



## **ROSS STORES, INC.**

### **CORPORATE GOVERNANCE GUIDELINES**

#### **Role of Board and Management**

The Board of Directors, which is elected by the stockholders, is the senior decision-making body of the Company except with respect to those matters reserved for stockholders. It elects the executive officers, who are charged with the conduct of the Company's business. Having elected the executive officers, the Board acts as an advisor and counselor to them and monitors their performance.

The fundamental role of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. In fulfilling that responsibility, the directors may reasonably rely on the honesty and integrity of the Company's senior management and expert legal, accounting, financial, and other advisors.

#### **Committees**

The Board will at all times have an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee. All members of these committees will be independent directors under the criteria established in the Corporate Governance Requirements of the NASDAQ Stock Market. The Board may from time to time establish additional committees as necessary or appropriate. Committee members will be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee.

Each committee will have its own charter. The charters will set forth the purposes of the committees as well as qualifications for committee membership. The charters shall be posted on the Company's website.

#### **Director Independence**

A majority of the directors shall satisfy the independence requirements of the Securities and Exchange Commission rules and the Company shall comply with the NASDAQ Listing Rules for independent directors.

#### **Limits on Director Outside Activities**

Directors must be willing to devote sufficient time to carry out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time. Each Board member is expected to ensure that other existing and planned future commitments do not conflict with or materially interfere with the member's service as a director. Directors are expected to avoid any action, position, or interest that conflicts with an interest of the Company, or gives the appearance of a conflict.

Directors who also serve as CEOs or in equivalent positions, should not serve on more than two boards of public companies in addition to the Company's Board, and other directors should not serve on more than four other boards of public companies in addition to the Company's Board.

### **Retirement Age**

The Board does not believe that a fixed retirement age for directors is appropriate.

### **Term Limits**

The Board does not believe it should establish term limits. They hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

### **Size of Board**

The Board reviews from time to time the appropriate size of the Board. The Board will consider changing its size to accommodate outstanding candidates or to satisfy specific governance needs.

### **Separation of Chairman and CEO**

The Board appoints its Chairman and the Company's CEO according to its view of what is best for the Company at any given time. The Board does not believe there should be a fixed rule as to whether the offices of Chairman and CEO should be vested in the same person or two different people, or whether the Chairman should be an employee of the Company or should be elected from among the non-employee directors. The needs of the Company and the individuals available to fill these roles may dictate different outcomes at different times, and the Board believes that retaining flexibility in these decisions is in the best interest of the Company.

### **Lead Independent Director**

The Board will appoint one of the independent directors to serve as the Lead Independent Director, with general authority and responsibilities as set forth in the Appendix to these Corporate Governance Guidelines. Unless otherwise determined by the Board, each person appointed as the Lead Independent Director will serve for a one-year term and will concurrently serve as Chair of the Nominating and Corporate Governance Committee, with this role to rotate annually among the independent directors.

### **Executive Sessions of the Directors**

The Board will meet without the executive directors present (includes independent director sessions) at least at a majority of the meetings of the Board held each year, and at other times as requested by any independent director. The independent directors of the Board will meet no less than two times each year. Unless otherwise determined by the Board, executive sessions and meetings of the independent directors will be chaired by the then incumbent Lead Independent Director.

### **Board Access to Management**

The Board members shall have access to, and are encouraged to contact, members of management in order to obtain the information necessary to fulfill their duties. Participation by management at Board meetings is encouraged where such participation will provide the Board with additional insight into the matters being considered.

### **Retention of Advisors/Consultants**

The Board and each committee of the Board shall have the authority to retain outside financial, legal, or other advisors as they deem appropriate, and shall have the authority to obtain advice, reports or opinions from internal and external counsel and advisors, without consulting with or obtaining approval from any officer of the Company.

### **Director Nomination Process**

The Nominating and Corporate Governance Committee is responsible for evaluating the qualifications, independence, and skill of all candidates for election to the Board. When there is a vacancy on the Board, the Nominating and Corporate Governance Committee is responsible for evaluating candidates to fill such vacancy. The Nominating and Corporate Governance Committee has a policy with regard to the assessment of director candidates, including candidates recommended by stockholders.

### **Communications by Stockholders with Directors**

Stockholders may address such communications in writing to the Chairman of the Board, or to any individual director(s), c/o Ross Stores, Inc., 5130 Hacienda Drive, Dublin, California 94568. The Company has a stockholder communication policy to this effect. The Company will make every effort to schedule its annual meeting of stockholders at a time to maximize attendance by directors, taking into account the directors' schedules. All directors shall make every effort to attend the Company's annual meeting of stockholders.

### **Succession Planning**

The Compensation Committee shall conduct a periodic review of the Company's succession planning, including policies and principles for senior management selection and succession in the event of an emergency or the retirement of the CEO or other members of senior management. The Committee shall report its recommendation to the Board. The Committee shall also evaluate and nominate potential successors to senior management vacancies as required by circumstances.

### **Review of Corporate Governance Guidelines**

These Corporate Governance Guidelines are intended to embody the principles by which the Board operates. These guidelines are not intended to be a code of regulations, but rather a statement of intention. This document may be amended from time to time by the Nominating and Corporate Governance Committee as conditions warrant and shall be reviewed by the Nominating and Corporate Governance Committee as appropriate.

## **APPENDIX**

### **Role of the Lead Independent Director**

The general authority and responsibilities of the Lead Independent Director are as follows:

- Serves as liaison between the Chairman, CEO, and independent directors
- Chairs meetings of the independent directors in executive sessions
- (Based on input and feedback from independent directors) Provides input on the agendas and topics for future Board meetings
- Approves the calendar and schedule of Board meetings
- Coordinates annual self-evaluation process for the Board
- Presides at meetings of the Board at which the Chairman is not present
- Has the authority to call meetings of the independent directors
- Chairs meetings of the Nominating and Corporate Governance Committee
- If requested by major shareholders, is available for consultation