plan with respect to shares held for your account. Unless the proxy card is signed and returned, shares held in your account under the 401(k) plan will not be voted.

How can I attend the Annual Meeting?

Stockholders as of the close of business on the Record Date may attend the Annual Meeting. You may obtain directions to the location of the Annual Meeting by contacting Ascena s Investor Relations Department at (551) 777-6895 or via email at asc-ascenainvestorrelations@ascenaretail.com.

What happens if the Annual Meeting is postponed or adjourned?

If the Annual Meeting is postponed or adjourned and no new record date is set, your proxy will remain valid and may be voted when the Annual Meeting is convened or reconvened. You may change or revoke your proxy until it is voted.

Will your independent registered public accounting firm participate in the Annual Meeting?

Yes. Our independent registered public accounting firm is Deloitte & Touche LLP. A representative of Deloitte & Touche LLP is expected to be present at the Annual Meeting and make any statements he or she deem necessary and to respond to appropriate stockholder questions.

Are members of the Board required to attend the Annual Meeting?

Directors are encouraged, but not required, to attend the Annual Meeting. All of the Company s then current directors attended the 2016 Annual Meeting of Stockholders.

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QUESTIONS AND ANSWERS ABOUT OUR ANNUAL MEETING

Who will pay the expenses incurred in connection with the solicitation of my vote?

We pay all costs and expenses related to preparation of these proxy materials and solicitation of your vote and all Annual Meeting expenses. None of our directors, officers or employees will be specially compensated for these activities. We reimburse brokers, fiduciaries and custodians for their costs in forwarding proxy materials to beneficial owners of our common stock, but we will not pay any compensation for their services.

Why did I receive more than one Notice of Internet Availability?

You may receive multiple Notices of Internet Availability if you hold your shares of our common stock in multiple accounts (such as through a brokerage account and an employee benefit plan, such as the 401(k) plan). To ensure all your shares are represented at the Annual Meeting, please vote your shares as instructed in each Notice of Internet Availability you receive.

If your household is receiving multiple Notices of Internet Availability and you wish to request delivery of a single copy or wish to enroll in electronic (email) delivery of the proxy materials, you may send a written request to Ascena Retail Group, Inc., 933 MacArthur Boulevard, Mahwah, New Jersey 07430, Attention: Investor Relations or via email at asc-ascenainvestorrelations@ascenaretail.com.

How do I obtain a separate Notice of Internet Availability if I share an address with other stockholders?

In order to reduce printing and postage costs, only one Notice of Internet Availability is being delivered to multiple stockholders sharing an address unless we received contrary instructions from one or more of the stockholders sharing that address. If your household has received only one Notice of Internet Availability, we will promptly deliver an additional Notice of Internet Availability to any stockholder (as of the Record Date) who sends a written request to: Ascena Retail Group, Inc., 933 MacArthur Boulevard, Mahwah, New Jersey 07430, Attention: Investor Relations or via email at asc-ascenainvestorrelations@ascenaretail.com. If you wish to receive a separate Notice of Internet Availability in the future, you can notify us by mailing a written request to the address above by calling our Investor Relations Department at (551) 777-6895 or via email at asc-ascenainvestorrelations@ascenaretail.com.

Can I view these proxy materials electronically?

Yes. You may access the proxy statement and our annual report at https://proxyvote.com. In addition to the fiscal 2017 proxy statement and Annual Report on Form 10-K, you can view all of our other filings with the SEC on our website at the for investors page at www.ascenaretail.com, accessible through the Investor Relations Menu.

How can I receive copies of the Company s year-end SEC filings?

We will furnish without charge to any stockholder who requests, in writing, a copy of our Annual Report on Form 10-K, including financial statements and related schedules, for the fiscal year ended July 29, 2017, as filed with the

SEC. Any such request should be directed to Ascena Retail Group, Inc., 933 MacArthur Boulevard, Mahwah, New Jersey 07430, Attention: Investor Relations or via email at asc-ascenainvestorrelations@ascenaretail.com.

How do stockholders submit proposals for the Company s 2018 Annual Meeting of Stockholders?

Proposals of stockholders intended to be presented at the 2018 Annual Meeting of Stockholders and desired to be included in our proxy statement for that meeting must be received by our Corporate Secretary, c/o Ascena Retail Group, Inc., 933 MacArthur Boulevard, Mahwah, New Jersey 07430, by no later than June 28, 2018 in order to be included in such proxy statement. Any such proposal must also meet the other requirements of the rules of the SEC relating to stockholder proposals. Generally, if written notice of any stockholder proposal intended to be presented at the 2018 Annual Meeting of Stockholders, and not included in our proxy statement for that meeting, is not delivered to the Corporate Secretary at the above address by June 28, 2018, or if such notice does not contain the information required by Section 7 of Article II of our by-laws, the chair of the meeting may declare that such stockholder proposal be disregarded.

Can I see a list of stockholders entitled to vote at the Annual Meeting?

A complete list of the stockholders entitled to vote at the Annual Meeting is available for inspection at the principal office of the Company upon written request to the Company by a stockholder, and at all times during the Annual Meeting at the place of the Annual Meeting.

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PROPOSAL ONE ELECTION OF DIRECTORS

Our Second Amended and Restated Certificate of Incorporation, as amended, provides for a classified Board divided into three classes, each with a staggered three-year term of office and each class of directors as nearly equal in number as possible. At the Annual Meeting, three directors are to be elected for three-year terms. On the recommendation of the Leadership and Corporate Governance Committee, the Board has nominated David Jaffe, Kate Buggeln and Carl Rubin, current directors whose terms of office expire at the Annual Meeting, for election for three-year terms expiring at the 2020 Annual Meeting of Stockholders. Each nominee has indicated that he/she will serve if elected. We do not anticipate that any Board nominee will be unable or unwilling to stand for election, but should any such nominee be unavailable for election for any reason, your proxy, to the extent permitted by applicable law, may be voted with discretionary authority in connection with the nomination by the Board and the election of any substitute nominee. On October 19, 2016, Mr. Elliot S. Jaffe notified the Company of his intention not to stand for re-election at the 2016 Annual Meeting of Stockholders. On June 8, 2017, the Board increased the size of the Board to ten directors pursuant to the Company s by-laws, and appointed Marc Lasry and Stacey Rauch to fill the vacancy created by such increase and the existing vacancy on the Board, each as members of the class of directors whose term of office expires at the Company s 2019 Annual Meeting of Stockholders.

The charts below provide summary information about the composition of our Board, followed by the biographies of the director nominees and our current Board members. Please see the section below entitled Questions and Answers About our Board and Corporate Governance Matters for additional information about our Board and the committees of the Board.

BOARD COMPOSITION (as of October 26, 2017)

Gender Diversity:

Given that the Company s unique portfolio of fashion brands is dedicated to helping women and girls put their most confident selves forward every day, we are honored that half of our Board is comprised of women. According to the Board Refreshment Trends at S&P 1500 Firms report published by Institutional Shareholder Services (ISS), in January 2017, just a tiny fraction (one half of one percent) of S&P 1500 companies had gender parity on their boards in 2015, and the available 2016 data suggested that the prevalence of S&P 1500 firms with half the board comprising female directors had increased to only 0.8 percent.

Board Refreshment:

The Leadership and Corporate Governance Committee and the Board also believe that it is important for the Board to be refreshed by adding new directors with fresh perspectives from time to time. In that regard, since 2015 we have added seven new directors, resulting in an average director tenure of five years, with an average director age of 58.

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PROPOSAL ONE ELECTION OF DIRECTORS

THE BOARD UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF THE NOMINEES LISTED BELOW TO SERVE AS DIRECTORS.

Information about Director Nominees:

Following is information regarding the director nominees and the other continuing directors.

Name of Director Nominee and Age	Director Since
David Jaffe, 58	2001
Kate Buggeln, 56	2004
Carl Rubin, 58	2015

DAVID JAFFE

Age: 58

Director Since: 2001

Background:

DAVID JAFFE serves as a director (since 2001), as our Chief Executive Officer (since 2002) and as Chairman of the Board (since 2016). Previously, he was President from 2002-2017, and Vice Chairman and Chief Operating Officer since 2001. Mr. Jaffe joined our Company in 1992 as Vice President, Business Development and became Senior Vice President in 1995, Executive Vice President in 1996 and Vice Chairman in 2001. He is the son of Elliot S. and Roslyn S. Jaffe. Elliot S. Jaffe is the former Non-Executive Chairman of the Board, a co-founder and currently serves as Chairman Emeritus. Roslyn S. Jaffe is a co-founder, Secretary and Director Emeritus for Life. David Jaffe is the brother of Elise Jaffe, a non-executive officer and a more than 5% stockholder, and Richard Jaffe, a significant holder of the Company s stock. Mr. Jaffe is also a member of the Board of Directors of The National Retail Federation.

Qualifications:

The Board selected Mr. Jaffe to serve as a director based on his extensive retail and financial background.

KATE BUGGELN

Age: 56	Background:
Director Since: 2004 Committees: Audit Leadership and Corporate Governance (chair)	KATE BUGGELN is a retail and brand consultant and a Senior Advisor with Irving Place Capital, L.P. Currently, Ms. Buggeln serves as a member of the board for publicly traded Five Below, Inc. She also is on the boards of Noble Biomaterials, Scoop Holdings (parent company of cabi) and the nonprofit Bpeace. Previously, Ms. Buggeln was Senior Vice President, Strategic Planning and Business Development at Coach, Inc., where she created and led strategies to enter new markets and new categories. Ms. Buggeln also spent many years as a retail consultant at LakeWest Group Ltd. and Coopers & Lybrand LLP, where she advised retail companies on business strategy, operations, e-commerce and supply chain. In addition, Ms. Buggeln served on the board of directors of each of The Vitamin Shoppe, Stuart Weitzman and Timberland Company.

Qualifications:

The Board selected Ms. Buggeln to serve as a director based on her strong background in strategic planning, marketing and new business development.

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PROPOSAL ONE ELECTION OF DIRECTORS

CARL CHUCK RUBIN

Age: 58

Director Since: 2015

Committees:

Audit

Compensation (chair)

Background:

CARL CHUCK RUBIN currently serves as Chief Executive Officer and Chairman of the Board of The Michaels Companies, Inc. He joined Michaels in 2013 as its Chief Executive Officer and was appointed as Chairman of the Board in 2015. Prior to joining Michaels, from 2010 to 2013, Mr. Rubin was President and Chief Executive Officer of Ulta Salon, Cosmetics & Fragrances, Inc. Mr. Rubin held roles of increasing responsibility at Office Depot, serving as President beginning in 2006. Mr. Rubin spent six years in senior leadership roles, including Partner, at Accenture Consulting where he advised clients and led engagements across retail formats and ecommerce business. Prior to joining Accenture Consulting, Mr. Rubin held various management positions in the specialty retail and department store industries. Mr. Rubin was a member of the Executive Committee of the Board of Directors of The National Retail Federation from 2007 to 2010.

Qualifications:

The Board selected Mr. Rubin to serve as a director based on his extensive managerial and operational knowledge of the retail industry and his experience as a board member of a publicly held specialty retailer.

Directors with Terms Expiring in 2018

Name of Director and Age	Director Since
Steven L. Kirshenbaum, 65	2015
Randy L. Pearce, 62	2005
Linda Yaccarino, 54	2016

STEVEN L. KIRSHENBAUM

Age: 65

Director Since: 2015

Background:

STEVEN L. KIRSHENBAUM is a senior partner in the Corporate Department of Proskauer Rose LLP, an international law firm with headquarters in New York City. Mr. Kirshenbaum has served as a member of Proskauer s Executive Committee, a Chair of the firm s Corporate Department and managing partner of Proskauer s Paris Office. He has in-depth experience in general corporate, transactional, governance and securities practice areas, representing domestic and foreign companies.

Qualifications:

The Board selected Mr. Kirshenbaum to serve as a director based on his knowledge of the Company, and extensive experience in mergers and acquisitions, securities compliance and corporate governance, each of which strengthens the Board s collective qualifications, skills and experience.

RANDY L. PEARCE

Age: 62

Director Since: 2005

Committees:

- Audit (chair)
- Compensation

Background:

RANDY L. PEARCE was from February 2011 until his retirement on June 30, 2012, President of Regis Corporation, an owner, operator and franchisor of hair and retail product salons. From 1998 until February 2011, Mr. Pearce served as Senior Executive Vice President, Chief Financial and Administrative Officer of Regis Corporation, and held various executive positions at Regis Corporation since 1985.

Qualifications:

The Board selected Mr. Pearce to serve as a director based on his extensive financial background in auditing and in internal controls over financial reporting of large publicly held retail companies. On March 4, 2015, Mr. Pearce was appointed to serve as the Company s Lead Independent Director.

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PROPOSAL ONE ELECTION OF DIRECTORS

LINDA YACCARINO

Age: 54

Director Since: 2016

Committees:

Leadership and Corporate Governance

Compensation

Background:

LINDA YACCARINO is Chairman, Advertising, Sales and Client Partnerships for NBCUniversal, Inc. In this role she oversees all advertising sales and market strategy for the company s entire portfolio of premium video content, including broadcast, cable and digital. Prior to joining NBCUniversal in 2011, she held roles of increasing responsibility from 1996 to 2011 at Turner Broadcast System, Inc., serving as Executive Vice President and Chief Operating Officer, Turner Entertainment Advertising, Sales and Marketing, and Acquisitions beginning in 2009. Prior to joining Turner, Ms. Yaccarino held various management positions at several media sales outlets.

Qualifications:

The Board selected Ms. Yaccarino to serve as a director based on her extensive digital knowledge, multiplatform consumer engagement and transformation experience.

Directors with Terms Expiring in 2019

Name of Director Nominee and Age	Director Since
Katie J. Bayne, 51	2015
Kay Krill, 62	2015
Marc Lasry, 58	2017
Stacey Rauch, 59	2017

KATIE J. BAYNE

Age: 51

Background:

Director Since: 2015 Committees: Leadership and Corporate Governance	KATIE J. BAYNE serves as Senior Vice President at The Coca-Cola Company. Ms. Bayne joined Coca-Cola in 1989, and held positions of increasing responsibility focused on consumer and commercial strategy/ marketing in the US and Australia. From 2007-2010, she was Chief Marketing Officer, North America. From 2010 to 2015, she was President of Sparkling Beverages, and then President and GM, North America Brands (2013-2015). Ms. Bayne brings extensive strategic marketing and brand management experience to the Company. Throughout her career in leadership roles at Coca-Cola, Ms. Bayne acquired vast managerial and operational knowledge of the retail industry, both domestically and internationally. Currently, Ms. Bayne is a member of the Board of Trustees of the Lovett School and a member of the Board of Visitors for Duke University Fuqua School of Business. In addition, Ms. Bayne served on the board of directors of each of ANN (until its acquisition by the Company in August 2015) and Beazer Homes USA Inc. Ms. Bayne also served as a Trustee of the American Film Institute, and as a Board Member of the Atlanta Women s Foundation and the Atlanta Children s Museum.

Qualifications:

The Board selected Ms. Bayne to serve as a director based on her strong background in consumer strategy, retail marketing and consumer marketing.

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PROPOSAL ONE ELECTION OF DIRECTORS

KAY KRILL

Age: 62

Director Since: 2015

Background:

KAY KRILL served as Chief Executive Officer of ANN, which was acquired by the Company on August 21, 2015, from 2005 through October 31, 2015, and as President of ANN from 2004 through October 31, 2015. Ms. Krill also served as a member of the Board of Directors of ANN from 2004 until the date that it was acquired by the Company. From 2001 to 2004, Ms. Krill served as President of ANN s LOFT Division. From 1998 to 2001, Ms. Krill was Executive Vice President, Merchandise and Design of ANN s LOFT Division. From 1996 to 1998, Ms. Krill served as Senior Vice President, General Merchandise Manager of ANN s LOFT Division and, from 1994 to 1996, she was Vice President of Merchandising for Ann Taylor. Prior to joining ANN, Ms. Krill held various management positions at several retailers including The Talbots, Inc. and Hartmarx Corporation.

Qualifications:

The Board selected Ms. Krill to serve as a director based on her experience as the chief executive officer and board member of a specialty retailer, and her extensive experience in the apparel industry.

MARC LASRY

Age: 58

Director Since: 2017

Committees:

Compensation

Background:

MARC LASRY re-joined our Board in June 2017, having previously served as a member of the Board from February 2004 until October 2006. Since 1995, Mr. Lasry has served as Chairman, Chief Executive Officer and Co-Founder of Avenue Capital Group, a global investment firm that focuses on private and public debt, equity and real estate markets in the U.S., Europe and Asia. Prior to founding Avenue Capital Group, Mr. Lasry co-founded Amroc Investments, LLC in association with the Robert M. Bass

Group and managed capital for Amroc Investments, L.P. (predecessor to Amroc Investments, LLC), a distressed debt investment firm. Prior to that, Mr. Lasry was Co-Director of the Bankruptcy and Corporate Reorganization Department at Cowen & Company. Mr. Lasry also served as Director of the Private Debt Department at Smith Vasiliou Management Company. Mr. Lasry clerked for the Honorable Edward Ryan, former Chief Bankruptcy Judge of the Southern District of New York. Mr. Lasry is currently a member of the Council on Foreign Relations, and also serves on the board of directors of Boulevard Acquisition Corp. II and AgroFresh Solutions, Inc. He has served on the boards of advisors or directors of both for-profit and not-for-profit public and private companies, including the Mount Sinai School of Medicine, 92nd Street Y, the Clinton Global Initiative and the Global Endowment Management.

Qualifications:

The Board selected Mr. Lasry to serve as a director based on his extensive capital allocation and investment experience with public and private companies.

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PROPOSAL ONE ELECTION OF DIRECTORS

STACEY RAUCH

Age: 59

Director Since: 2017

Committees:

Audit

Background:

STACEY RAUCH has served as the non-executive Chairman of the board of directors of Fiesta Restaurant Group, Inc. since February 2017, as a director of Fiesta Restaurant Group since 2012, Chair of Fiesta Restaurant Group s Corporate Governance & Nominating Committee, and as a member of its Compensation Committee. Ms. Rauch is a Director (Senior Partner) Emeritus of McKinsey & Company, from which she retired in September 2010. Ms. Rauch was a leader in McKinsey s Retail and Consumer Goods Practices, served as the head of the North American Retail and Apparel Practice, and acted as the Global Retail Practice Convener. A 24-year veteran of McKinsey, Ms. Rauch led engagements for a wide range of retailers, apparel wholesalers and consumer goods manufacturers in the U.S. and internationally. Her areas of expertise include strategy, organization, marketing, merchandising, omnichannel management, global expansion and retail store operations. Ms. Rauch was a co-founder of McKinsey s New Jersey office, and was the first woman at McKinsey appointed as an industry practice leader. Prior to joining McKinsey, Ms. Rauch spent five years in product management for the General Foods Corporation. Ms. Rauch is also a non-executive director of Land Securities Group, PLC, the UK s largest commercial property company, where she sits on its Audit and Nomination Committees. Previously, Ms. Rauch served on the board of directors of CEB, Inc., a leading member-based advisory company, ANN (which was acquired by the Company in August 2015), and Tops Holding Corporation, the parent company of Tops Markets LLC, a U.S. grocery retailer.

Qualifications:

The Board selected Ms. Rauch to serve as a director based on her extensive background in business strategy, marketing, merchandising and operations in the retail industry.

Compensation and Stock Incentive Committee Interlocks and Insider Participation

During fiscal 2017, Carl Rubin, Randy L. Pearce and Linda Yaccarino served as members of our Compensation Committee. No member of the Compensation and Stock Incentive Committee (referred to as our Compensation Committee) was an officer or employee of the Company during fiscal 2017 or was formerly an officer or employee of the Company. No executive officer of the Company served during fiscal 2017 as a director or member of a compensation committee of any entity at which any of its executive officers served on the Board or the Compensation Committee of the Company. Marc Lasry became a member of the Compensation Committee in early fiscal 2018.

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QUESTIONS AND ANSWERS ABOUT OUR BOARD AND CORPORATE GOVERNANCE MATTERS

What is the makeup of the Board and how often are members elected?

Our Board currently has ten members, divided into three classes, each with a staggered three-year term of office. Three directors, David Jaffe, Kate Buggeln and Carl Rubin, whose terms are expiring as of the date of the Annual Meeting, shall stand for election this year. The Company s Co-Founder, Mr. Elliot S. Jaffe, retired as Non-Executive Chairman of the Board, member of the Board and as an officer of the Company at the end of our 2016 Annual Meeting of Stockholders held on December 8, 2016.

How often did the Board meet in fiscal 2017?

The Board met four times during fiscal 2017 and otherwise accomplished its business through the work of the committees described below. During fiscal 2017, each incumbent director attended at least 75% of the meetings of the Board and of the standing committees of which he or she was a member during his or her tenure.

Do the non-management directors meet in regularly scheduled executive sessions?

Yes. The non-management members of our Board meet in regularly scheduled executive sessions without any members of management present.

Does the Company have any formal policies or requirements concerning Board Leadership?

We do not have a formal policy regarding the separation of our Chairman of the Board (Chairman) and Chief Executive Officer (CEO) positions. Following Elliot S. Jaffe s retirement as Non-Executive Chairman, member of the Board and as an officer of the Company, on December 8, 2016 the Board announced the appointment of David Jaffe, our Chief Executive Officer, as Chairman. We believe this leadership structure benefits our Company, as a combined Chairman/CEO role helps provide strong, unified leadership for our management team and Board.

The Company also believes that strong, independent Board leadership is a critical aspect of effective corporate governance. Accordingly, in March 2015, the Board appointed Mr. Pearce to serve as the Company s Lead Independent Director. As specified in our Corporate Governance Guidelines, the responsibilities of the Lead Independent Director are as follows:

- consult with the Chairman as to an appropriate schedule of Board meetings;
- consult with the Chairman regarding and approve the information, agenda and schedules of the meetings of the Board;

- call meetings of the independent directors, as appropriate;
- serve as chairman of the executive sessions of the independent directors;
- serve as liaison between the independent directors and the Chairman and between the independent directors and senior management;
- ensure that independent directors have adequate opportunities to meet and discuss issues in sessions of the independent directors without management present;
- chair the meetings of the Board when the Chairman is not present;
- recommend to the Board the retention of advisors and consultants who report directly to the Board; and
- respond to questions and comments from major stockholders that are directed to the Lead Independent Director or to the independent directors as a group, with such consultation with the Chairman and other directors, as may be appropriate.

We believe that a single leader serving as Chairman and Chief Executive Officer, together with a Lead Independent Director, is the best governance model for our Company and our stockholders at this time.

How does the Board determine which directors are independent?

Our Board determines whether an individual director satisfies all of the independence standards of the SEC and the NASDAQ Global Select Market, as such standards may be amended from time to time, and also that the director has no material relationship with us (either directly or as a partner, stockholder or officer of any entity) that would be inconsistent with a finding of independence.

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QUESTIONS AND ANSWERS ABOUT OUR BOARD AND CORPORATE GOVERNANCE MATTERS

Which directors have been designated as independent?

The Board affirmatively determined that Katie J. Bayne, Kate Buggeln, Marc Lasry, Randy L. Pearce, Stacey Rauch, Carl Rubin and Linda Yaccarino are independent, as defined under Rule 5605(a)(2) of The NASDAQ Stock Market.

What are the standing committees of the Board?

Our Board has three standing committees: the Audit Committee, the Leadership and Corporate Governance Committee (formerly known as the Nominating and Corporate Governance Committee) and the Compensation and Stock Incentive Committee (referred to as our Compensation Committee).

Who are the current members of the standing committees?

	Audit Committee	Leadership and Corporate Governance Committee	Compensation Committee
Katie J. Bayne			
Kate Buggeln			
David Jaffe			
Steven L. Kirshenbaum			
Kay Krill			

Marc Lasry	
Randy L. Pearce	L
Stacey Rauch	
Carl Rubin	
Linda Yaccarino	

Chairperson Member Financial Expert L Lead Independent Director

Are all of the members of the standing committees independent?

Yes. The Board has determined that the members of each of the standing committees are independent pursuant to applicable SEC and NASDAQ Stock Market rules.

Do all of the standing committees operate under a written charter?

Yes. The charters of each of the standing committees are posted on the for investors page of the Company s website at www.ascenaretail.com, accessible through the Investor Relations Menu.

What are the functions of the standing committees?

Audit Committee

It is the responsibility of the Audit Committee to assist the Board in its oversight of our financial accounting and reporting practices. The duties of the Audit Committee include: (i) monitoring our financial reporting process and system of internal controls; (ii) selecting our independent registered public accounting firm; (iii) monitoring the independence and performance of our independent registered public accounting firm and internal auditing function; and (iv) providing an avenue of communication among the independent registered public accounting firm, management, the internal auditing functions and the Board. The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to our independent registered public accounting firm as well as our internal auditors. The Audit Committee has the ability to retain, at our expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties. The Audit Committee also prepared the Audit Committee Report for inclusion in the proxy statement. See Audit Committee Report. The Board has determined that all members of the Audit Committee are independent, as required by the Securities Exchange Act of 1934, as amended (the Exchange Act), and the listing standards of The NASDAQ Stock Market and meet the financial sophistication requirement within the meanings of The NASDAQ Stock Market rules, and has also determined that Mr. Pearce qualifies as an audit committee financial expert, as defined in Item 407(d)(5) of Regulation S-K.

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QUESTIONS AND ANSWERS ABOUT OUR BOARD AND CORPORATE GOVERNANCE MATTERS

Leadership and Corporate Governance Committee

The function of the Leadership and Corporate Governance Committee is to assist the Board by (i) identifying qualified individuals to become Board members, and recommending for selection by the Board the director nominees to stand for election at the next annual meeting of the Company s stockholders, (ii) recommending the composition of the Board and its committees, (iii) reviewing and recommending changes to the Board, as may be required, with respect to the Company s Corporate Governance Guidelines and the corporate governance policies and practices of the Company, (iv) leading the Board in its annual review of the Board s performance, (v) reviewing the succession planning recommendations for certain of the Company s senior officers, and (vi) advising the Board regarding diversity and inclusion matters.

The responsibilities and duties of the Leadership and Corporate Governance Committee also include advising the Board with respect to the charters, structure and operations of the various committees of the Board and qualifications for membership thereon, including any independence standards for committee membership. The Leadership and Corporate Governance Committee also makes recommendations to the Board regarding which directors should serve on the various committees of the Board.

The Leadership and Corporate Governance Committee utilizes a variety of methods for identifying and evaluating director candidates. Candidates may come to the attention of the Leadership and Corporate Governance Committee through current directors, members of management, stockholders or other persons. From time to time, the Leadership and Corporate Governance Committee may also engage a search firm to assist in identifying potential Board candidates, although no such firm was used to identify any of the director nominees proposed for election at the Annual Meeting. Once the Leadership and Corporate Governance Committee has identified a prospective nominee, the Leadership and Corporate Governance Committee evaluates the prospective nominee against the standards and qualifications set out in the Leadership and Corporate Governance Committee s charter and the Company s Corporate Governance Guidelines, including the individual s potential contributions in providing advice and guidance to the Board and management. The Leadership and Corporate Governance Committee seeks to identify nominees who possess a wide range of experience, skills, areas of expertise, knowledge and business judgment. The Leadership and Corporate Governance Committee evaluates all candidates for director, regardless of the person or firm recommending such candidate. In considering director nominees to stand for election or to fill any vacancy, the Leadership and Corporate Governance Committee and the Board take into account, in addition to such other factors as they deem relevant, such factors as the desirability of selecting directors who are accomplished in their respective fields, with superior credentials and reputation, are believed to have (i) relevant expertise and experience upon the basis of which such person could offer advice and guidance to management and (ii) sufficient time available to devote to the affairs of the Company, are believed to be able to work with the other members of the Board, are believed to be able to represent the long-term interests of the Company s stockholders as a whole, and are selected with a view to the Board being diverse and representing a range of backgrounds and experience. The Leadership and Corporate Governance Committee and the Board also consider all applicable legal and regulatory requirements, as well as any requirements under the Company s Second Amended and Restated Certificate of Incorporation, as amended, and by-laws that govern the composition of the Board as from time to time in effect.

The Board, with the advice and recommendation of the Leadership and Corporate Governance Committee, determines the total number of directors and selects nominees with a view to maintaining a Board that is strong in its collective knowledge and has a diversity of not only skills and experience, but also diversity in gender, culture and geography. The Board and Leadership and Corporate Governance Committee assess the effectiveness of the Company s diversity policies by reviewing the nominees for director to determine if such nominees satisfy the Company s then-current needs.

The Board, the Leadership and Corporate Governance Committee and the Company are committed to diversity and inclusion and recognize the benefits diversity and inclusion can contribute to achieving the Company s goals. Accordingly, the Leadership and Corporate Governance Committee is responsible for advising the Board regarding diversity and inclusion matters in an effort to promote, foster and nurture a diverse and inclusive workforce, culture and provision of services at the Company.

Corporate Governance Guidelines

The Board has adopted Corporate Governance Guidelines, a copy of which is posted on the for investors page of the Company s website at www.ascenaretail.com, accessible through the Investor Relations menu. The Leadership and Corporate Governance Committee assists the Board in carrying out the Corporate Governance Guidelines, monitors the compliance by the Board and its committees with the Corporate Governance Guidelines, and, from time to time as it deems appropriate, reviews and reassesses the adequacy of the Corporate Governance Guidelines and recommends any proposed revisions to the Corporate Governance Guidelines to the Board for approval. The Corporate Governance Guidelines address topics such as (i) Board size, (ii) Board meetings and agendas, (iii) committees, (iv) Board leadership structure, (v) lead independent director, (vi) executive sessions of independent directors, (vii) director qualifications and attributes, (viii) director independence, (ix) director selection, (x) majority approval vote in uncontested director elections, (xi) director orientation, (xii) director access to officers and employees, (xiii) director responsibilities, (xiv) changes in directors principal occupation, position or responsibility, (xv) outside directorships, (xvi) stockholder communications with the Board, (xvii) consideration of director candidates nominated by stockholders, (xviii) director compensation, (xix) restrictions on hedging and pledging transactions, (xx) annual evaluation of the Company s chief executive officer and succession planning, and (xxi) annual evaluation of the Board.

Compensation Committee

The function of the Compensation Committee is to assist the Board by: (i) evaluating and determining all matters relating to the compensation (including base salary, incentive compensation and equity-based awards) of our Chairman and CEO, our other executive officers (including the named executive officers) and certain other key executives and employees; (ii) administering and functioning as the committee that is authorized to grant stock options, restricted stock and/or restricted stock units (RSUs) and other equity-based and incentive awards to executive officers and such other key executives and employees as the Compensation Committee shall determine under our stock and cash incentive plans, including the 2016 Omnibus Incentive Plan, amended and restated effective December 10, 2015 (formerly known as the 2010 Stock Incentive Plan) (the Omnibus Incentive Plan) and as the committee authorized to grant awards under other incentive plans applicable to the executive officers of the Company as in effect from time to time; and (iii) reviewing and reporting to the Board on such other matters as may be appropriately delegated by the Board for the Compensation Committee s consideration.

The Compensation Committee has sole authority to retain and obtain the advice of compensation consultants, outside legal counsel and other advisers, each referred to herein as an Adviser, to assist it with the execution of its duties and responsibilities. The Compensation Committee has the authority to set the compensation and other terms and conditions and oversee the work of the Advisers, to receive appropriate funding from the Company for the payment of compensation to the Advisers and to terminate the services of an Adviser. In selecting Advisers, the Committee will take into account factors it considers appropriate or as may be required by law, regulation or under the NASDAQ listing standards.

Since 2010, Radford Consulting, a separate business unit of Aon Consulting and a separate division of Aon Hewitt Corporation (Radford), an independent compensation consultant, has met regularly with the Compensation Committee and provides it with advice regarding the design and implementation of our executive compensation program. Radford s support during fiscal 2017 included a number of topics, including pay levels and design as well as our ongoing alignment with our compensation philosophy. Management did not specifically recommend Radford, and Radford and its affiliates do not provide any services other than executive compensation consulting services to the Company. The Compensation Committee has determined that Radford does not have any conflict of interest in its dealings with the Compensation Committee (or the Company). The Compensation Committee made this determination, in part, by reviewing and considering the factors set out by the applicable SEC rules and NASDAQ listing standards addressing compensation advisor conflicts of interest.

In providing its services to the Compensation Committee, with the Compensation Committee s knowledge, Radford contacted the Company s management from time to time to obtain data and other information from the Company and worked together with management and its advisor in the development of proposals and alternatives for the Compensation Committee to review and consider.

The Compensation Committee intends to regularly evaluate the nature and scope of the services provided by Radford. In order to ensure that Radford is independent, Radford is only engaged by, takes direction from, and reports to the Compensation Committee and, accordingly, only the Compensation Committee has the right to terminate or replace Radford at any time.

Management has retained Korn Ferry Hay Group, Inc. (Hay Group) as their compensation consultant. Hay Group and its affiliates do not provide services other than compensation consulting services to the Company. Hay Group participated in Compensation Committee meetings throughout fiscal 2017 to provide retail executive compensation knowledge and expertise and participated in discussions regarding executive compensation, the peer group selection process and executive compensation trends, among other activities. The Compensation Committee has determined that Hay Group does not have any conflict of interest in its dealings with management, the Compensation Committee or the Company. This determination was made, in part, by reviewing and considering the factors set out by the applicable SEC rules and NASDAQ listing standards addressing compensation advisor conflicts of interest.

How many times did each standing committee meet in fiscal 2017?

During fiscal 2017, the Audit Committee met nine times, the Compensation Committee met eight times and the Leadership and Corporate Governance Committee met four times.

QUESTIONS AND ANSWERS ABOUT OUR BOARD AND CORPORATE GOVERNANCE MATTERS

What is the Board s role in the risk oversight process?

It is management s responsibility to manage risk and bring to the Board s attention risks that are material to the Company. The Board exercises its oversight of the Company s risks through regular reports to the Board from David Jaffe, in his role as Chairman and CEO, and other members of senior management on areas of material risk, actions and strategies to mitigate those risks and the effectiveness of those actions and strategies. The Board also administers its risk oversight function through its Audit and Compensation Committees.

The Audit Committee discusses with management the Company s policies with respect to risk assessment and risk management, including the Company s major financial risk exposures and the steps management has taken to monitor and control those risks. Members of senior management with responsibility for oversight of particular risks report to the Audit Committee periodically throughout the year. The Company s chief internal audit executive annually prepares a comprehensive risk assessment report which identifies the material business risks (including strategic, operational, financial reporting and compliance risks) for the Company as a whole, as well as for each business unit, and identifies the controls that address and mitigate those risks. The chief internal audit executive reviews that report with the Audit Committee each year. The Audit Committee reports to the full Board annually, or more frequently as required, on its review of the Company s risk management.

The Compensation Committee establishes our executive compensation programs in a balanced and diversified manner while also creating significant, yet appropriate, incentives for strong performance based on our business and strategic plan. In most cases, each component of our performance-based compensation program is subject to a limit on the cash paid or the number of shares delivered. We believe that our compensation programs reflect a balance of short-term, long-term, guaranteed and performance-based compensation in order not to encourage excessive risk-taking. A significant portion of our compensation program includes performance-based compensation with multi-year performance targets and vesting. We believe that this helps to ensure that our NEOs and other employees focus on the health of our business and the success of broad performance metrics that will deliver stockholder value over time and discourages excess risk-taking by our NEOs and other employees. The Compensation Committee also evaluates on a regular basis our overall mix of equity-based incentive awards relative to cash-based incentive awards to align our executive s incentives with stockholder interests and long-term value.

How does the Board evaluate director candidates recommended by stockholders?

The Leadership and Corporate Governance Committee does not evaluate stockholder nominees differently than any other nominee. Pursuant to policies set forth in our Leadership and Corporate Governance Committee Charter and Corporate Governance Guidelines, our Leadership and Corporate Governance Committee will consider stockholder nominations for directors if we receive timely written notice, in proper form, of the intent to make a nomination at a meeting of stockholders. To be timely for the 2018 Annual Meeting, the notice must be received within the time frame discussed above under the heading *How do stockholders submit proposals for the Company s 2018 Annual Meeting of Stockholders?* To be in proper form, the notice must, among other things, include each nominee s written consent to be named as a nominee and to serve as a director if elected, the number of shares held of record and beneficially owned by the nominee, and any other information relating to the nominee that is required to be disclosed in solicitations of proxies for the election of directors, or is otherwise required pursuant to Regulation 14A under the Exchange Act.

QUESTIONS AND ANSWERS ABOUT OUR BOARD AND CORPORATE GOVERNANCE MATTERS

How are directors compensated?

Cash Compensation

For fiscal 2017, we paid our non-employee Board members as follows:

	Fee
An annual fee	$ 80,000
Annual fees to each committee member (excluding committee chairs) are as follows:	
Audit Committee	$ 15,000
Compensation Committee	$ 12,500
Leadership and Corporate Governance Committee	$ 10,000
Annual fees to the committee chairs and lead independent director are as follows:	
Audit Committee Chair	$ 25,000
Compensation Committee Chair	$ 20,000
Leadership and Corporate Governance Committee Chair	$ 15,000
Lead Independent Director	$ 30,000

The Board, in consultation with the Company s compensation consultant, analyzes the Company s Board compensation in comparison to its peer group, and determines on an annual basis whether to adjust Board compensation.

Equity Compensation

The Company generally makes equity grants of restricted stock units (RSUs) on an annual cycle in September, which vest on the one-year anniversary of the grant date. The following RSU grants were made to our non-employee directors in fiscal 2017:

Director	Number of Restricted Stock Units Granted[1]
Katie Bayne	16,010
Kate Buggeln	16,010
Elliot Jaffe	16,010
Steven Kirshenbaum	28,353
Katherine Krill	16,010
Marc Lasry	17,857
Randy Pearce	16,010

Stacey Rauch	17,857
Carl Rubin	28,353
Linda Yaccarino	12,859

(1) In addition to the annual grant of 16,010 RSUs made in September 2016, both Messrs. Kirshenbaum and Rubin received a second grant of RSUs in December 2016 in recognition of their service as directors in fiscal 2016. Neither Mr. Kirshenbaum nor Mr. Rubin received RSUs during fiscal 2016. The RSUs granted to Mr. Lasry and Ms. Rauch were awarded in June 2017 in connection with their appointment to the Board at that time. The RSUs to Ms. Yaccarino were granted in December 2016 in connection with her October 2016 appointment to the Board. All of these RSUs vest one year from the grant date.

David Jaffe, our Chairman and CEO, does not receive any additional cash or equity compensation for his service as a director. Compensation paid to Mr. Jaffe for his service as an executive officer during fiscal 2017 is reflected in the Summary Compensation Table in the Compensation and Discussion Analysis.

For fiscal 2017, total compensation for our non-employee Board members was in line with our target total compensation objective to be within or about the 62nd percentile of the peer group utilized in determining the compensation of our named executive officers. The peer group is identified under Peer Group in the Compensation Discussion and Analysis.

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FISCAL 2017 DIRECTOR COMPENSATION TABLE

The following table provides each element of non-employee director compensation for fiscal 2017.

Name	Fees Earned or Paid in Cash ($)	RSU Awards ($)(1)	All Other Compensation ($)	Total ($)
Katie Bayne	90,000	94,619		184,619
Kate Buggeln	110,000	94,619		204,619
Elliot Jaffe(2)		94,619	377,956(3)	472,575
Steven Kirshenbaum	80,000	194,721		274,721
Kay Krill	80,000	94,619		174,619
Marc Lasry(4)		32,410		32,410
Randy L. Pearce	147,500	94,619		242,119
Stacey Rauch(5)		32,410		32,410
Carl Rubin	111,250	194,721		305,971
Linda Yaccarino(6)	75,426	104,286		179,712

(1) Reflects the aggregate grant date fair value of RSU awards calculated in accordance with ASC Topic 718. Assumptions used in the valuation of equity based awards are discussed in Stock-Based Compensation in Note 17 to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended July 29, 2017.

(2) Mr. Jaffe retired as Non-Executive Chairman of the Board, member of the Board and as an officer of the Company at the end of our 2016 Annual Meeting of Stockholders held on December 8, 2016.

(3) Mr. Jaffe s other compensation is comprised of base salary of $187,855, Company match to his Supplemental Executive Retirement Plan of $10,934 and payments for supplemental retirement benefits of $179,167.

(4) Mr. Lasry joined the Board effective June 8, 2017.

(5) Ms. Rauch joined the Board effective June 8, 2017.

(6) Ms. Yaccarino joined the Board effective October 11, 2016.

As of July 29, 2017, the aggregate number of RSUs and stock options held by each non-employee director was:

Name	Number of RSUs	Number of Options
Katie Bayne	24,482	
Kate Buggeln	24,239	70,002
Elliot Jaffe	0	
Steven Kirshenbaum	28,353	
Kay Krill	24,482	
Marc Lasry	17,857	
Randy L. Pearce	24,239	70,000
Stacey Rauch	17,857	
Carl Rubin	28,353	
Linda Yaccarino	12,859	

Are directors and executive officers required to own a minimum amount of the Company shares of common stock?

Our Board believes it is important that our non-employee directors and executive officers have, and are recognized both internally and externally as having, long-term financial interests that are aligned with those of our stockholders. In fiscal 2012, pursuant to the recommendation of the

FISCAL 2017 DIRECTOR COMPENSATION TABLE

Compensation Committee, the Board adopted stock ownership guidelines for our CEO and non-employee directors (the Ownership Guidelines). In June 2016, the Ownership Guidelines were amended and restated to, among other things, expand the group of persons subject to the Ownership Guidelines to include all members of our leadership team, including each of the Company s executive officers (other than Elliot S. Jaffe, who retired effective at the end of the 2016 Annual Meeting of Stockholders) and presidents of each of the Company s brands. The Ownership Guidelines with respect to our CEO became effective in September 2011, with respect to our non-employee directors, became effective on December 7, 2011, and with respect to all such other members of Company leadership, became effective on June 2, 2016. See Executive Compensation Compensation Discussion and Analysis Stock Ownership Guidelines for Executive Officers below for a discussion of the Ownership Guidelines as amended and restated, with regard to our CEO and all such other members of Company leadership.

Under the Ownership Guidelines, non-employee directors are required to hold (determined annually as of the last day of the prior fiscal year) three times their annual cash retainer (currently $80,000 per annum, for a total of $240,000).

The Ownership Guidelines authorize a transition period for non-employee directors to achieve the three-time ownership level of five years from the later of December 7, 2011 and the date the director commences service on our Board. Ownership includes: (i) shares of our stock acquired on the open market or purchased through the exercise of stock options or settlement of any other type of equity award (such as restricted stock, RSUs, deferred stock or a deferred stock unit); (ii) vested equity awards (other than stock options or stock appreciation awards); (iii) vested shares of our stock allocated under any tax-qualified plan (although non-employee directors may not participate in the 401(k) plans, if a director previously was an employee and participated in the plan, such shares would count as owned); and (iv) unvested RSUs (but excluding unvested performance-based equity awards). Shares held individually or jointly or by a family member (as defined in the securities laws which would include certain trusts, family partnerships and foundations) would count as owned by the non-employee director. Stock option awards do not count towards the stock ownership requirement. The Ownership Guidelines, as amended and restated, are posted on the for investors page of the Company s website at www.ascenaretail.com, accessible through the Investor Relations Menu.

Does the Company maintain Indemnification Agreements with the members of the Board and Executive Officers?

Yes, the Company has entered into indemnification agreements (collectively, the Indemnification Agreements) with each of the members of the Board. Ascena also entered into Indemnification Agreements with Brian Lynch, President and Chief Operating Officer (COO), Robb Giammatteo, Executive Vice President and Chief Financial Officer (CFO), John Pershing, Executive Vice President, Chief Human Resources Officer (CHRO), and Duane D. Holloway, Executive Vice President, General Counsel and Assistant Secretary. The Indemnification Agreements supplement the Company s Second Amended and Restated Certificate of Incorporation, as amended, and by-laws and Delaware law in providing certain indemnification rights to these individuals. The Indemnification Agreements provide, among other things, that we will indemnify these individuals to the fullest extent permitted by Delaware law and to any greater extent that Delaware law may in the future permit, including the advancement of attorneys fees and other expenses incurred by such individuals in connection with any threatened, pending or completed action, suit or other proceeding, whether of a civil, criminal, administrative, regulatory, legislative or investigative nature, relating to any occurrence or event before or after the date of the Indemnification Agreements, by reason of the fact that such individuals are or were our directors or officers, subject to certain exclusions and procedures set forth in the Indemnification Agreements.

Do you have a written Code of Ethics?

Yes, our Code of Ethics for Senior Financial Officers is posted on the for investors page of the Company s website at www.ascenaretail.com, accessible through the Investor Relations Menu. This code complies with the requirements of the Sarbanes-Oxley Act of 2002 pertaining to codes of ethics for chief executives and senior financial and accounting officers. If we amend or waive a provision of our Code of Ethics for Senior Financial Officers that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, we will post such information at this location on our website. A copy of the code of ethics will be provided to any stockholder upon request.

Do you have a Whistleblower Policy?

Yes, as required by the Sarbanes-Oxley Act of 2002, we have established a confidential hotline for employees to call with any information regarding concerns about accounting or auditing matters. All calls are referred to the Chair of the Audit Committee. Our Whistleblower Policy is posted on the for investors page of the Company s website at www.ascenaretail.com, accessible through the Investor Relations Menu.

FISCAL 2017 DIRECTOR COMPENSATION TABLE

How can I communicate with members of the Board?

You may contact any member of the Board by writing to our Board at:

Ascena s Board of Directors

c/o Chair of the Audit Committee

Ascena Retail Group, Inc.

933 MacArthur Boulevard

Mahwah, New Jersey 07430

To the extent reasonably practical under the circumstances, all such communications are treated confidentially and you can remain anonymous when communicating your concerns.

When does your fiscal year end?

Historically, our fiscal years have ended on the last Saturday in July. However, commencing with our 2018 fiscal year (i.e., the fiscal year commencing on July 30, 2017), such fiscal year will end on August 4, 2018 when the Company conforms its fiscal period end to the calendar of the National Retail Federation. References in this proxy statement to a fiscal year are to the calendar year in which the fiscal year ends. For example, the fiscal year ended July 29, 2017 is referred to as fiscal 2017 and the fiscal year ended August 4, 2018 is referred to as fiscal 2018.

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EXECUTIVE COMPENSATION   COMPENSATION DISCUSSION AND ANALYSIS

OVERVIEW

This Compensation Discussion and Analysis describes the compensation philosophy, objectives, policies and practices with respect to our named executive officers (the NEOs). The NEOs for fiscal 2017 are comprised of our principal executive officer, principal financial officer and three other most highly compensated officers for fiscal year 2017 as follows:

David Jaffe,

Chairman and

Chief Executive Officer (CEO)

Robb Giammatteo,

EVP and

Chief Financial Officer (CFO)

Brian Lynch,

President and

Chief Operating Officer (COO)

John Pershing,

EVP and

Chief Human Resources Officer (CHRO)

Duane D. Holloway,

EVP, General Counsel and

Assistant Secretary

On August 1, 2017 and effective for fiscal 2018, the Company announced changes to its leadership structure which included the expansion of the role of Brian Lynch as the Company s President and COO, and the promotion of Gary Muto to a newly created role of President and Chief Executive Officer of ascena Brands. In connection with these changes, David Jaffe continued in his role as the Company s Chairman and CEO, but is no longer serving as President.

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EXECUTIVE COMPENSATION COMPENSATION DISCUSSION AND ANALYSIS

EXECUTIVE SUMMARY

Fiscal 2017 Company Performance and Transformation Initiatives

Fiscal 2017 represented another challenging year for the retail industry. We, along with many of our peers, were impacted by continuing high levels of competition as well as lower store traffic. Key operating results in fiscal 2017 included:

- Net sales decreased by 5%; and
- Operating loss was $1.3 billion compared to operating income of $93.8 million for fiscal 2016, with the loss primarily due to the impairment of goodwill and other intangible assets.

Despite these challenges during the year, we believe we made great strides in setting the stage for future success through the launch in October 2016 of our Change for Growth initiative, a transformation program with the objective of supporting sustainable long-term growth and increasing stockholder value. In connection with the program, we:

- Refined our operating model by creating the Premium Fashion, Value Fashion, Plus Fashion and Kids Fashion operating segments and streamlining our executive organization structure;
- Further consolidated certain support functions into our ascena brand services group;
- Began outsourcing certain transaction processing functions to an independent third-party managed service provider; and
- Conducted a review of our stores in an effort to optimize our fleet and increase the overall profitability of our locations.

From these activities, we realized savings of approximately $65 million during fiscal 2017 and expect to realize a total of $250-$300 million in cost savings through fiscal 2020.

Also during fiscal 2017, we spent approximately $258 million in capital expenditures, which included both routine spending in connection with ongoing investments in our retail store network, construction and renovation of our existing fleet of retail stores as well as spending for non-routine capital investments to enhance our technology and supply chain infrastructure (including our distribution and fulfillment centers).

In fiscal 2017, we continued to invest in initiatives that support our omni-channel strategies. We completed the transition of all brands onto our new ecommerce/omni-channel platform. Additionally, the Company s new distribution center in Riverside, California commenced West Coast brick-and-mortar distributions this past spring. The Company s distribution centers in Etna, Ohio and Riverside, California, and its fulfillment center in Greencastle, Indiana, are expected to enhance our fulfillment capability and distribution efficiency.

We believe that ongoing challenges in the retail industry environment underscore the importance for the Company to continue to execute against these strategic initiatives, and our executive team is committed to the ongoing success of our business transformation.

Key Fiscal 2017 Executive Compensation Outcomes

We believe the executive compensation-related decisions made during the year and the outcomes of our programs highlight our ongoing focus on driving pay-for-performance and aligning our executives interests with those of our stockholders, and are reflective of the challenging year we experienced. In fiscal 2017:

- Our CEO, CFO, and CHRO did not receive increases to their base salaries. Increases were provided to our General Counsel and COO in recognition of increased responsibility through the year and to maintain alignment with our compensation philosophy;

- As a result of Operating Income performance that did not achieve threshold levels established by the Compensation Committee, none of our NEOs received payouts under our seasonal incentive compensation program;

- In recognition of their substantial effort and leadership through the year and the importance of retention and motivation with respect to achieving our Change for Growth initiatives, the Compensation Committee approved fiscal 2017 discretionary bonus payouts for our CFO, CHRO, and General Counsel (but excluding our CEO and President and COO), which equaled 27% of their respective annual bonus target opportunity;

- The Compensation Committee applied negative discretion to formulaically calculated payouts under our performance-based long-term incentive program, resulting in zero value being distributed for the vesting of these units;

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EXECUTIVE COMPENSATION COMPENSATION DISCUSSION AND ANALYSIS

NEOs were granted long-term incentive opportunities in fiscal 2017 in the form of:

- Performance-based LTIP which will vest after 3 years based on our Net Income and relative Total Stockholder Return performance (60% weighted)
- Time-vesting stock options which vest over a 3-year period (20% weighted)
- Time-vesting RSUs which vest over a 3-year period (20% weighted)

To increase the alignment of our executives with the goals of the Change for Growth program, a transformation bonus opportunity was introduced for our NEOs (excluding the CEO) which provides long-term compensation opportunity if our cost reduction targets are achieved through fiscal 2021.

COMPENSATION PROGRAM OBJECTIVES AND PHILOSOPHY

The overall objective of our executive compensation program is to attract and retain highly skilled, performance-oriented executives and to motivate them to achieve outstanding results through appropriate incentives. We focus on the following core principles in structuring an effective compensation program that meets our stated objectives:

PRINCIPLE	IMPACT
Provide market-competitive opportunities to attract and retain key talent	Provide our organization with the necessary tools to attract and retain the best talent by offering total compensation that is competitive with that offered by similarly-situated companies with which we compete for executive talent We target salary compensation for our senior management positions for the Company and our brands at approximately the 62nd percentile of the national retail market to allow us to aggressively court and retain talent
Encourage and reward performance at the individual,	Balance all aspects of an executive s responsibilities: base salary for day-to-day responsibilities; cash incentive bonus for shorter-term returns linked

brand and corporate levels	to semi-annual Company performance; and long-term incentive awards for aligning the executives focus with stockholder value and the long-term, future performance of the Company Ensure that a significant portion of the total compensation for our executives is at risk based on Company performance
Align executives interests with those of stockholders	Provide stock-related components that are dependent on the performance of our stock price over a period of several years Provide performance-based long-term incentives that promote retention and a longer-term performance focus

With respect to the total direct compensation paid to our NEOs, the Compensation Committee, with the recommendations and advice of its independent compensation consultant, Radford, utilizes and reviews data from peer companies and survey data for the purposes of benchmarking key positions within the organization, prepared by Hay Group, Mercer and Equilar. Although we consider industry-based compensation studies and data in order to obtain a general understanding of current compensation practices, a substantial part of the Compensation Committee s work and compensation decisions have been based on internal discussions and conclusions regarding what compensation levels would produce a competitive compensation package while also providing the requisite performance incentives to drive Company financial and strategic performance.

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EXECUTIVE COMPENSATION   COMPENSATION DISCUSSION AND ANALYSIS

KEY FEATURES OF THE EXECUTIVE COMPENSATION PROGRAM

The Compensation Committee reviews on an ongoing basis our executive compensation and benefits programs to evaluate whether these programs support the Company s compensation philosophy and objectives and serve the interests of our stockholders. The Company s practices include the following, each of which the Compensation Committee believes reinforces our executive compensation philosophy and objectives:

What We Do:

Linkage Between Performance Measures and Long-Term Growth   Our executive compensation program is designed to attract and retain talent with an emphasis on pay-for-performance and creating long-term growth.

Performance-Based Long-Term Incentive Awards   For the three-year period beginning in fiscal 2017, metrics for performance-based long-term incentive (LTIP) awards are tied to net income (50%) and total shareholder return (TSR) relative to a select index of retailers (50%). These actions are intended to further align senior management compensation with stockholder returns.

Market Comparison of Executive Compensation Against a Relevant Peer Group   The Compensation Committee annually reviews benchmarking data provided by consulting partners and Company management.

Double Trigger Vesting in the Event of a Change in Control   In the event of a change in control, cash severance benefits are predominantly payable or vest upon a double trigger for our executive officers (i.e., upon an involuntary termination that occurs within 2 years following a change in control), and there are no walk rights following a change in control (i.e., the ability for executives to receive change in control-related payments without the loss of their job or substantial diminution of job duties).

Independent Compensation Consultant The Compensation Committee retains its own compensation consultant to review and advise on the Company s executive compensation program and practices.

Maximum Payout Caps for Executive Officer Incentive Compensation Programs Payouts under our short-term and long-term incentive compensation vehicles are capped at 200% of target.

Share Ownership Guidelines Our Chief Executive Officer is required to hold 6x his base salary, and our other executive officers and brand presidents are required to hold 1x their base salaries, each to be achieved within five years of the adoption of the guidelines or, if later, promotion or hire.

Hedging/Pledging Policy None of our executive officers or non-employee directors are permitted to engage in hedging or pledging transactions with respect to our stock.

What We Don t Do:

No Guaranteed Salary Increases or Guaranteed Bonuses

No Change in Control or Perquisite Tax Gross-Ups

No Employment Agreements (except with our CEO, which agreement terminated in August 2017)

No Significant Executive Perquisites

No Excessive Severance Benefits
No Service-Based Defined Benefit Pension Plan or Other Similar Benefits
No Repricing of Underwater Stock Options Without Stockholder Approval
No Executive Officer is Entitled to Termination Bonus in Excess of Market Standard

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KEY ELEMENTS OF OUR EXECUTIVE COMPENSATION PROGRAM

Our executive compensation program is designed to attract and retain quality leaders with an emphasis on pay-for-performance and creating long-term sustainable and profitable growth. Our compensation program includes significant performance-based elements and is designed to ensure that our NEOs have a significant portion of their total compensation at risk based on Company performance. We believe this feature creates a meaningful incentive for outstanding performance and serves as an effective retention tool. Our annual executive compensation program generally consists of the following elements:

Element	Purpose
Base salary	Provide a fixed component of pay that is aligned with our compensation philosophy and intended to attract and retain executives with the necessary skills and experience to execute on our strategic priorities.
Semi-annual cash incentive bonuses	Provide a bonus opportunity linked to our seasonal Operating Income performance to drive executives focus on our ongoing financial success.
Stock options and restricted stock units	Create an ownership culture among employees, provide an incentive to contribute to the continued growth and development of our business and align the interests of executives with stockholders over a long-term period.
LTIP (Long-Term Incentive Plan)	Focus our executives on the long-term goals and strategic initiatives of the organization and align the interests of executives with stockholders over a long-term period.

FISCAL 2017 PAY MIX & PERFORMANCE FOCUS

The following features of our compensation program for executive officers underscore our performance-based compensation philosophy:

100% of annual incentive compensation (IC) under our fiscal 2017 Annual Incentive Plan was tied to performance against pre-established, specific, measurable operating income goals.

60% of the fiscal 2017 long-term incentive grant was in the form of a three-year performance award with payout contingent on achieving pre-established net income and relative total stockholder return goals.

Our time-based restricted stock units and nonqualified stock option awards together comprise 40% of the fiscal 2017 LTI grant, the realizable value of which are tied to share price.

Approximately 89% of our CEO s total target compensation was tied to the achievement of corporate performance objectives and share price performance.

We allocate compensation between short-term and long-term components and between cash and equity in order to maximize executive performance and retention. Long-term compensation and equity awards comprise an increasingly larger proportion of total compensation for our executives as position level increases based on our belief that these elements of compensation more closely align management s interests with our financial performance and with our stockholders interests.

For fiscal year 2017, the targeted mix of base salary, annual cash incentive bonuses, and long-term incentives for our Chairman and CEO and other NEOs as a group (on average) was:

OPPORTUNITY FOR STOCKHOLDER FEEDBACK

On an annual basis the compensation of our NEOs, as disclosed in our annual proxy statement, is submitted to our stockholders for a non-binding advisory vote (commonly known as a say-on-pay proposal). In response to a significant decline in stockholder support for our say-on-pay vote at our 2015 annual meeting, we initiated significant stockholder outreach in order to obtain input from our stockholders regarding the Company s executive compensation program. During fiscal 2016, we reached out to stockholders representing approximately 56 million shares or nearly 29% of our outstanding shares (consisting of our 11 largest stockholders that voted against our fiscal 2015 executive compensation program) to request meetings to discuss our executive compensation practices and any other topics of interest. In connection with our outreach efforts, we received positive responses from, and held one-on-one conversations with stockholders representing approximately 42 million shares or approximately 55% of our outstanding shares, including our six largest stockholders that voted against our fiscal 2015 executive compensation program. The purpose of these discussions, which included meetings between these stockholders, our CFO and our Lead Independent Director (who is also a member of the Compensation Committee), was to gain insight and perspective on our executive compensation programs and policies as disclosed in our proxy statement for our 2015 Annual Meeting.

During these discussions, the Company shared actions that were being taken by our Compensation Committee in response to stockholders concerns, as well as additional compensation practices that the Company had recently adopted. Each of those actions, described below, including those we implemented with respect to fiscal 2017 was well received by the investors. Overall, we had meaningful discussions and received valuable feedback, as well as appreciation of our outreach efforts, and acknowledgment of our responsiveness. As a result of the changes made to our compensation practices and stockholder engagement, our 2016 say-on-pay proposal was overwhelmingly supported by stockholders with a favorable vote of over 98% of votes cast. The Compensation Committee considered the result of this advisory vote to be an endorsement of our fiscal 2016 compensation program, policies, practices and philosophy for our NEOs. Our Compensation Committee will continue to consider the outcome of our say-on-pay votes and our stockholder views when making compensation decisions for our NEOs.

Changes We Made in Response to Stockholder Feedback
Expanded Disclosure of Performance Metrics in Proxy Statement
Included TSR metric in our LTIP Awards
Adopted a Clawback Policy for Section 16 Officers
Expanded Stock Ownership Guidelines to Cover all Company Leadership
Committed to Ongoing Stockholder Outreach & Engagement

We believe we have addressed many of the topics raised by our stockholders and will continue to solicit feedback to assist in ongoing evaluations of our compensation and governance practices. The Compensation Committee carefully considers feedback from our stockholders regarding executive compensation matters. Stockholders are invited to express their views or concerns directly to the Compensation Committee or the Board in the manner described above under *How can I communicate with members of the Board*.

FREQUENCY OF SAY-ON-PAY VOTE

Consistent with the preference expressed by our stockholders at the 2011 Annual Meeting of Stockholders in our frequency of say-on-pay vote, we currently hold our say-on-pay vote on an annual basis. Our frequency of say-on-pay vote will take place for our stockholders at this year s 2017 Annual Meeting of Stockholders. Our Board recommends that our stockholders vote that frequency of say-on-pay votes be held every year. See Proposal Four Frequency of Ascena s Say-On-Pay Votes on page 63.

DETERMINATION OF COMPENSATION

When reviewing and evaluating our executive compensation for fiscal year 2017, we relied on the significant experience of our Compensation Committee in establishing compensation across many companies in multiple industries, the input of our Chairman and CEO (except with regard to his own compensation) and the independent consultant retained solely by the Compensation Committee. The following is an overview of the roles of the various participants in our executive compensation process:

PARTICIPANTS	ROLE IN THE EXECUTIVE COMPENSATION PROCESS
Compensation Committee	Our Compensation Committee reviews and approves salaries and other compensation of all senior executives of the Company (including the NEOs). Our Compensation Committee also administers the Omnibus Incentive Plan, and establishes and reviews the achievement of performance goals and other matters relating to the Company s annual, semi-annual and long-term bonus and incentive plans for senior executives (including the NEOs).
Executive Officers	Mr. David Jaffe, our Chairman and CEO, annually reviews the performance of each NEO with the Compensation Committee and makes recommendations with respect to each key element of executive compensation for each NEO (excluding himself), as well as other senior executives at the Company. The Chief Financial Officer and Chief Human Resources Officer also prepare and submit information during the course of the year for the consideration of the Compensation Committee, including information relevant to annual, semi-annual and

	long-term performance measures, proposed financial targets, proposed recommendations for salary increases and proposed equity award allocations.
Bonus Review Committee	The Company and brand financial goals under the Omnibus Incentive Plan (which was amended in December 2015 to incorporate the Amended and Restated Executive 162(m) Bonus Plan) are developed by the applicable Bonus Review Committee, which then presents the goals to the Compensation Committee for review and approval. For fiscal 2017, our Chairman and CEO, our CFO, and our CHRO, served as the Bonus Review Committee.
Compensation Consultants	The Compensation Committee engages an independent compensation consultant, Radford, to provide advice regarding our executive compensation program. For more information about the Compensation Committee s engagement of Radford, please see the section above entitled *Questions and Answers About our Board and Corporate Governance Matters What are the Functions of the Standing Committees Compensation Committee.*

PEER GROUP

Each year, the Compensation Committee reviews and confirms the appropriateness of our peer group. The purpose of the peer group is to benchmark and review all forms of total direct compensation for our NEOs. Our guiding principles for selecting and evaluating peer groups include:

The peer group should predominantly be comprised of multi-divisional apparel retail companies with annual revenues generally between one-half and two times those of the Company,

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EXECUTIVE COMPENSATION   COMPENSATION DISCUSSION AND ANALYSIS

- The peer group serves as a reference point when making pay decisions and evaluating performance, particularly for the CEO and the CFO, and
- The peer group should be examined annually to test its validity and appropriateness given any changes to the company s size, business direction, or strategic vision.

The Company uses the proxy peer group for:

- Executive compensation benchmarking,
- Director compensation benchmarking, and
- Incentive design review and consideration of governance factors relative to the market

The following companies served as our peer group for fiscal 2017:

2017 Peer Group	
Abercrombie & Fitch	JC Penney
American Eagle Outfitters	L Brands
Bed Bath & Beyond	Ross Stores
Burlington Coat Factory	Signet Jewelers
Dick s Sporting Goods	Tailored Brands
Foot Locker	Urban Outfitters

Gap	Williams-Sonoma

This peer group is consistent with the group used in fiscal 2016. Following a review of the group in early fiscal 2018, the Committee approved that no changes to this group be made for the fiscal 2018 peer group.

ESTABLISHING THE COMPENSATION FOR THE CEO

The Compensation Committee sets the compensation of our CEO based on the objectives, philosophy and methodology described throughout this document. Each year, the Compensation Committee makes a determination on CEO compensation in consideration of:

- Overall Company performance during the year,
- Mr. Jaffe s performance during the year and ongoing contributions to the Company s success, and
- Competitive pay levels within the Company s peer group.

For fiscal 2017, Mr. Jaffe s compensation opportunity was designed to be aligned with our compensation philosophy, with significant weighting on at risk compensation elements. The compensation he realized during the year was reflective of the challenges the Company faced and is aligned with our strong pay-for-performance focus. Key elements of his fiscal 2017 compensation include:

- Base salary was maintained at $1,000,000; he has not received a base salary increase since fiscal 2013,
- No increases were made to targeted incentive compensation values,
- Mr. Jaffe did not receive any payouts from our annual incentive compensation program for fiscal 2017 nor did he realize any value from the vesting of performance-based long-term incentives,
- The majority (60%) of Mr. Jaffe s fiscal 2017 long-term incentive opportunity was a multi-year, performance-based award tied to net income and total shareholder return goals, and
- Mr. Jaffe also is not eligible to participate in the Transformation Bonus opportunity introduced during fiscal 2017 for our other NEOs (as further described below).

BASE SALARY

The base salaries of our NEOs are an important element of their total compensation packages, and are intended to reflect their respective positions, duties and responsibilities. Each year, the Compensation Committee reviews NEO salaries and approves merit-based increases, if appropriate, based on a number of factors including:

- The market competitiveness of salaries,
- The individual performance and potential of each NEO and
- The overall performance of the organization.

The table below summarizes the annual base salary rates of our NEOs at the end of fiscal years 2016 and 2017. Only Messrs. Lynch and Holloway received compensation increases in fiscal 2017 in recognition of increased responsibility through the year and to maintain alignment with our compensation philosophy. The increase in Mr. Lynch s salary was also due to his promotion to COO in October 2016.

Named Executive Officer	Title	2016 Base	2017 Base	% Increase
David Jaffe	CEO	1,000,000	1,000,000	0.0%
Robb Giammatteo	CFO	500,000	500,000	0.0%
Brian Lynch	President & COO	892,500	950,000	6.4%
John Pershing	CHRO	551,250	551,250	0.0%
Duane D. Holloway	EVP, General Counsel and Assistant Secretary	400,000	440,000	10.0%

ANNUAL CASH INCENTIVE PROGRAM

The Compensation Committee believes that a substantial percentage of each executive officer s annual compensation should be tied directly to the financial performance of the Company. Our annual cash incentive program is a critical element of our compensation package, because it is entirely at-risk and any earned payouts are solely dependent on Company performance. We structure the Company s incentive bonus plans to encourage the achievement of seasonal performance that exceeds goals established by the Compensation Committee. The incentive bonus plans help to focus our NEOs on key financial objectives and business drivers, which we believe will support our financial performance, improvement in overall operations and increase in stockholder value.

Key features of the program include:

- Target annual incentive values are expressed for each NEO as a percent of their salary,
- 100% of payouts for NEOs are tied to Operating Income, which is a financial metric that our Board and Compensation Committee view as one of our key measures of generating stockholder value,
- The program is a semi-annual plan, with 50% of the target annual incentives tied to Spring Operating Income performance and 50% of the target annual incentives tied to Fall Operating Income performance,
- The maximum opportunity that may be earned under the program is 200% of target, and
- Each of our NEOs participated in this program for fiscal 2017.

The seasonal structure allows for mid-year development of performance targets and provides an incentive for our NEOs to focus on meeting goals in the second half of the fiscal year in circumstances when business performance and macro-economic conditions decline or improve relative to our budgeted plan.

The Compensation Committee sets the applicable performance goals for our semi-annual cash incentive bonus programs at the beginning of the fall and spring seasons using challenging performance targets. These goals are based upon the financial plan approved by our Board. Our goal setting process is based on historical operating trends and considers prior fiscal year financial performance as well as various factors impacting our Company.

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EXECUTIVE COMPENSATION COMPENSATION DISCUSSION AND ANALYSIS

We establish the target amount of an NEO s incentive bonus as a percentage of base salary for the performance period based on the NEO s position and level within the organization. The seasonal bonus payable is equal to their seasonal target bonus modified based on the assessment of performance (adjusted to reflect extraordinary and other special items, including exclusion of the financial effects of any unbudgeted disposal of a business or acquisition, start-up, new joint venture or disposition of an asset) relative to the pre-determined targeted levels.

As shown in the tables below, for the Fall season, a threshold level of performance would have resulted in a payout equal to 50% of the seasonal incentive targets while in the Spring season a threshold level of performance would have resulted in a payout equal to 25% of the annual incentive targets (for the reasons described below). In both seasons, a maximum level of performance would yield an incentive payout equal to 200% of their target annual incentives, with interpolation between the threshold and target levels and target and maximum levels.

Named Executive Officer	Annual Target Opportunity (as a % of Base Salary)	Annual Maximum Opportunity (as a % of Base Salary)	Portion Allocated to Fall Season 50% of Target)	Portion Allocated to Spring Season (50% of Target)
David Jaffe	150%	300%	75%	75%
Robb Giammatteo	75%	150%	37.5%	37.5%
Brian Lynch	110%	220%	55%	55%
John Pershing	75%	150%	37.5%	37.5%
Duane D. Holloway	75%	150%	37.5%	37.5%

Fiscal 2017 Fall Performance

Due to a year of rapidly changing customer expectations and an increasingly dynamic and competitive environment, we did not achieve threshold Operating Income (OI) performance levels, and as such no NEO received a payout under the fall season IC plan.

Fiscal 2017- Fall Bonus:	Threshold OI Performance (50% Payout)	Target OI Performance (100% Payout)	Maximum OI Performance (200% Payout)	Actual OI Achieved ($)	% of Target Achieved	Payout (% Target)
Corporate Performance	154,783	189,101	226,921	88,874	47.0%	0.00%

(all NEOs)

Fiscal 2017   Spring Performance

Recognizing the challenges faced in target-setting in the current retail environment, for the Spring IC targets the Compensation Committee approved changing payout at threshold from 50% of target to 25% of target. This change was made to motivate and retain our key executives. The fiscal 2017 spring bonus target shown below represents a modest Operating Income growth over the prior year s consolidated results.

Similar to the Fall season, we did not achieve threshold performance on the Spring Operating Income targets, resulting in zero payouts for the NEOs:

Fiscal 2017 Spring Bonus:	Threshold OI Performance (25% Payout) ($)	Target OI Performance (100% Payout) ($)	Maximum OI Performance (200% Payout) ($)	Actual OI Achieved ($)	% of Target Achieved	Payout (% Target)
Corporate Performance (all NEOs)	123,700	164,913	197,900	87,025	52.8%	0.00%

Discretionary Bonus Payment

In order to recognize the performance of the senior leadership team and the criticality of retaining and motivating these executives to achieve the Company s Change for Growth initiatives, and also given the lack of other annual cash incentive compensation, the Compensation Committee approved certain discretionary bonus payouts for some of the NEOs (excluding the CEO and our President and COO) as follows:

Fiscal 2017 Bonus Payments:	Fall Operating Income OI Payment ($)	Spring OI Earned Payment ($)	Spring Discretionary Bonus ($)	Total Fiscal 2017 Payments
David Jaffe	$ 0	$ 0	$ 0	$ 0
Robb Giammatteo	$ 0	$ 0	$ 100,000	$ 100,000
Brian Lynch	$ 0	$ 0	$ 0	$ 0
John Pershing	$ 0	$ 0	$ 110,250	$ 110,250
Duane D. Holloway	$ 0	$ 0	$ 88,000	$ 88,000

LONG-TERM INCENTIVE COMPENSATION

We endeavor to align executive compensation with the achievement of operational and financial results and increases in stockholder value. As discussed above, our compensation program includes significant performance-based compensation under which performance below threshold levels results in no payout. This design is intended to ensure that, other than their base salary, a significant portion of the total compensation for our executives is at risk based on Company performance. However, as described in greater detail below under Risk Mitigation, these incentives are designed in a manner that the Compensation Committee believes does not encourage excessive risk taking.

Our executive compensation program for the NEOs features 3 key critical elements with substantial stock-related components:

Reward Vehicle	Key Program Components
Nonqualified Stock Options	Time-vested stock options, generally vesting 1/3rd per year Exercise price is equal to the fair market value of our common stock on the grant date (defined as the average of the high and low Company stock prices on the date of grant)

	Value at exercise depends on stock price appreciation 7-year term (for options granted on or after December 11, 2012)
Restricted Stock Units	Time-vested restricted stock units, generally vesting 1/3rd per year Value at vesting depends on stock price
Performance-Based Long-Term Incentive Plan	Share-settled performance-based units with a three-year performance cycle Payout value contingent on the attainment of predetermined performance goals which, for awards granted in fiscal 2017, reflected Net Income and relative TSR

EQUITY AWARDS UNDER THE COMPANY S OMNIBUS INCENTIVE PLAN

NEOs generally receive annual grants of equity awards under our Omnibus Incentive Plan as set forth below. In fiscal 2017, restricted stock unit awards and stock options each comprised 20% of the total long-term incentive grant value, with the remaining 60% made in performance-based LTIP.

The Compensation Committee generally determines each participant grant in accordance with pre-established grant guidelines (which are primarily based on level of responsibility with the Company or respective brand). Our Chairman and CEO may exercise discretion in his recommendations to the Compensation Committee for grants of long term incentives for all executives (excluding himself) based on individual performance. All grants are made by the Compensation Committee.

The Compensation Committee has a practice of not granting any stock options until at least one business day after the Company has issued its quarterly and/or annual earnings release, as well as the public release of any other pending material non-public information.

If an employee ceases to be an employee of the Company for any reason (other than for Cause, as defined under the Omnibus Incentive Plan) and the employee has achieved the Total Years Test (as described in further detail below) as of his or her last day of employment, then all of such employee s unvested stock options will continue to vest and remain exercisable after the date of termination through the one year anniversary of the vesting date of the last unvested option under the applicable stock option award, but not longer than the original term of each option.

In addition, all of an employee s unvested restricted stock will become fully vested upon achievement of the Total Years Test . Any shares of restricted stock granted to the employee following achievement of the Total Years Test will be fully vested upon grant, and the employee s RSUs will become fully vested upon the employee s death, disability, termination (other than for cause) or upon a change in control of the Company on or after achievement of the Total Years Test.

The Total Years Test means 75 years, based on the sum of (i) the total number of years of employment with the Company or an affiliate, plus (ii) the employee s age, which will be at least age 60. The Company believes that the Total Years Test encourages retention as our executive officers approach retirement age, while also incentivizing our executive officers to drive stockholder value. As of the end of fiscal 2017, none of our NEOs satisfied the Total Years Test.

The Compensation Committee may also make other equity grants from time to time during the year (special equity grants), such as when a new employee is hired, a current employee is promoted or in recognition of special achievement. In fiscal 2017, a special equity grant was made to each of Messrs. Pershing and Lynch. Mr. Pershing received a special equity grant for a value equal to $350,000 with a two-year vesting schedule for retention purposes while Mr. Lynch received special equity grants in fiscal 2017 equal to $121,400 ($20,700 in stock options and $100,700 in RSUs) for his promotion to COO (as discussed below).

Fiscal 2017 Equity Awards Granted

NEO	Stock Options Granted(1)	Restricted Stock Units Granted(2)
David Jaffe	475,427	155,172
Robb Giammatteo	43,396	14,163
Brian Lynch	115,412[3]	48,217[3]
John Pershing	47,547	62,932[4]
Duane D. Holloway	33,208	10,838

1 Represents a stock option award made pursuant to the Company s annual equity grant program, as described above in the Compensation Discussion and Analysis under Long-Term Incentive Compensation and Equity Awards Under the Company s Omnibus Incentive Plan. However, see footnotes 3 and 4 below for the special equity grants to Messrs. Lynch and Pershing.

2 Represents the number of restricted stock units awarded pursuant to the Company s annual equity grant program, as described above in the Compensation Discussion and Analysis under Long-Term Incentive Compensation and Equity Awards Under the Company s Omnibus Incentive Plan. However, see footnotes 3 and 4 below for the special equity grants to Messrs. Lynch and Pershing.

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3 Mr. Lynch received three special equity grants in fiscal 2017 as part of his October 2016 promotion to COO consisting of (i) 7,638 stock options, (ii) 2,681 RSUs, and (iii) 10,363 RSUs. He also received 107,774 stock options and 35,173 RSUs as part of his annual grant. All of these awards have three-year vesting schedules, except for the 10,363 RSU grant, which vest over a two-year period.

4 Mr. Pershing received 15,518 RSUs as part of his annual grant cycle with a three-year vesting schedule. In addition, in recognition of his substantial efforts and leadership through the year and for retention purposes, he received a special equity grant of 47,414 RSUs that vest over a two-year period.

PERFORMANCE-BASED LONG-TERM INCENTIVE AWARDS

In fiscal 2017, the Company granted the NEOs performance-based awards in units generally to be settled in fully vested shares of our common stock following the end of the performance period and the Compensation Committee s certification of the performance goals. Long-Term Incentive Plan (LTIP) performance goals are established annually, and the performance period for each plan generally consists of three consecutive fiscal years. The performance goals consist of financial measures and a relative TSR measure. The LTIPs are intended to give each NEO a substantial incentive to maximize our long-term financial performance.

The following section summarizes LTIP grants made in fiscal 2017 as well as the results of the LTIPs vesting following the conclusion of fiscal 2017. Please see prior years proxies for descriptions of other outstanding LTIP grants.

Grants made in Fiscal 2017: 2019 LTIP

Vesting of the 2019 LTIP grants (made in fiscal 2017) is contingent on our achievement of Net Income target (50% weighted) and three-year TSR relative to a broader index of companies in the Specialty Stores Global Industry Classification Standard group with market capitalization greater than $500 million (50% weighted). LTIP will vest at 50% of the grant target for performance at threshold, 100% at target performance level, and 200% of target for performance achieving or exceeding maximum level; performance between these levels will be calculated using linear interpolation. If performance targets are achieved, any payouts under the 2019 LTIP will be paid out following the end of fiscal 2019. Subject to achievement of performance conditions, the 2019 LTIP (granted in fiscal 2017) awards will be settled in stock.

Due to the challenges with setting three-year financial goals in this volatile industry, Net Income for the 2019 LTIP was calculated on a one-year basis (fiscal 2017). Based on our performance during the fiscal year, we did not achieve threshold levels under this portion of the 2019 LTIP. However, a partial payout is still achievable if we achieve strong relative TSR over the three-year performance period (fiscal years 2017-2019).

	Performance Range			
Performance Measure	Threshold	Target	Maximum	Performance Achieved
Net Income (50% weight)	$118,600,000	$130,500,000	$142,300,000	$42,200,000
Relative TSR (50% weight)	Top 75%	50%	Top 25%	To be calculated following completion of 3-year performance period

The following table details the target value of Performance Stock Units (PSUs) awarded under the 2019 LTIP:

NEO	Target Value of Award
David Jaffe	$ 3,780,000
Robb Giammatteo	$ 345,000
Brian Lynch	$ 856,800
John Pershing	$ 378,000
Duane D. Holloway	$ 264,000

Grants vesting after Fiscal 2017: FY17 LTIP POA

In connection with our acquisition of ANN in August 2015, we assumed certain obligations under a change of control severance plan to maintain the level of salary and bonus opportunities for ANN employees for not less than two years following the acquisition (which ended August 21, 2017). To honor our obligations to the ANN employees, and to maintain a uniform LTIP compensation scheme across the Company s brands, we restructured the LTIP awards outstanding in fiscal 2016 to provide for bonus opportunities consistent with those in place at ANN prior to the acquisition.

Accordingly, in lieu of granting one LTIP with a three-year performance period for fiscal 2016, the Compensation Committee established three performance opportunity awards (POAs) under our Long-Term Incentive Programs with a combined value equal to one three-year award. Each plan can be settled in either fully vested shares of common stock or cash (at the Committee s discretion):

- a 2016 Cash-Settled Long-Term Incentive Program award was granted having a one-year performance period, with a value equal to one-sixth of an annual award (the FY16 LTIP POA);

- a 2017 Long-Term Incentive Program award was granted having a two-year performance period, consisting of fiscal 2016 and fiscal 2017, with a value equal to two-sixth of an annual award (the FY17 LTIP POA); and

- a 2018 Long-Term Incentive Program award was granted having a three-year performance period consisting of fiscal 2016, fiscal 2017 and fiscal 2018, with a value equal to one-half of an annual award (the FY18 LTIP POA).

These three LTIP awards were designed by the Compensation Committee to give each NEO a substantial incentive to maximize our long-term financial performance following the acquisition of ANN and provide the Compensation Committee with the flexibility to determine whether the awards should be settled in either cash or RSUs.

The FY17 LTIP POA was scheduled to vest after the completion of fiscal 2017; the following table details the target value of PSUs awarded under the 2017 LTIP:

NEO	Target Value of Award
David Jaffe	$ 1,260,000
Robb Giammatteo	$ 81,428
Brian Lynch	$ 240,975
John Pershing	$ 103,359
Duane D. Holloway	$ 57,000

Payouts for the FY17 LTIP POA were contingent on our achievement on three metrics EBITDA, Return on Investment (ROI), and relative TSR:

50% of the target grant value was contingent on the achievement of EBITDA relative to pre-determined performance goals;

50% of the target grant value was contingent on the achievement of ROI relative to pre-determined performance goals;

Payout for performance between threshold, target, and maximum values on these metrics will be calculated using linear interpolation; and

The payout value calculated based on these two metrics was then subject to further adjustment based on the Company s relative TSR achieved during the performance period; the final payout is determined by multiplying the adjusted dollars by 80% for minimum threshold level, 100% for target achievement level and 120% for maximum achievement level.

Given the many uncertainties in the retail industry, the Compensation Committee set targets it considered challenging but still achievable in an industry where competition for experienced, proven executives is significant. As summarized below, the Company did not achieve threshold EBITDA and was at the threshold level for relative TSR:

	Performance Range			Performance	Payout as
Performance Measure	Threshold	Target[1]	Maximum	Achieved[2]	% Target
EBITDA[3]	$ 1,085,000	$ 1,356,000	$ 1,628,000	$ 1,046,000	0%
ROI	35%	40%	50%	59.5%	Eliminated
Relative TSR	Top 75%	26%-75%	Top 25%	Top 75%	80%

1 The EBITDA target level of achievement was set based on the sum of: (i) fiscal 2015 actual EBITDA achieved times 110% plus (ii) fiscal 2016 actual EBITDA achieved times 110%.

[2] Represents EBITDA achieved over the two-year performance period consisting of fiscal 2016 and fiscal 2017.

[3] EBITDA targets and achievement level calculated based on legacy Ascena (excluding ANN).

In relation to the ROI goal, the Compensation Committee determined that the formulaic payout calculated was not truly representative of our performance during the relevant period. As a result, the Compensation Committee exercised negative discretion and reduced the payout for the ROI under the F17 LTIP POA to zero for all participants. As a result, no payouts were made for this LTIP grant.

TRANSFORMATION BONUS OPPORTUNITY

In March 2017, the Compensation Committee approved the adoption of a Transformation Bonus Program under the 2016 Omnibus Plan. This program was introduced to enhance the performance of the Company and create long-term stockholder value by motivating key executives to deliver significant cost savings consistent with the Change for Growth program and by encouraging retention of key executives in light of the competitive market for talent. All NEOs are eligible to participant in this program with the exception of our CEO.

Under this program:

- Executives (other than the CEO) will be eligible to earn bonus awards payable in cash upon the achievement of cost reduction targets (Realized Savings) from January 1, 2017 to the end of fiscal 2021,

- The achievement of Realized Savings will be calculated at the end of fiscal years 2018 through 2021, ensuring a multi-year performance period,

- Payouts will be calculated based on a multiple of the eligible executive s base salary in effect on January 1, 2017, which vary by participant from 0.5x to a maximum cumulative multiple of 5.5x over the full performance period,

- No bonuses will be paid if Realized Savings does not equal $150 million, nor will any incremental bonuses be paid for Realized Savings in excess of $450 million over the entire performance period,

- The amount payable to a participant in any fiscal year is subject to an annual maximum bonus cap which considers both IC payouts and transformation bonus opportunity, and

Payouts in any fiscal year will be reduced by 50% if the Company does not achieve threshold annual Operating Income levels under the IC plan for the relevant fiscal year.

We believe the transformation of our business and realization of significant cost savings are critical to the success of our organization. As such, this one-time opportunity with a multi-year performance period was introduced to ensure our key executive talent is continuously motivated to lead our organization toward success on these endeavors.

EXECUTIVE PERQUISITES

We generally do not offer significant perquisites to our NEOs and they represent a relatively small portion of the NEOs total compensation. The cost of perquisites for our NEOs is included in the All Other Compensation column of the Summary Compensation Table. The Company offers broad health and welfare programs, which are available to our full-time employees generally.

KEY NEO COMPENSATION PROGRAM CHANGES FOR FISCAL 2018

Recognizing the impact of industry changes and financial performance on our stock price, management proactively recommended and the Compensation Committee approved several significant compensation changes for fiscal 2018:

- No Named Executive Officer received base salary increases for Fiscal 2018 except for Brian Lynch due to his August 2017 promotion from EVP, COO to President and COO,
- A one-time 30% overall reduction in the NEO long-term incentive grant value for fiscal 2018 (including for the CEO), and
- The use of only performance-based long-term incentives and stock options for the majority of the NEOs (with approximately 85% of FY17 LTI awards being delivered in the form of long-term incentives). Management and the Compensation Committee believe this strongly aligns management s compensation with stockholder interests.

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EXECUTIVE COMPENSATION   COMPENSATION DISCUSSION AND ANALYSIS

MANAGEMENT OF COMPENSATION-RELATED RISK

Management and the Compensation Committee utilize various procedures to mitigate the probability of our compensation programs resulting in excessive risk-taking:

Risk Assessment   Each year, our compensation consultants conduct a risk-assessment of our incentive programs. The assessment is presented to and reviewed by the Compensation Committee.

Our Board has reviewed and considered whether our compensation programs and policies create risks that are reasonably likely to have a material adverse effect on us. In that regard, we design our programs in a balanced and diversified manner while also creating significant, yet appropriate, incentives for strong performance based on our business and strategic plan.

In most cases, each component of our performance-based compensation program is subject to a limit on the cash paid or the number of shares delivered.

We believe that our compensation programs reflect a balance of short-term, long-term, guaranteed and performance based compensation in order not to encourage excessive risk-taking.

A significant portion of our compensation program includes performance-based compensation with multi-year performance targets and vesting. We believe that this helps to ensure that our NEOs and other employees focus on the health of our business and the success of broad performance metrics that will deliver stockholder value over time and discourages excess risk-taking by our NEOs and other employees.

The Compensation Committee also evaluates on a regular basis our overall mix of equity-based incentive awards relative to cash-based incentive awards to align our executive s incentives with stockholder interests and long-term value.

Clawback Policy   Pursuant to the executive compensation clawback policy approved by the Compensation Committee in fiscal 2016, if the Board determines that any cash or non-cash incentive compensation (excluding time-based stock options) awarded to, or received by, an executive officer was based on any financial results or operating metrics that were misstated, we will seek to recover from the officers such compensation (in whole or in part) as the Board deems appropriate under the circumstances and as permitted by law.

If a restatement occurs, the Board will look at the incentive compensation paid or awarded in each fiscal year in the three-year period prior to the date the Company is required to prepare the restatement (any year in such three-year period, a Look-Back Year).

If the Board determines that incentive compensation has been paid or awarded to a covered person in a Look-Back Year, the Board may, in its sole discretion, regardless of fault, cancel or require repayment of all or a portion of any excess incentive compensation (i.e., the excess of the amount that would have been paid or awarded had such incentive compensation been calculated based on the restatement results).

STOCK OWNERSHIP GUIDELINES FOR EXECUTIVE OFFICERS

Our Board believes it is important that our executive officers and other members of our leadership team have, and are recognized both internally and externally as having, long-term financial interests that are aligned with those of our stockholders. In fiscal 2012, pursuant to the recommendation of the Compensation Committee, the Board adopted stock ownership guidelines for our CEO (the Ownership Guidelines). In June 2016, the Ownership Guidelines were amended and restated to, among other things, expand the group of persons subject to the guidelines to include all members of our leadership team, including each of the Company s executive officers and presidents of each of the Company s brands. The Ownership Guidelines with respect to our CEO became effective in September 2011, and with respect to all other members of our leadership, became effective in June 2016.

NEO	Stock Ownership Guidelines
CEO	6x base salary
All Other NEOs	1x base salary

Our CEO has satisfied the target ownership requirement under the Ownership Guidelines. The other members of our leadership team have five years to satisfy these requirements. Ownership for purposes of the Ownership Guidelines includes: (i) shares of our stock acquired on the open market or purchased through the exercise of stock options or settlement of any other type of equity award (such as restricted stock, RSUs, deferred stock or a deferred stock unit); (ii) vested equity awards (other than stock options or stock appreciation awards); (iii) vested shares of our stock allocated under any tax-qualified plan; and (iv) unvested RSUs (but excluding unvested performance-based equity awards). Shares held individually or jointly or by a family member (as defined in the securities laws which would include certain trusts, family partnerships and foundations) would count as owned by the individual. Stock options awards do not count towards the stock ownership requirement. The Ownership Guidelines are posted on the for investors page of the Company s website at www.ascenaretail.com, accessible through the Investor Relations Menu.

PROHIBITION ON HEDGING AND PLEDGING OF COMPANY STOCK

Under our Corporate Governance Guidelines, our directors and executive officers are prohibited from engaging in hedging or monetization transactions with respect to our stock, including through the use of financial instruments such as exchange funds, prepaid variable forwards, equity swaps, puts, calls, collars, forwards and other derivative instruments, or through the establishment of a short position in our securities. Additionally, our directors and executive officers are prohibited from holding our stock in a margin account or otherwise pledging our stock as collateral for a loan.

TAX DEDUCTIBILITY CONSIDERATIONS

As a general matter, the Compensation Committee reviews and considers the various tax and accounting implications of compensation vehicles that we utilize. With respect to accounting matters, the Compensation Committee examines the accounting cost associated with equity compensation in light of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718.

With respect to Section 162(m), the Compensation Committee considers the impact of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code). Section 162(m) generally denies a corporate tax deduction for annual compensation exceeding $1 million paid to the chief executive officer and the three other most highly compensated executive officers of a public company, other than the chief financial officer. The limitation, however, does not apply to compensation payable based on achievement of pre-established performance goals if certain requirements are met. We generally endeavor to structure our performance-based incentive compensation for our NEOs to qualify as performance-based under Section 162(m) of the Code where it is reasonable to do so while meeting our compensation objectives. Nonetheless, from time to time certain non-deductible compensation may be paid and the Board and the Compensation Committee reserve the authority to award non-deductible compensation in appropriate circumstances. In addition, it is possible that some compensation paid pursuant to certain equity awards may be non-deductible under Section 162(m) of the Code.

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COMPENSATION COMMITTEE REPORT

The following report of the Compensation Committee does not constitute soliciting material and will not be deemed to be filed with the SEC under the Securities Act or the Exchange Act or incorporated by reference into any document so filed except to the extent that the Company specifically incorporates this Compensation Committee Report by reference therein.

The Compensation Committee has reviewed and discussed with management the above Compensation Discussion and Analysis. Based on this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Compensation Committee:

Carl Rubin, Chair

Mark Lasry

Randy L. Pearce

Linda Yaccarino

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SUMMARY COMPENSATION TABLE

The table below summarizes information concerning compensation for fiscal 2017, fiscal 2016 (which reflects 53 weeks) and fiscal 2015 for our Named Executive Officers (NEOs).

Name	Year	Salary ($)	Bonus ($)[1]	Stock Awards ($)[2]	Option Awards ($)[3]	Non-Equity Incentive Plan Compensation ($)[4]	All Other Compensation ($)[6]	Total ($)
David Jaffe	2017	1,000,000		4,644,308	917,574		121,895	6,683,777
Chief Executive Officer	2016	1,019,231		1,259,995	1,260,002	1,007,179	81,941	4,628,348
	2015	1,000,000		2,543,750	2,380,800		53,570	5,978,120
Robb Giammatteo	2017	500,000	100,000	423,888	83,754		31,461	1,139,103
Executive Vice President and Chief Financial Officer	2016	509,615		81,257	81,250	181,084	25,589	878,795
	2015	377,538	115,591	167,250	76,800	25,545	6,735	769,459
Brian Lynch	2017	936,394		1,153,413	222,745		107,754	2,420,306
President and Chief Operating Officer								

John Pershing	2017	551,250	110,250	728,531	91,766