

Terms of Commitment to Ethical Sourcing

Chico's FAS, Inc.'s brands believe that every person has a right to safe, decent and humane working conditions. While we do not own the factories in which our merchandise is made, we acknowledge our responsibility to work with our suppliers so that what we sell is made in a manner consistent with this belief, wherever those factories are located.

Accordingly, we have established these Terms of Commitment to Ethical Sourcing ("Terms") which are the minimum requirements our suppliers must meet in connection with the manufacture of our merchandise. Suppliers must certify compliance upon request and permit monitoring or inspections of facilities and relevant documentation to confirm compliance with these Terms. If a supplier fails to comply, we will require that corrective action be taken. In the case of egregious or chronic noncompliance, we will terminate our relationship with that supplier.

COMPLIANCE WITH LAWS & REGULATIONS

Suppliers must comply with all applicable laws, regulations, and other legal requirements of the country of manufacture. If these Terms set a more stringent standard, then the supplier must comply with that more stringent requirement.

ETHICAL BUSINESS PRACTICES

Suppliers must conduct business in an honest and transparent manner. Suppliers must not, directly or indirectly, make any improper or unlawful gifts or payments to any person or entity, including any government official or third-party auditor.

NO DISCRIMINATION

Suppliers must not discriminate in hiring, compensation, benefits, advancement, discipline, termination or other employment practices, on the basis of gender, race, color, religion, nationality, age, disability, sexual orientation, political beliefs, or maternity or marital status.

NO HARASSMENT

Suppliers must treat workers with respect and dignity. Workers must not be subject to corporal punishment, physical, sexual, psychological or verbal harassment or abuse.

NO FORCED LABOR

Suppliers must not use involuntary or forced labor, whether indentured, bonded, prison or labor obtained through slavery or human trafficking.

NO CHILD LABOR

Workers must not be under the age of 15 (or 14 where the local law allows such exceptions consistent with the International Labor Organization guidelines). If the minimum working age or age for completing compulsory education in the country of manufacture is older than 15, then workers must be at least that age.

WAGES AND BENEFITS

Suppliers must pay wages for a standard workweek equal to the legally mandated minimum wage or prevailing industry wage, whichever is higher. All benefits required by law or regulation must be provided, including paid holidays and vacations. No deductions from salary may be made for disciplinary purposes. Suppliers must provide written information to each employee specifying the wages and benefits for each pay period.

WORK HOURS

Suppliers must provide at least one day off in every seven day period. Overtime compensation must be made in accordance with applicable law and, where no law exists, compensation must be at least equal to the rate of regular hourly compensation.

FREEDOM OF ASSOCIATION

Workers must be free to join organizations and to refrain from joining, according with their wishes. Suppliers must not threaten or penalize workers for their efforts to organize or bargain collectively where permitted by applicable law, nor may they discriminate as a result of any such efforts or affiliation.

HEALTH & SAFETY

Suppliers must provide employees with a safe, healthy and clean workplace, designed to prevent accidents and injuries related to their work. Factories must comply with all applicable laws of the locales in which they operate regarding work environment, sanitation and risk protection. Suppliers providing employee housing must ensure clean, safe and adequate sleeping quarters, bathing and toilet facilities.

ENVIRONMENT

Suppliers must comply with applicable environmental laws and regulations.

SECURITY

Suppliers must comply with C-TPAT Best Practices established by the United States Customs Border and Protection for supply chain security. Suppliers must ensure that key personnel are trained on general security procedures including physical access controls, physical security, container security and inspection, personnel security, procedural security, information technology security, general security and threat awareness training.

NO SUBCONTRACTING

Suppliers are prohibited from subcontracting for the production of merchandise with another facility without our prior written approval.

COMMUNICATION

Suppliers must communicate these Terms to their factories, supervisors and workers.