



California Transparency in Supply Chains Disclosure

January 1, 2012

This disclosure is posted in accordance with the California Transparency in Supply Chains Act of 2010.¹

Engagement in verification of product supply chains to evaluate and address risks of human trafficking and slavery:

The Company's Global Compliance Department conducts annual risk assessments to identify areas of potential risk in our direct supply chain. Where the results of an assessment indicate, the Company develops a course of action to address identified gaps.

Auditing suppliers to evaluate compliance with company standards for trafficking and slavery in supply chains:

Through third party auditors, the Company conducts on-site audits of suppliers' factories to assess compliance with the Company's Terms of Ethical Sourcing and applicable law. These occur both on an unannounced and announced basis. Deficiencies found are detailed in an audit report which includes a corrective action plan for the supplier.

Supplier certification that products complies with laws regarding slavery and human trafficking:

At the outset of the business relationship and continuing on a regular basis, suppliers must certify compliance with the Company's Purchase Order Terms and Conditions and its Terms of Commitment to Ethical Sourcing.² The Purchase Order Terms and Conditions require the supplier to warrant compliance with all applicable law. Compliance is verified and assessed through the auditing process described above.

While we believe that a spirit of continuous improvement is critical to a long-term and healthy relationship with our suppliers, if a supplier is unwilling or unable to meet our expectations and satisfy its contractual commitments, materially or repeatedly, the business relationship will be ended.

Maintenance of internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking:

The Company expects its employees and contractors to adhere to its Code of Ethics, which includes our ethical sourcing requirements. Violation of the Code may result in the imposition of discipline, up to and including, termination. The Company has established an independent third party hotline (888.361.5813) to encourage reporting of any suspected unethical or illegal conduct.

Training on human trafficking and slavery for company employees and management who have direct responsibility for supply chain management:

Company employees involved in supply chain-related management are required to complete training to aid them in identifying and addressing human trafficking and slavery in our direct supply chain.

¹ Chico's FAS, Inc.'s brands include Chico's, White House | Black Market, Soma Intimates and Boston Proper. Chico's FAS, Inc. recently acquired Boston Proper and that division is in the process of adopting the processes and requirements described above for its suppliers.

² <http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NzUwODV8Q2hpbGRJR0tMXxUeXBIPtM=&t=1>