



Corporate Social Responsibility Statement

August 1, 2012

Corporate Social Responsibility

Chico's, White House | Black Market, Soma Intimates and Boston Proper (the "Company") believe that every person has a right to decent and humane working conditions. In support of that belief we created our Terms of Commitment to Ethical Sourcing in 2003, which sets forth our expectations for our suppliers' social, health and safety, environmental, security and ethical performance. Although we do not own the factories that make our merchandise, we believe that we have a responsibility to work with our suppliers so that what we sell is made in factories, and under working conditions, that operate consistent with our values and guiding principles; regardless of whether the merchandise is made in the United States or in another country. We believe this is necessary for our continued success and, therefore, we believe in working with suppliers that share our business philosophy and demonstrate a commitment to transparency and continuous improvement.

CSR Governance

The commitment to corporate social responsibility (CSR) begins at the top of the company. Oversight of the program at the executive level rests with our Executive Vice President -- General Counsel & Corporate Secretary ("GC") who, in turn, reports to the Chief Operating Officer (COO). The GC provides periodic updates to the COO and our Board of Directors Audit Committee, on a wide variety of compliance matters including supplier compliance, as appropriate. Day-to-day responsibility for our CSR program is owned by our Vice President -- Global Compliance and Risk Management, who is responsible for ensuring organizational alignment and managing our CSR partnerships with internal and external stakeholders. The Global Compliance team fosters a culture of transparency and seeks to maintain vendor compliance with applicable legal/regulatory requirements and company expectations.

Assessing and Addressing Working Conditions

Our merchandise production is primarily centered in China, India, Vietnam and the United States. We have small volume production in other areas such as Sri Lanka, Peru and Taiwan. As standard practice, our factory base is required to satisfactorily complete an initial audit to demonstrate that they meet our CSR expectations. These audits are performed by an independent third party, and the data is used by our Global Compliance Department to determine their CSR performance. If an audit determines there are deficiencies in a factory, we either do not to allow production in that factory or we work with the supplier to formulate a corrective action plan (CAP) to address the deficiencies.

We believe that continuous improvement is a powerful tool for positive change and apply this philosophy by using CAPs to address these deficiencies. The CAP is reviewed by our Global Compliance department and returned to the supplier for implementation within a specific time frame. Factories that receive an acceptable rating are generally re-audited on an annual basis. From time to time, we will terminate our relationship with poorer performing factories that are unable or unwilling to improve their performance in order to meet our CSR expectations.

We recognize that education and training are the best ways to improve compliance standards. We partner with our suppliers, trade organizations and other retailers in the promotion and communication of global compliance practices. Our Global Compliance department is actively engaged in the communication with, and education of, our suppliers through the use of tools such as our Vendor Extranet monthly notifications, field visits, monthly conferences with key suppliers, and participation in Multi-Brand Compliance Summits. These educational summits are held in regions where we have a large concentration of suppliers and are presented in the local language(s). Since 2009, approximately 100 of our suppliers participated in social, health and safety, environmental, security, and ethics training sessions in China and India.

Measuring Factory Improvements

Our comprehensive monitoring program continues to provide us with insight into the complex challenges of a workplace conditions, environmental opportunities, safety, security and ethical business practices. The Company utilizes global benchmarks and our historical auditing data to measure factory performance. Our program includes a support system that can help factories tackle challenging labor, health and safety, environment, human rights, ethics and security topics. We emphasize developing long-term relationships with our suppliers that is built on transparency. Based on our audit results, we are proud that our emphasis on workplace environmental, health & safety, and security has demonstrated measurable improvement within our factory base from 2010 to 2011.

Data for Fiscal Years 2009, 2010, 2011

	2009	2010	2011
Active Factory Base per Year	490	556	569
New Approved Factories per Year	298	290	203
Initial CSR Audits per Year	228	235	250
% of CSR Audits Relative to New Approved Factories per Year	77%	81%	123%*
% Follow Up Audits per Year	30%	32%	13%

* Of the 250 audited factories, only 203 were approved to manufacture Chico's FAS, Inc. merchandise