

Revised: April 21, 2005

Phillips-Van Heusen Corporation
Compensation Committee of the Board of Directors
Charter

I. Purpose

The Compensation Committee is appointed by the Board of Directors to discharge the Board's responsibilities relating to compensation of the Company's Chief Executive Officer (the "CEO") and all of the Company's "officers" as defined in Rule 16a-1(f) promulgated under the Securities Exchange Act of 1934 (the "Senior Executives"). It shall also have overall responsibility for approving or recommending to the Board approval of and/or evaluating all compensation plans, policies and programs of the Company and shall be responsible for producing the annual report on executive compensation required to be included in the Company's proxy statement for its annual meeting of stockholders.

II. Composition

The Compensation Committee shall be composed of three or more directors; provided, however, that until the date of the Company's 2006 annual meeting of stockholders, the Committee may be composed of two directors. The members of the Committee shall meet the independence requirements of the New York Stock Exchange. All Committee members must also qualify as "outside" directors as defined in Section 162(m) of the Internal Revenue Code and as "non-employee" directors as defined in Rule 16b-3 promulgated under the Exchange Act.

The members of the Compensation Committee shall be elected by the Board of Directors at the annual organizational meeting of the Board and shall serve until the next annual organizational meeting or until their respective successors shall be duly elected and qualified; provided, however, that members of the Committee may be removed by the Board.

III. Meetings

The Compensation Committee shall meet at least once annually. The Committee may also hold any special meetings as may be called by the Chairman of the Committee, a majority of the members of the Committee or at the request of management. A quorum for any special meetings shall be a majority of the members. Members of senior management and others may attend meetings of the Committee at the invitation of the Committee and shall provide pertinent information as necessary.

The Chairman of the Compensation Committee shall set the agenda of each meeting and arrange for the distribution of the agenda, together with supporting material, to the Committee members prior to each meeting. The Chairman shall include on the agenda of any meeting any appropriate matter requested by the Company's Chief Executive Officer, General Counsel or other appropriate officer. The Chairman will also cause minutes of each meeting to be prepared and circulated to the Committee members. The Committee may meet via telephone conference calls.

The Compensation Committee shall report regularly to the Board of Directors as to its activities.

IV. Functions

1. The Compensation Committee shall review annually and, except as provided below, approve the structure of the compensation program for the CEO and the Senior Executives. In establishing such compensation program, the Committee shall consider such factors as it considers relevant, such as the balance between fixed compensation, short-term incentives and long-term incentives, goals and objectives which are sought to be achieved, compensation practices at comparable companies or within the Company's industry, or changes in compensation practices broadly, at comparable companies or in the Company's industry. Any material change in the overall structure of the compensation program for the CEO or the Senior Executives, such as the introduction of new incentive programs or plans, or a significant realignment of the allocation of the components of the compensation program among fixed compensation, short-term incentives and long-term, shall be approved by a majority of the independent members of the Board.
2. Within the context of the approved compensation program for the CEO and Senior Executives, the Compensation Committee shall review annually and approve the annual base salaries and annual incentive opportunities (including both cash-based and equity-based grants and awards under annual and long-term plans or programs) of the CEO and the Senior Executives. In determining the compensation packages for such executive officers, the Committee shall consider such factors as it considers relevant, such as corporate performance, stock price performance, total returns to stockholders, industry conditions, recommendations of management and compensation awarded to executives at other companies.
3. From time to time the Compensation Committee may develop, and recommend to the independent members of the Board the approval of, any of the following that affect the CEO or any of the Senior Executives: (a) new long and short-term incentive plans and programs, including both cash-based and equity-based plans and programs; (b) any employment agreements and severance arrangements; (c) any change-in-control agreements and change-in-control provisions affecting any elements of compensation and benefits; or (d) any deferred compensation plan or special retirement plan or benefit or any special perquisite that would individually, or in the aggregate with other perquisites received by such executive, be required to be reported in the Company's annual proxy statement.

4. The Compensation Committee shall receive periodic reports on the Company's compensation programs as they affect all employees, or the senior management group (including the CEO and the Senior Executives), such as incentive, special or supplemental compensation and benefits, including supplemental retirement benefits and the perquisites provided to them during and after employment.
5. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist it in the evaluation of CEO or Senior Executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Committee shall also have authority to engage outside legal, accounting or other advisors as it determines to carry out its functions. The Company shall provide adequate funding for the foregoing.
6. The Compensation Committee shall administer all of the Company's existing and future incentive compensation and equity-based compensation plans, except as maybe expressly provided otherwise in the plan document.
7. The Compensation Committee shall prepare its report required to be included in the Company's proxy statement in connection with the annual stockholders meeting.
8. The Compensation Committee shall monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to 401(k) plans and loans to directors and officers and with all other applicable laws affecting employee compensation and benefits.
9. The Compensation Committee shall oversee the Company's compliance with the requirement under NYSE rules that stockholders approve equity compensation plans, with limited exceptions.
10. The Compensation Committee may form and delegate authority to subcommittees when appropriate.
11. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
12. The Compensation Committee shall annually review its own performance.