



CHICO'S FAS, INC.

2022

IMPACT
REPORT

a more
EQUITABLE
and
SUSTAINABLE
FUTURE



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A MESSAGE from OUR CEO



At Chico's FAS, Inc. (Chico's FAS), we believe that caring for our people, our planet and our communities is at the core of our values and that being a positive force across our entire enterprise contributes to the betterment of all our stakeholders and the creation of long-term value for the Company.

I am proud of the progress we have made in our ESG program during fiscal year 2022. We advanced our seven mid-term ESG goals and continued to approach our ESG commitment through the lens of our four strategic pillars, to be: Customer Led, Product Obsessed, Digital First and Operationally Excellent.

In 2022, we enhanced our Associate attraction efforts and initiated proactive steps to improve our internal reporting on recruitment and retention. We continued to champion diversity, equity and inclusion through our training and awareness programs. We developed products with our customers' confidence in mind and continued to design for our customers' real needs by listening to our customers' insights gained by our stylists and direct feedback from customer panels, wear tests and customer reviews.

In our journey to be a responsible steward of the planet's resources, we engaged in several efforts designed to reduce our environmental impact. We made it a priority to introduce 36 new Mindful Fabrics, fabrics containing more mindfully produced and sustainably sourced raw materials, into our product designs in 2022. We also asked our suppliers to switch to using recyclable low-density polyethylene poly bags to package our

products starting with our Fall 2023 deliveries. These new poly bags release less toxins when they degrade, helping to keep our planet healthier. We also elevated our supplier engagement on sustainability matters, doubling the number of Tier 1 factories that report their data using Higg sustainability index reporting.

In 2022, we introduced new 3D digital garment technology for our designers and continued to increase the use of digital printing and laser finishing in our brands, to increase efficiencies while reducing our environmental impact.

This past year, we have furthered our goal of increased transparency with respect to our ESG journey by enhancing our data collection and reporting processes. We have also continued to leverage ESG frameworks and industry trends and data from ESG ratings to guide progress on our ESG programs and goals.

We remain dedicated to continuous improvement and accountability, and we are excited for the future of our ESG program. I am pleased to share highlights of our ESG journey in fiscal year 2022 with you.

Sincerely,

Molly Langenstein
Chief Executive Officer & President,
Chico's FAS

ESG COMMITTEE CHAIR *statement*



At Chico's FAS, we shape our ESG vision through the lenses of our five core values, our three distinctive brands, and our singular purpose - to create a world where women never have to compromise by providing solutions, building communities and creating memorable experiences that bring women of all shapes and sizes confidence and joy.

That sounds like a lot, we know. But as a Company led by women, for women, we feel we are up for the challenge.

Our Board, Executive leadership and Associates are working together to advance our values through our ESG focus areas. We believe that our Board is supported by a strong set of principles that form our commitment to robust corporate governance, which support our ability to be strong corporate stewards accountable to our people, customers and communities.

Chico's FAS believes that a well-informed engaged community is key to being able to achieve our strategic pillars and ESG goals. We recognize that together we have a better chance to support our people, build a stronger community and a stronger planet. So we have continued to engage with our customers, Associates, and our communities, as well as our supply chain partners, trade associations and other stakeholders on these topics. Together, we can *Be Inspired* and *Inspire Others* to identify new opportunities to work together and drive positive change.

Last year, we advanced seven mid-term ESG goals that will drive our progress for the next several years. This year, we are announcing three long-term goals on emissions reductions, women's empowerment and materials traceability that we hope will guide us towards a better future.

By holding ourselves accountable, being transparent about our current state of operations and regularly reporting on our actions, we believe we will continue to make meaningful progress in achieving our ESG goals while providing beautiful products that our customers can wear without compromise.

Read on to learn more about the work Chico's FAS completed in fiscal year 2022 and our ESG strategy for the future.

Sincerely,

Kim Roy
ESG Committee Chair, Chico's FAS

POWER in the NUMBERS



CUSTOMER LED

+ Women's Empowerment

92% Of our management are female

+ Inclusion & Diversity

100% Of new hires are introduced to our Inclusion & Diversity (**I&D**) programs & inclusive culture



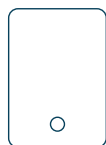
PRODUCT OBSESSED

+ Responsible Supply Chain

100% Increase in Higg Index (**Higg**) reporting by Tier 1 vendors and factories¹

+ Circularity

51,300+ Bras donated from Soma's *Bra It Forward* campaign



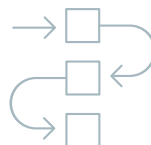
DIGITAL FIRST

+ Sustainable Innovation

156,257 Laser-processed pairs of denim delivered to Chico's®

+ Information Protection

100% Compliance with the 108 controls of the National Institute of Standards Technology (**NIST**) Cybersecurity Framework



OPERATIONALLY EXCELLENT

+ Ethics & Integrity

100% Full-time and part-time Associates participate in ethics training upon hire

+ Corporate Governance

78% Independent Directors serving on our Board²

+ Sustainable Operations

1,678 TONS

Of cardboard, paper products, corrugated, plastic and metal scrap recycled from our National Sales Support Center (**NSSC**) and Distribution Centers (**DC**)

1. Tier 1 factories source raw materials and manufacture finished products for our brands; vendors help identify suitable Tier 1 factories. Tier 1 factories and vendors do not include laundries, mills, finishers or other subcontractors.

2. Independent Directors refer to the criteria within the meaning of the New York Stock Exchange listing standards and the Company's Corporate Governance Guidelines.



about CHICO'S FAS

Overview & Strategic Pillars



Our Brands



Chico's FAS Milestones



WE ARE A COMPANY OF BRANDS *led* BY WOMEN AND *inspired* BY WOMEN.

Throughout our history, we have reinvented the fashion retail experience by creating communities where the customer is at the center of everything we do. Our portfolio of three lifestyle brands – Chico's®, White House Black Market® (**WHBM**) and Soma® – support the needs of fashion-savvy women, while our integrated, omnichannel capabilities provide a holistic retail experience for our customers through our boutiques, outlets, shop-in-shops, online presence and social stylists.

our VISION

Promoting a kind world where women never have to compromise.

our PURPOSE

Providing solutions, building communities and creating memorable experiences to bring women CONFIDENCE and JOY!

our VALUES

Our five core values shape our culture and define our character. They are the lenses through which every decision and action is made for our customers, Associates and Company, each day.

PASSION FOR FASHION

Inhale fashion, exhale style. It's what we love.

CONTINUOUSLY IMPROVE, FOLLOW YOUR CURIOSITY

Ask questions. Share something. Learn something.

CUSTOMER CENTRICITY

Our customer is at the center of everything we do, both internally and externally.

BE INSPIRED AND INSPIRE OTHERS

Seek out diverse ideas and thoughts. Embrace new ways of thinking.

BE ACCOUNTABLE

We are accountable to metrics. We are recognized for results.



our STRATEGIC PILLARS

Four strategic pillars guide the delivery of our sustainability *Vision* and *Purpose*.



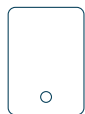
CUSTOMER LED

- + Creating exceptional and memorable experiences for our customers and Associates and engaging with our communities.



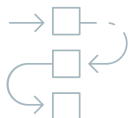
PRODUCT OBSESSED

- + Delivering distinctive, premium, best-in-class items that beautifully integrate sustainability.



DIGITAL-FIRST

- + Strengthening our core platform by leveraging technology to deliver sustainable innovations, data-driven insights and decision-making.



OPERATIONALLY EXCELLENT

- + Approaching corporate activities, including enterprise risk management, real estate, inventory and supply chain management with integrity, prudence and an attention to optimization and sustainability.

our BRANDS³

chico's

EXPLORATION OF LIFE & STYLE

Established in 1983 in a small Sanibel Island boutique filled with artfully stylish pieces, Chico's has evolved over the decades to inspire accomplished women to embrace and express their individuality. Our carefully curated collections emphasize effortless chic and unique styles with quality, comfort and versatility for women who have grown to know themselves.

605+

BOUTIQUES, OUTLETS AND SHOP-IN-SHOP LOCATIONS

United States, Puerto Rico, U.S. Virgin Islands & Mexico, [chicos.com](https://www.chicos.com)
and [chicosofftherack.com](https://www.chicosofftherack.com)

WHBM

DESIGNER DETAILS WITH A FEMININE EDGE

Built on the foundation of fashion's most iconic color contrast – White + Black – WHBM reflects this natural contradiction. Designed for women who embrace their power and femininity, our looks are strong yet subtle, modern yet timeless, sensual yet sophisticated, attractive yet approachable and infused with designer details. Founded more than 35 years ago, WHBM joined the Chico's FAS family in 2003.

380+

BOUTIQUES AND OUTLETS

United States, Puerto Rico, U.S. Virgin Islands and [whbm.com](https://www.whbm.com)

SOMA

BEAUTIFUL SOLUTIONS, EFFORTLESS STYLE

Founded for women by women in 2004, Soma is an intimate apparel brand that embraces a passion for comfort and confidence. Our beautiful and innovative Soma solutions are inspired by our customers and designed for all women who appreciate fashion as much as function through our selection of bras, panties, pajamas and loungewear that give women the very best of both worlds.

275+

BOUTIQUES AND OUTLETS

United States and [soma.com](https://www.soma.com)

3. As of January 28, 2023, Chico's FAS, Inc. sold merchandise through 58 international franchise locations in Mexico and 2 domestic franchise airport locations.

CHICO'S FAS *milestones*

- 1972** Marvin and Helene Gralnick meet in Guadalajara, Mexico.
- 1983** The Gralnick's open their first shop in Periwinkle Place on Sanibel Island, Florida. Chico's Folk Art Specialties, Inc. is born.
- 1987** The first franchise store opens in Edina, Minnesota.
- 1989** Chico's Folk Art Specialties earns a place on Inc. Magazine's list of the 500 fastest-growing privately held companies in America.
- 1990** The Company name is shortened to Chico's FAS, Inc. (**Chico's FAS**).
Chico's® launches its Passport® customer loyalty program.
- 1993** Chico's FAS goes public and begins trading on NASDAQ with the ticker CHCS.
Chico's FAS places 13th on BusinessWeek's list of the 100 Best Small Corporations.
- 1994** Chico's FAS headquarters moves into an award-winning office and distribution center, the National Sales Support Center in Fort Myers, FL.
- 1998** Chico's FAS premieres its Most Amazing Personal Service (**MAPS**) customer service initiative, which becomes part of our DNA.
- 1999** Chico's FAS launches online sales at chicos.com.
- 2000** Chico's FAS mails its first catalog and opens a call center to assist customers with orders.
- 2001** Chico's FAS stock debuts on the New York Stock Exchange under ticker symbol CHS.
Chico's FAS earns a place on Fortune's 100 fastest Growing Companies, BusinessWeek's 100 Best Small Companies and the number one spot on Forbes' 200 Best Small Companies.
- 2002** Chico's FAS opens new distribution center in Winder, Georgia.
- 2003** Chico's FAS acquires the WHBM® brand.
- 2004** Chico's FAS creates and launches the Soma® brand.
- 2006** Chico's FAS adds 24 acres to its NSSC campus.
- 2010** Chico's FAS expands into Outlet store footprints for the Chico's® and WHBM® brands.
- 2012** WHBM® introduces its WHBM Rewards® loyalty program.

CHICO'S FAS *milestones*

- 2013** Chico's FAS celebrates its 30th Anniversary.
- Soma launches its new Love Soma Rewards® Loyalty program.
- Chico's FAS' NSSC Campus opens its first Florida Green Commercial Building designated by the Florida Green Building Coalition.
- 2014** Chico's FAS announces international franchise expansions into Mexico.
- 2017** Chico's Outlets® launches its online outlet at ChicosOffTheRack.com.
- Chico's FAS appoints a 55% female majority on the Board of Directors (**Board**) and a 65% female-led Executive management team.
- 2018** Chico's FAS issues its inaugural Corporate Social Responsibility Report (**Impact Report**).
- 2019** Chico's FAS establishes its Associate-led cross-functional Environmental, Social and Governance (**ESG**) Task Force (**ESG Task Force**).
- The Company welcomes Bonnie Brooks as Chico's FAS CEO & President and Molly Langenstein as President, Apparel Group to lead the Chico's® and WHBM® brands.
- 2020** Chico's FAS is recognized as one of the Best Employers for Diversity by Forbes Magazine.
- The Company is recognized by LedBetter, 2020 Women on Boards and National Association of Female Executives for empowering women in leadership.
- Molly Langenstein is promoted to CEO and President of Chico's FAS and Bonnie Brooks transitions to Chair of the Board.
- 2021** The ESG Task Force develops and completes ten Board-approved short-term environmental and social goals and develops seven mid-term ESG goals to achieve by 2025. *To learn more about our 2021 short-term goals, see our [2021 Impact Report](#).*
- 2022** Chico's FAS launches its new Chico's Rewards+™, WHBM Rewards+™ and Soma Rewards+™ points-based loyalty programs, featuring more rewards and new benefits.
- Chico's FAS launches new mobile shopping apps for Chico's®, Soma®, and WHBM® brands.
- Chico's FAS posts a seventh consecutive quarter of year-over-year double-digit earnings growth in its 3rd quarter.
- Chico's FAS publishes its first comprehensive ESG Impact Report on its new Responsibility website (esg.chicosfas.com).

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our COMMITMENT to ESG

Our ESG Approach



Chico's FAS ESG Evolution



Our Sustainability Goals



our COMMITMENT to SUSTAINABILITY

At Chico's FAS, we believe that caring for our people, our planet and our communities is at the core of our values and underpins our long-term value creation.

For nearly 40 years, our *Passion for FASHION* and desire to *INSPIRE* confidence and joy have been guiding the design and creation of our women's clothing, intimates and accessories. Our commitment and dedication come from our loyal and devoted customers and Associates, who are equally motivated and inspired by our *Vision and Purpose*.

From this foundation, we have focused our efforts on four strategic pillars: *Customer Led*, *Product Obsessed*, *Digital First* and *Operationally Excellent*. Our strategic pillars are supported by our ESG focus areas and their initiatives designed to inspire and create positive impacts.



our ESG APPROACH

Our Executive leadership, Associates and Board work together to advance our strategic pillars through our ESG focus areas. By leveraging resources across our organization, we coordinate activities that address environmental stewardship, philanthropy, human capital management, information security, social responsibility and more. In doing so, we are seeking to create real change throughout the Company and across our three brands – Chico's®, Soma®, and WHBM®.

Over the past few years, we have formalized our ESG approach. We established Board and Executive ESG committees to oversee the efforts of our Associate-led ESG Task Force. We developed and continue to review and consider policies and procedures that guide our own actions and behaviors and those of our partners. We evaluated, and continue to monitor, our progress by reviewing ESG rating agencies' assessments and consulting internationally recognized ESG frameworks, including the SASB Standards, United Nations Sustainable Development Goals (**UN SDGs**) and the Investor Stewardship Group's Corporate Governance Principles. We also held ourselves accountable, and continued to define our ESG journey through the creation and pursuit of various short-, medium- and long-term goals.

This Impact Report provides an overview of Chico's FAS' ESG program, actions and accomplishments for the 2022 fiscal year, ending January 28, 2023. All data herein refers to such period, unless otherwise noted. It includes details regarding ongoing practices and commitments, in addition to the development of future initiatives. We expect to continue to improve our ESG disclosures through subsequent annual reports as we further evolve our data gathering and reporting processes and expand our program goals and initiatives.

ESG FOCUS AREAS ADVANCING OUR STRATEGIC PILLARS



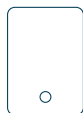
CUSTOMER LED

- + Women's Empowerment
- + Inclusion & Diversity



PRODUCT OBSESSED

- + Responsible Supply Chain
- + Circularity



DIGITAL-FIRST

- + Sustainable Innovation
- + Data Protection



OPERATIONALLY EXCELLENT

- + Ethics and Integrity
- + Corporate Governance
- + Sustainable Operations



2018

Published our inaugural Corporate
Social Responsibility Report

+

2019

Created our Associate-led
Cross-functional ESG Task Force

+

2020

Launched our Associate-driven
Inclusion & Diversity Council (**I&D Council**)

+

2021

Established our Board-level ESG Committee and
Executive-level ESG Steering Committee
(**Steering Committee**)

Expanded our ESG Task Force to 12 members

Developed and completed ten short-term
environmental and social goals

Hosted an Investor Day profiling our
ESG-aligned corporate strategy

+

2022

Published Human Rights Policy, Political Action Statement
and Environmental Policy

Updated our Global Vendor Code of Conduct

Published seven mid-term ESG goals



our SUSTAINABILITY GOALS

We are a company dedicated to continuous improvement and accountability in our pursuit toward a more equitable and sustainable world. We acknowledge that our commitments require deliberate and sincere actions. That is why we have established a range of goals to advance our *Vision*. We have separated our goals into three categories. We believe short-term goals can be achieved in less than 18 months, mid-term goals in less than 5 years and long-term goals more than 5 years to achieve. Our goals are informed by the UN SDGs' aims, which are designed to alleviate the most pressing global environmental, social and economic issues of our time. As we succeed in achieving our objectives, so too may we advance the opportunities of others.

Chico's FAS' Mid-Term Goals For Advancing a More Equitable and Sustainable World

UN SDG Alignment

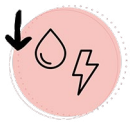


Explore and quantify value-added sustainable packaging opportunities to reduce landfill waste by having our brands align on and adopt at least one new sustainable packaging opportunity per year over the next 3 years

OUR PROGRESS

Researched and identified a recyclable poly bag alternative for the Company's adoption in all shipments by end of 2023; using these poly bags help reduce the amount of toxins that are released during decomposition.

Continued to test additional packaging alternatives for future consideration that may help further reduce our environmental impact.



Analyze, disclose and engage with our Tier 1⁴ factories on their total water consumption, energy use and waste output and identify opportunities to reduce their impact by at least 1 percent per year over the next 3 calendar years.

OUR PROGRESS

Expanded and refined our data gathering and analysis methodology. Increased factory data survey participation rates by 50%, 60% and 55% compared to FY2021 in the areas of energy, water and waste reporting, respectively.

Established our baseline reporting year (FY2022) against which we will measure the reduction impacts for the next 3 years.



Introduce 2-3 fabrics, innovations, technologies or other efficiencies in our product design, development and manufacturing every year over the next 3 years to reduce our environmental footprint.

OUR PROGRESS

Introduced 36 new Mindful Fabrics⁵ in our Brands for a total of 98 Mindful Fabrics featured in our collections in 2022. Launched a new 3D digital garment technology for our designers.



Develop expanded product assortments using customer and Associate input to create solutions that give comfort and joy to women of all shapes and sizes.

OUR PROGRESS

Gained additional customer and Associate insights through more than a dozen feedback channels. Developed confidence-boosting, move-with-you product solutions, like our Bodify™ Bra collection, that adjusts when you need them to and the Chico's DefineMe Denim collection, engineered to smooth, lift and contour your body.



4. Tier 1 factories source raw materials and manufacture finished products for our brands. They do not include laundries, mills, finishers or other subcontractors.
5. Fabrics made with more mindfully produced and sustainably sourced raw materials (**Mindful Fabrics**).

Chico's FAS' Mid-Term Goals For Advancing
a More Equitable and Sustainable WorldUN SDG
Alignment

Implement Higg Index sustainability reporting for the top 80% of our Tier 1 vendors and factories.

OUR PROGRESS

Engaged with Tier 1 vendors and factories to promote Higg reporting, resulting in an overall 58% Tier 1 vendor and factory participation rate, a 100% increase from 2021.



Continue to enhance the racial and ethnic diversity of our workforce by focusing on recruiting and retention efforts.

OUR PROGRESS

Leveraged internal and external candidate recruitment resources and championed diversity through training and awareness programs.



Promote ESG reporting that aligns with stakeholder expectations and regulatory disclosure recommendations.

OUR PROGRESS

Enhanced our reporting in our annual Impact Report to reference SASB standards and alignment to the UN SDGs and continued to leverage ESG frameworks, industry trends and data from ESG rating agencies to guide progress on our ESG program and goals.



At the beginning of 2023, we continued our momentum by creating three long-term goals where we hope to make impactful progress over the next 5-10 years. These goals support our strategic pillars of being *Customer Led*, *Product Obsessed* and *Operationally Excellent*.

Chico's FAS' Long-Term Goals for Advancing a
More Equitable and Sustainable WorldUN SDG
Alignment

EMISSIONS

Advance contributions to the goal of "net zero carbon dioxide (CO₂) emissions by 2050" by measuring the Company's baseline Scope 1 & Scope 2 GHG emissions by Fiscal Year End 2023 and developing our first emissions-reduction plan and an implementation timeline by Fiscal Year End 2024.



WOMEN'S EMPOWERMENT

Create a better future for the women in our global value chain through development and empowerment programs that offer ways for them to lead, succeed, give back and thrive by identifying appropriate women's empowerment programs and projects for possible engagement by Fiscal Year End 2023.



TRACEABILITY

Continue to enhance our value chain traceability programs to drive our sustainable sourcing initiatives and provide better product insights to our customers by completing an initial mapping of our Tier 1 value chain by Fiscal Year End 2023.



3



our STRATEGIC PILLARS

THE PATH TO A MORE EQUITABLE & SUSTAINABLE FUTURE

Customer Led



Product Obsessed



Digital First



Operationally Excellent





CUSTOMER *led*

We strive to create exceptional and memorable customer and Associate experiences that combine our customer-centric *Most Amazing Personal Service* with our inclusive Associate-focused *Most Amazing Place to Work, Learn and Grow* philosophies, to bring our *Passion for FASHION* to life and build community engagements that uplift others and generate value for our customers, Company and other stakeholders over a lifetime.

UN SUSTAINABLE DEVELOPMENT GOALS

In this section, we discuss programs, policies, procedures and goals that align towards the UN SDGs Goal #5 (Gender Equality) and its targets 5.1, 5.5 and 5.c, to achieve gender equality and empower all women and girls and Goal #10 (Reduced Inequality) and its targets 10.2, 10.3 and 10.4, to reduce inequality within and among countries.

5 GENDER
EQUALITY



10 REDUCED
INEQUALITIES



women's EMPOWERMENT

As a company of brands led by women and for women, we are on a mission to empower every woman to wear their confidence and never compromise. Chico's FAS champions women's advancement and is committed to being an industry leader that tends to every woman's real needs. We achieve this by remaining motivated to recognize and elevate the power of our customers through the personal attention and innovative product solutions we offer and by developing modern workplaces that lift up all of our Associates.

2022 RECOGNITIONS & AWARDS

SERAMONT

2022 Top Companies for
Executive Women

NEWSWEEK

2022 Top 100 Most
Loved Workplace

2022 Best Customer Service

2022 Best Online Shops

FORBES

2022 Best Employer
for Women



POWER IN THE NUMBERS

96% ASSOCIATES
ARE FEMALE

98% FIELD ASSOCIATES
ARE FEMALE

98% FIELD LEADERSHIP
ARE FEMALE

92% MANAGEMENT
ARE FEMALE

50% OFFICERS
ARE FEMALE
(EVP & ABOVE)

56% BOARD MEMBERS
ARE FEMALE

LEADING BY OUR VALUES WITH CUSTOMER CENTRICITY

To bring confidence and joy to women everywhere, we are devoted to being the Most Amazing and an embodiment of the *Power of &*. We strive to elevate our customers and we recognize the importance of cultivating strong relationships with them, always with the aim of empowering women.

As a company for women, by women, our support of women's empowerment begins at home. With our commitment to recruiting, supporting and elevating the talented women of our Company, we feel we are in a unique position to understand and meet the needs of our customers.

Our Passion for *FASHION* is the foundation of our every interaction. It is what encourages us to be *INSPIRED* and *INSPIRE* others as we curate wardrobes that express the individuality of our customers and develop campaigns that raise awareness of their uniqueness. Our commitment to *CUSTOMER centricity* is always at the forefront of our approach.

Our boutique and outlet store Associates along with our stylists, marketing teams and retail designers bring our purpose to life. They engage with our customers in-person and online. They build partnerships with other inspired and inspiring

organizations. They envision spaces that evoke the diversity of our brands. All their efforts are supported by our modern workplace and our motivation to anticipate our customers' needs.

DELIVERING PERSONALIZED CUSTOMER CARE

Our Associates, who act as our customers' style experts, express our culture and strive to treat our customers to a level of service that makes them feel seen, heard, respected and empowered.

With an emphasis on building one-on-one relationships, we seek to provide our customers with the individualized attention they deserve. Our MAPS, I&D and Product Knowledge training equip our Associates with the skills and confidence to provide a more personalized experience tailored to every woman's individual styling and fit needs.



Read more about the *Power of &*
in our *Elevating Our Talent* and
Ethics and Integrity sections.



CUSTOMER LED SPOTLIGHT

NINA SCHMIDT, GENERAL STORE MANAGER

My Superpower: **Being a brand ambassador.**

What it means to be Customer Led: For me, it means going above and beyond for *HER*. I love finding items that are nearly sold out or taking the time to research and make calls to locate that special item for her outfit. It shows how much we care. We also make the extra effort to impart our product knowledge. We try out our products so we can personally speak to the features, fabrications and versatility of each piece as we style our customers. By being a brand ambassador, we are serving *HER* each and every day!

BUILDING WOMEN-CENTRIC CAMPAIGNS

Our retail designs and promotional campaigns are key elements of our women-empowering vision and purpose.

Our diverse store, online and social marketing campaigns give our customers the opportunity to see themselves reflected in our brand DNA and envision themselves in our latest creations. These are, in turn, leveraged by our Associates to deliver that personalized experience.

We also look to our marketing campaigns to find new connections that resonate with our customers. During the past few years, we have started to focus our partnership opportunities and events on those who share our commitment to women's empowerment. In 2022, we launched an #inherjeans denim campaign featuring our own Associates as models and for International Women's Day. Our #EMPOWHER social media campaign asked customers to share stories celebrating the inspirational women in their life, as part of our Let's EMPOWHER EACH OTHER sweepstakes.



LEADING BY OUR VALUES IN A MODERN WORKPLACE

We strive to be the *Most Amazing Place to Work, Learn and Grow*. We recognize that our Associates are also our customers. We seek to build confidence in all our Associates and to treat each other with kindness and respect. We encourage our Associates to *continuously IMPROVE* and follow their *CURIOSITY* by exploring new and exciting career-building opportunities and skills development programs. This approach aligns with our MAPS philosophy and its focus on *CUSTOMER centricity*, and serves to cultivate and strengthen our relationships. By always being *INSPIRED* to keep learning and growing together, we remain *ACCOUNTABLE* to each other.

Our Human Resources (**HR**) Team, including its Recruitment and Learning & Development (**L&D**) members, coordinate almost every facet of our culture and people-related matters. Under the direction of our Chief Human Resources Officer, these teams support the personal and professional development of our Associates. They collaborate across departments and locations to deliver skills programs, training and other enrichment opportunities. They assist with our benefits, rewards, compensation and performance. They also raise our awareness, foster our community and drive our nationally recognized I&D programs.

CULTIVATING OUR TALENT JOURNEY

Our Associates and teams are what make Chico's FAS an amazing place to work.

Our recruitment and onboarding strategies lay the foundation for recognizing and attracting top talent. From there, we build upon each other's strengths and identify opportunities for retention through our talent development and performance management programs.

RECRUITMENT

Our brands' recognition and impact serve as strong motivators for people to join our Company. We have a dedicated team of recruitment specialists who seek out the best and brightest

POWER IN THE NUMBERS

14,230+ TOTAL ASSOCIATES

32% FULL-TIME ASSOCIATES

89% STORE ASSOCIATES

1,590+ ASSOCIATES WITH
TENURE OVER 10 YEARS

3.6 YEARS AVERAGE
ASSOCIATE TENURE

5.6 YEARS AVERAGE TENURE
FOR NSSC AND DC
ASSOCIATES

900+ LEARNING, DEVELOPMENT
AND CAREER PATHING
COURSES

talent to join our teams. We strive to develop diverse recruiting slates whether for the field or in our corporate spaces to enrich our perspectives.

Along the way, our teams use a variety of channels to reach out to and connect with potential Associates.

We post open positions on our careers website, accessible via any of our shopping websites, along with various other online recruiting sites.

We encourage our Associates to recommend results-driven candidates through our employee referral program, which offers the opportunity for an Associate bonus for certain eligible positions, along with an option to donate their proceeds to a charitable partner.

We believe that today's students are tomorrow's leaders. Our internship programs and our high school, trade school and college campus partnerships are key elements to building relationships and identifying the next generation of notable talent. As part of our mission to engage with new talent, we offer a variety of hands-on learning experiences, leadership development opportunities and real-world exposure to the business of fashion.

After being hired and throughout the onboarding process, our managers are there to support new Associates along their journey. From day one, we strive to create an inclusive and welcoming environment. New hires participate in our day-long orientation, which acquaints them with Chico's FAS, our culture and values, our strategic pillars, our three brands and much more. We also offer role-specific onboarding programs, like our newest District Sales Manager training launched in 2022.

GROWTH DEVELOPMENT

We believe that ongoing learning is a vital component to our Associates' success. It propels their ambitions and aligns with our values to *continuously IMPROVE* and follow our *CURIOSITY*.

Our engaged and knowledgeable L&D team infuses opportunities for growth in every part of our Associates' journeys. Our robust offering of knowledge- and skills-building learning programs provide foundational and specialty insights to enhance our Associates' careers in the fashion industry.

FASUniversity is our one-stop shop for professional exploration and growth. The online platform provides access to a multitude of programs and tutorials that can be voluntarily completed or assigned based on one's role. These include instructor-led classes in virtual and classroom settings and self-led content, such as articles, eLearning and videos. They cover a variety of topics covering leadership, personal development, compliance best practices, product knowledge and core competencies, among others.

Not only do we create programs to develop and enhance the skills of our Associates, we also offer the opportunity for our talented Associates to share their own expertise. Our FASBEST program consists of classes developed and taught by our very own Associates. Via live classrooms, short video clips and other engagements, our Associates share their talents and technical tips to help others grow and thrive at Chico's FAS.

Beyond structured courses and programs, our L&D team offers curated and personalized experiences for team growth. These experiences are designed to facilitate group knowledge on a particular subject or function. We also focus on opportunities for individual growth. We have an educational assistance program that will reimburse certain amounts of tuition for job-related courses or degree programs. In 2022, we partnered with BetterUp to pilot career coaching experiences for our Director-level Associates and above. In addition, four of our Associates were certified in emotional intelligence training, which we aim to roll out further in the coming years.



TOP TALENT PROGRAM

Across our DC and NSSC, groups of exceptional Associates were chosen to participate in our 2022 Top Talent Program. Through online and in-person training, these Associates gained valuable insights on how to become effective leaders. They explored topics ranging from, among others, innovative and strategic thinking, conflict management, interviewing skills and delivering feedback.

POWER IN THE NUMBERS

39 ASSOCIATE PARTICIPANTS

7.5 AVERAGE TRAINING HOURS PER PARTICIPANT

41% AVERAGE PARTICIPANT PROMOTION RATE

95% AVERAGE PARTICIPANT RETENTION RATE

93 AVERAGE NET PROMOTER SCORE® BY PROGRAM PARTICIPANTS

6. A Net Promoter Score® measures customer experience using questions like "How likely is it that you would recommend this to a friend or colleague?". <https://www.netpromoter.com/know/>

PERFORMANCE MANAGEMENT

One of our HR team's most critical tasks is ensuring that our Chico's FAS talent journey helps us achieve our organizational objectives. We believe everyone wins when we effectively leverage the talents and gifts each of our Associates brings to the workplace. That means having the right person in the right job and maintaining an engaged, results-oriented team. We achieve this through our performance management program.

Throughout the year, we encourage our Associates and their managers to regularly communicate with one another through active discussions on their talent journeys. These conversations serve as checkpoints and supplement our formal year-end talent connect and goal-setting meetings.

In the lead up to the year-end talent connect meetings, our Associates and their managers complete talent snapshots that discuss work performance, new areas of interest, where Associates are excelling, what Associates may want or need to improve and how to drive those results. We also provide training and guidance to both our managers and Associates on how to prepare for and hold effective talent connect meetings. Once together, Associates and their managers create goals and establish individual development plans to advance each Associate's personal and career growth.

TOP TALENT SPOTLIGHT



JODY WARDER

HUMAN RESOURCES MANAGER

My Superpower: Expressing myself through positivity and encouraging others.

How the Top Talent Program inspires connections and growth at Chico's FAS: The Top Talent Program was such a rewarding experience, not only for the amazing content delivered by L&D, but the contacts I made. It was an honor and privilege to share the Top Talent runway with so many brilliant individuals and to have the unique opportunity to meet and network with Associates in areas that I may not otherwise interact with. By participating in the programs, I have become better at believing in myself and knowing that my leaders trust me to represent our organization. The people I met, and the lessons learned will remain with me throughout my professional career and every day at Chico's FAS!



ELEVATING OUR TALENT

We believe that initiatives taken to support our Associates' growth and encourage their curiosity should go hand-in-hand with the opportunity to advance their careers within and across the Company.

Along our Chico's FAS talent journey, we provide opportunities for our Associates to be recognized for their contributions, rewarded for their personal successes - and the Company's - and supported by a variety of benefits.

RECOGNITION & AWARDS

We pride ourselves on our promote-from-within culture.

We take moments to share our appreciation with internal awards and recognitions. At our All-Hands meetings, we devote time to appreciating our latest "Best of" achievements, like our Best District,



TEAM AWARDS

AWARDS2022

At Chico's FAS, we value the strengths and successes found in our collective pursuits, which we call the *Power of &*. Our most prestigious form of recognition is our annual *Power of & Awards*.

Since 2013, Associates who embody our values are recognized for their contributions as part of our annual *Power of & Awards* program. By creating amazing customer and Associate experiences, these Associates harness The *Power of &* and provide significant business impact.

Nominees are submitted by their peers from across the organization and finalists are announced through our internal communication channel. From there, winners are recognized virtually through daily videos.

Best Business Drivers, Best Supporting Team and Best Innovation. We also recognize those who have been promoted or are embarking on new experiences in the organization.

COMPENSATION & SHARE OWNERSHIP

We strive to provide market-competitive compensation for our Associates.

Over the past few years, we increased pay rates for our hourly Associates and have been working with each of our stores to ensure its implementation. We believe that each Associate should be paid fairly and comparably for the same job at the same location, no matter their gender. We use market-based benchmarks to inform our compensation decisions and are committed to gender pay parity.

A portion of our eligible Associates participate in our short- and long-term incentive programs. These programs are designed to reward performance that meets personal and corporate objectives. Our Executive leadership receives both an annual cash bonus and equity compensation that vests over multiple years to ensure a linkage to the Company's short- and long-term financial performance. To learn more about our executive compensation practices, see our [Proxy Statement](#).

Eligible Associates also have the opportunity to become Chico's FAS stockholders through our Employee Stock Purchase Plan. This program provides the opportunity for our Associates to receive a discounted price for the purchase of our stock directly from the Company and without any sales commissions.

We also think about our Associates' future financial success with our elective 401(k) program. Associates are able to contribute to their retirement on a pre-tax basis through the program, and after one year of employment, are eligible for our corporate match program.

BENEFITS & PERKS

Foundational to our modern workplace approach is our strong benefits programs and nontraditional amenities.

We offer a full range of competitive benefit options that serve the overall well-being of our full-time Associates. From medical and prescription drug, dental and long-term disability and flexible spending and health savings accounts, our full-time Associates and their families are covered. We shoulder the majority of the cost to ensure that our programs are affordable and sufficiently versatile to meet our Associates' diverse lifestyle needs.

Both our part- and full-time Associates have access to our Employee Assistance Program. This service supports our Associates in everyday life by offering confidential counseling sessions, tools and resources to help achieve work-life balance and manage day-to-day needs, like school and financial aid resources, elder and child care resources, household and home improvement services, and identity theft, legal and financial consultation services, many of which are available 24 hours a day, 7 days a week. In addition, after 90 days of employment, we offer paid hours each calendar year to volunteer at local charities.

We continue to enhance work-life balance and enrich each other's lives through amenities that help manage the stresses of everyday life.

- + For new families, we offer adoption assistance, 6-weeks paid parental leave, lactation accommodations for nursing mothers and on-site childcare at the Chico's FAS Early Education Center at our NSSC campus.
- + For all our Associates, we provide discounts in our Boutiques, Outlets and online sites, in addition to corporate discounts on national and local products and services through our BenefitHub site.
- + For eligible Associates, we have generous paid time-off, holiday observances and additional leave for life events, such as medical leave, bereavement and military service.
- + At our NSSC campus, we offer several on-site amenities including cafés, a health center, fitness center, a childcare center, dog parks and a bring your dog to work program, walking paths and classes in addition to a hair salon, dry-cleaning services and a fresh flower market.
- + At our DC, we provide an on-site health center, a state-of-the-art gym and a Company store for quality clothing and accessories at great prices.

We are also evolving to new workplace standards by embracing flexible styles of work. This includes opportunities to work from home, where available, and half-day Summer Fridays.



Read more about
charitable activities in our
Chico's FAS Cares section.



Check out our *Benefits Overview*
on our *Careers* page
for a full list of benefits.

FOSTERING ENGAGEMENT

We strongly believe that a well-informed and engaged community is key to our success and the achievement of our strategic pillars and goals. We are avid communicators and active listeners with the mission of providing solutions, building communities and creating memorable experiences.

We use a variety of internal channels to share information and uplift the voices and contributions of our Associates. We encourage open and direct communication between Associates, their managers and HR partners through our Open Door Policy.

We bring people together through our programs. Our voluntary Get2Gethers program partners Associates across departments to provide mentorship. They meet quarterly to foster connections, enhance our corporate culture and reinforce our commitment to inclusivity.

We host Company-wide events through our monthly All Hands meetings, which include important company updates and Q&As with our Executive leadership. We use our intranet as a repository for our latest news and communications, training, human resources, location information and other business operations resources. In addition, we conduct regular engagement surveys to better understand the Associate experience.

LEARNING & GROWING THROUGH FEEDBACK

Our Associate Engagement Surveys and Pulse Surveys provide us with a measure of how well we are serving one another and help us identify opportunities to do more. The Surveys inquire about a range of engagement drivers, including organizational culture and career growth opportunities.

Over the past few years, we have prioritized more frequent Pulse Surveys in lieu of an annual Engagement Survey to better assess the experience and well-being of our Field Leaders and DC and NSSC Associates throughout the year. Our surveys are centered around 3 static questions and include one variable question. The results of the surveys are reviewed by our Executive leadership to identify actionable opportunities, and the feedback is then shared by the Executive leadership with their teams.

In 2022, we conducted three Pulse Surveys, in February, May and September. Each contained a variable question, specifically, if Associates feel connected to our Vision and Purpose, if they would recommend Chico's FAS' products to family and friends and if they are given enough freedom to decide how to do their work. Based on average respondent feedback, our surveys continued to yield strong results and reveal areas for growth.

POWER IN THE NUMBERS

88% SAY THEY ARE PROUD TO
WORK FOR THE COMPANY

83% BELIEVE THEY MAKE
A DIFFERENCE

71% ON AVERAGE ARE RECOGNIZED
FOR A JOB WELL DONE

78% FEEL PERSONALLY CONNECTED
TO CHICO'S FAS' VISION AND
PURPOSE

89% WOULD RECOMMEND CHICO'S
FAS' PRODUCTS TO FAMILY
AND FRIENDS

82% ARE GIVEN ENOUGH FREEDOM
TO DECIDE HOW TO DO
THEIR WORK

INCLUSION & diversity

We strive to weave the power of inclusive and diverse viewpoints into the fabric of our Company culture and our actions, every day.

We aspire to create spaces that honor, respect and celebrate our differences. We recognize and value diversity and the importance of bringing together people with different and unique backgrounds, life experiences and viewpoints. By focusing on inclusive collaboration, not just within our organization, but also in our marketing and product designs, we are advancing our values of *CUSTOMER* centricity, *continuously IMPROVE*, be *INSPIRED* and *INSPIRE* others, be *ACCOUNTABLE* and having a *Passion for FASHION*. We believe all of this serves to benefit our business, our communities and society.

POWER IN THE NUMBERS

12

INCLUSION AND DIVERSITY
INSPIRED HOLIDAY AND
OBSERVANCE EVENTS AND
RESOURCES CALENDARS

12+

COMMUNICATIONS AND
INTERNAL SITE PAGES
WITH CURATED CONTENT
RECOGNIZING THE IMPORTANCE
OF JUNETEENTH AND BLACK
HISTORY, ASIAN AMERICAN
PACIFIC ISLANDER HERITAGE,
HISPANIC HERITAGE AND MORE

100%

OF NEW HIRES INTRODUCED
TO OUR I&D PROGRAMS &
INCLUSIVE CULTURE

1

ASSOCIATE E-MAGAZINE
CELEBRATING LGBTQIA+
PRIDE MONTH

CHICO'S FAS SUSTAINABILITY GOALS



Continue to enhance the racial and ethnic diversity of our workforce by focusing on recruiting and retention efforts.



Develop expanded product assortments using customer and Associate input to create solutions that give comfort and joy to women of all shapes, colors and sizes.

2022 – 2023 RECOGNITIONS & AWARDS

HUMAN RIGHTS CAMPAIGN

2022 Best Places to Work Corporate
Equality Index

FORBES

Chico's FAS: 2022 Best Employer for Diversity

LEADING BY OUR VALUES

For our Associates and our customers, we never want them to compromise.

Our approach to I&D is grounded in a commitment to create a sense of belonging and connectedness, while at the same time appreciating our differences. We strive to be understanding and welcoming in all interactions, from our boutiques and websites to our offices and DC.

In 2020, we established our I&D Council, an all-volunteer Associate-led team comprised of cross-functional members spanning the Company, who represent a diversity of backgrounds, experiences and perspectives. The I&D Council is spearheaded by our Head of Inclusion & Diversity and our Chief Human Resources Officer, who champions our I&D efforts.

The I&D Council meets monthly to develop and review the Company's I&D goals and initiatives. They provide regular updates to our Executive leadership team in addition to our ESG Task Force and Board's ESG Committee. I&D Council members are invited to participate in our ESG Task Force to improve collaboration and coordinate a cohesive social governance strategy.

The I&D Council also coordinates with our Human Resources team to execute our three I&D Priorities: *Attraction & Retention, Education & Training and Customer Focus.*

ADVANCING OUR I&D PRIORITIES

With our three I&D Priorities established, we are advancing actionable initiatives to foster greater inclusivity and diversity.

ATTRACTION & RETENTION

As a family of lifestyle brands, we recognize the importance of having Associates who reflect our customers and are poised to meet their fashion needs. To live up to this aim, we have initiated proactive steps to enhance our Associate attraction efforts and improve our internal reporting on these and other recruitment and retention efforts.

We are an equal opportunity employer and make it our mission to be inclusive in our recruitment

efforts. We understand that to attract top talent and to feel welcome, potential employees expect to see themselves represented among our Associates. Our visual recruitment materials support this work and have been updated to highlight our diverse workforce.

Our attraction strategy is focused on enhancing the skills and attention of our recruitment team members, improving and leveraging digital tools to reach a more diverse audience and expanding the reach of our partnerships.

Over the past few years, several of our senior recruiters have become Certified Diversity Recruiters under the AIRS® standard. Lessons from the certification program have equipped them to integrate I&D principles into our recruitment strategy and cascade best practices gained from the hands-on learning experience to other team members.

Across our recruitment and retention efforts, we are focused on accountability. We are monitoring our candidate selection process and actively focusing on recruitment and retention efforts to enhance our organization's diversity.

We are also improving our self-identification efforts for our current employee base, including the expansion of coverage for ethnicity and military status. To encourage participation and information accuracy, we launched an internal campaign to encourage our Associates to report their self-identities. These responses will form an accurate baseline of our Associate population and will drive future improvements to our disclosures and succession planning aims at all levels of our organization.





PROJECT SEARCH SPOTLIGHT

Its Superpower: **Empowering everyone.**

Why Chico's FAS loves Project SEARCH: At Chico's FAS, we value the strengths and successes found in our collective pursuits, which we call the *Power of &*. We also recognize that to attract top talent, we must be active partners in the career development of potential employees from within our local communities. We believe that Project SEARCH exemplifies these principles.

The primary objective of Project SEARCH is to secure competitive employment for people with disabilities. Through the power of community collaboration, high school students and young adults with a desire to achieve rewarding employment are partnered with host businesses, special education teachers and skills trainers and local developmental disability organizations to pursue new career opportunities. The one-year internship program focuses on team building, workplace safety, technology, employment retention, self-advocacy, financial literacy, health and wellness and employment preparation.

The program offers a rewarding experience for all participants and has had the added benefit of transitioning interns into new roles at Chico's FAS.

EDUCATION & TRAINING

We are committed to creating a work environment that provides all our Associates with equal access to information, resources, skills development and career opportunities. We foster I&D awareness and community-building so that everyone can be active participants in promoting a harassment-free workplace that embraces our diverse voices.

Training is a key element of our I&D initiatives. At initial hire, each of our Associates is introduced to our I&D program offerings and is required to complete our harassment prevention training, an annual course for all our full- and part-time Associates. Our full-time Associates and certain other Associates participate in additional training on unconscious bias, the impact of inclusion, cultural awareness and racial equity.

Beyond required training, all our Associates have access to supplemental I&D training through FASUniversity.

In 2022, we continued to focus our I&D efforts on how we can identify and work to eliminate unconscious biases in our everyday interactions. In addition to training, we raise awareness and help build community through our Associate networks and activities.

As a result of Associate feedback, we launched Associate network groups to foster community connections. These voluntary groups focus on community service, health and fitness, personal development, leadership and inclusion and create forums for discussions on shared interests like good reads and great conversation, favorites for foodies, outdoor activities and pet lovers.

FREE TO BE ME

Our "Free to Be Me" campaign celebrates our individuality and inclusivity through shared stories, experiences and appreciation. We encourage each of our Associates to be themselves, to bring their true selves to work every day and to celebrate each person's uniqueness.



We inspire and engage with one another through the celebration of I&D heritage months. We post educational materials, readings and playlists, local resources and community activities on our internal website to foster engagement. Over the past few years, we have recognized Asian American Pacific Islander Month, Black History Month, National Hispanic Heritage Month, Juneteenth, Native American Heritage Month, Pride Month, Women's History Month and many more, to reinforce the importance of lifting the voices of all our Associates to better serve them and our customers.

SUSTAINABILITY GOAL SPOTLIGHT

Continue to enhance the racial and ethnic diversity of our workforce by focusing on recruiting and retention efforts.

Our Progress

In 2022, we continued to leverage our internal teams and external partnerships to reach and attract new candidates, and championed diversity through our training and awareness programs.



FREE TO BE ME SPOTLIGHT

MICHAEL MARCHENA
FIELD TRAINING & DEVELOPMENT
SENIOR MANAGER

My Superpower:
Living my life authentically.


Why the "Free to Be Me" campaign and Pride initiatives are important: The "Free to Be Me" campaign means I can be myself and speak freely about my life. Combined with Pride month, it is a way to both celebrate and reflect on those who fought to pave the way, so I could marry the love of my life. At Chico's FAS, I can share the journey that my husband and I have walked together and the impact of events like the Stonewall Riots. It is important to me that I am, and people like me are, recognized and able to live our authentic lives.

We keep our Associates informed of I&D events through our monthly calendars. These share insights on significant historical moments and cultural remembrances, in addition to cultural celebrations from around the world.

CUSTOMER FOCUS

We are driven by our purpose of bringing confidence and joy to all women. We honor the personal, the individual, the unique and the diverse. We embrace the beauty, strength and creativity that lies within us all. We accomplish this not only by being inclusive in our organization, but also in our designs, our marketing and our customer service. For nearly 40 years, our designs have been developed to represent women in all their different shapes, sizes and proportions.

At Chico's, we developed our own simple-to-use sizing chart, *Yes, We Have Your Size!*™ Our chart translates standard sizes from XS/0 to XXL/22 along a more accessible measurement scale from 000-4. Towards the end of 2022, Chico's®

CEO Letter		
Board Letter	<p>introduced additional half size offerings in its No Iron skirts, in addition to its denim and pants offerings, to help refine the fit of our garments and is continuing to roll out new half size offerings in woven tops, jackets and dresses in 2023.</p> <p>To help our customers to feel more comfortable and confident in their own bodies, we offer innovative selections designed to embrace their individuality and meet their personal needs. In 2021, Soma® launched its Bodify™ Bra collection, the first-ever smart bra designed to adapt to the unique shapes and fluctuations of women's bodies. In 2022, Soma® also developed a line of Bra Dresses, with built-in bras featuring an adjustable support design, while WHBM launched its SWIM collection, featuring Mindful Fabrics with recycled content, and its PRET™ collection, featuring lightweight, exceptionally soft fabric with amazing stretch, that easily transition looks from work to weekend.</p>	<p>Above all, we seek to uplift women through our styles and our trained stylists, who help our customers create and accessorize their own unique looks. We want every woman to feel confident in themselves and to experience the joy that exists within and around them. Every day, we strive to make this a reality for all women.</p>
Power in the Numbers		
About Chico's FAS		
Our ESG Commitment		<div>  <p>Share your Soma product ideas, insights and stories by emailing us at startswithme@soma.com.</p> </div>
Strategic Pillars		
Customer Led	<p>In addition, each of our brands cater to our petite, tall and curvy customers, with apparel sizing ranging from XXS/00P to XL/16 at WHBM® and Soma® bras sizes of 32A to 46H. Chico's launched its DefineMe Denim™ offerings in 2022 engineered to smooth, lift and contour your body, giving you a perfect, flattering fit every time.</p> <p>We aim to embrace the diversity of our customers and inspire them to envision themselves in our brands through our marketing and advertising initiatives. Across our brands, we are using a wide range of models and influencers, who represent the communities we serve, in our marketing. Our customers are also contributors on our social media channels, and we encourage them to create Instagram galleries that feature their own unique style, as a way to help us celebrate women from all backgrounds and cultures and honor the beauty among us all.</p> <p>We gain insights through our customer panels, which are hosted by our internal Insights team. We regularly conduct wear tests to garner feedback on fit, comfort and style. Our internal teams also stay ahead of customer needs by monitoring customer ratings and reviews, comments on our social channels and in-store conversations.</p>	<div> <h3>SUSTAINABILITY GOAL SPOTLIGHT</h3> <p>Develop expanded product assortments using customer and Associate input to create solutions that give comfort and joy to women of all shapes, colors and sizes.</p> <p>Our Progress</p> <p>In 2022, our stylists continued to gain and share insights from our personalized styling and fittings that helps us design for our customers' real style needs, while our internal teams received direct feedback from our customer panels, wear test and customer reviews.</p> <p>We developed products with our customers' confidence in mind, such as our Bra Dresses, our WHBM SWIM™ collection and Define Me Denim collection and their expanded sizes or move-with-you product solutions for women of all different shapes and sizes.</p> </div>
Product Obsessed		
Digital First		
Operationally Excellent		
Our Path		
Appendix		

CHICO'S FAS CARES

Chico's FAS and our family of brands – Chico's®, WHBM® and Soma® – are committed to positively impacting our customers, Associates and the communities in which we live and do business through community service and giving back.

Our brand and corporate cause-related initiatives are focused on raising awareness and funds through local, regional and national partnerships. We support community-based philanthropic causes and disaster relief efforts by actively encouraging Associate volunteerism and customer philanthropy, like our Soma® Bra Donations or WHBM's *Give Back: Recycle Your Jeans* with WHBM collaboration with Cotton, Inc.

We promote volunteerism among our Associates through our community service hours policy. Every year, our Associates are eligible for paid time to serve as volunteers to community organizations.

WE ❤️ OUR CHICO'S FAMILY & FRONTLINE HEROES

In 2022, our hearts and thoughts went out to our Southwest Florida community – the home of Chico's FAS – following the devastation of Hurricane Ian. The spirit of our community is powerful, and we remained here to support one another and to do our part to help everyone stay safe and connected.

We are grateful to share that all our Associates in the hurricane-impacted areas were accounted for and safe. We are deeply appreciative of all our neighbors in Florida and beyond that expressed their concerns and care. We remain committed to supporting the current and future efforts to rebuild our community.

We are humbled to share that over 1,000 frontline workers were stationed on the Chico's FAS NSSC Campus in Fort Myers. These heroes have become a part of our family as they have helped rebuild and aid our community during the recovery efforts. Our deepest appreciation and thanks go to Florida Power & Light and The American Red Cross for all their inspiring work to rebuild our communities.

Our Chico's FAS Cares Volunteer Days create moments for our Associates to help our communities and give back by donating time to support local charities.

Even at a distance, we have found ways to make a difference. We offer interesting and engaging opportunities for our Associates to give back through online service.

We are proudly committed to making a difference in Southwest Florida where we were founded and headquartered, and in Winder, GA, where our DC is located. Through thousands of volunteer hours, Chico's FAS has supported several organizations that support these local communities, such as the United Way, LARC Inc. and Midwest Food Bank.



VOLUNTEER SPOTLIGHT

ANGELA O'DAY

GENERAL SALES MANAGER

My Superpower:

Encouraging and instilling confidence.

Why I'm passionate about volunteering: As a mother of four, I know firsthand the importance of children having the necessities to be successful in school, which is where I primarily focus my service and giving. It has always been my passion to help ensure all kids have the same chances as their counterparts. Having the opportunity to give back and make an impact on the lives of those who are otherwise underserved fills me with joy.

Every year, I have collaborated with my Store to sponsor 20 children, ensuring they have clothing and the supplies they need. I have also dedicated 10 years of volunteer service with the Salvation Army, devoting my efforts to fundraising for their annual Back to School drive.

As a "Gold Star Mother," I am also so proud and honored to be a part of the SEMPER Fi community, 20 years strong.

My service does not end there. Fashion has always been one of my passions, and I volunteered my time as a member of the board for the Fashion & Design degree program at Santa Rosa Community College.



PRODUCT *obsessed*

Our goal is to deliver distinct, innovative, premium, best-in-class products and services that generate beautiful solutions, exude confidence and joy and elevate social and environmental stewardship.

UN SUSTAINABLE DEVELOPMENT GOALS

In this section, we discuss programs, policies, procedures and goals that align towards the United Nations Sustainable Development Goal #5 (Gender Equality) and its targets 5.1 and 5.2, to achieve gender equality and empower all women and girls, Goal #6 (Clean Water and Sanitation) and its targets 6.3 and 6.4, to ensure availability and sustainable management of water and sanitation for all, Goal #7 (Affordable and Clean Energy) and its target 7.2, to ensure access to affordable, reliable, sustainable and modern energy for all, Goal #12 (Responsible Consumption) and its targets 12.2, 12.4, 12.5 and 12.7, to ensure sustainable consumption and production patterns, and Goal #13 (Climate Action) and its target 13.2, to take urgent action to combat climate change and its impacts.



RESPONSIBLE *supply chain*

As a leading retailer, we are active participants in fashion's complex global supply chain. Through our supply chain partners, we source raw materials, develop fabrics, produce garments and distribute finished products through our retail and wholesale channels.

We strive to be responsible stewards and partners, promoting practices that are environmentally, socially and ethically conscious. We acknowledge that environmental stewardship is a journey. We continue to look for ways to improve our footprint by prioritizing positive, beneficial impacts in our supply chain that in turn, serve to enhance customer confidence in the practices used to create their favorite styles. We believe that leveraging environmental stewardship contributes to better merchandising and greater brand enthusiasm.

POWER IN THE NUMBERS

77% OF TIER 1 FACTORIES WERE AUDITED IN 2022

100% OF AUDITED TIER 1 FACTORIES COMPLETED SOCIAL & LABOR COMPLIANCE AUDITS IN 2022

97% OF AUDITED TIER 1 FACTORIES COMPLETED ENVIRONMENTAL COMPLIANCE AUDITS IN 2022

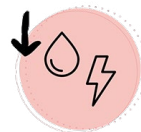
100% INCREASE OVER PRIOR YEAR IN HIGG INDEX REPORTING BY TIER 1 VENDORS AND FACTORIES

69% OF OUR TOTAL BRANDED PRODUCTS RECEIPTS WERE MADE AT TIER 1 FACTORIES THAT REPORT TOTAL WATER USING HIGG INDEX FEM

68% OF OUR TOTAL BRANDED PRODUCTS RECEIPTS WERE MADE AT TIER 1 FACTORIES THAT REPORT TOTAL WASTE USING HIGG INDEX FEM

66% OF OUR TOTAL BRANDED PRODUCTS RECEIPTS WERE MADE AT TIER 1 FACTORIES THAT REPORT TOTAL ENERGY USING HIGG INDEX FEM

CHICO'S FAS SUSTAINABILITY GOALS



Analyze, disclose and engage with our Tier 1 factories on their total water consumption, energy use and waste output and identify opportunities to reduce their impact by at least 1 percent per year over the next 3 calendar years.



Implement Higg Index sustainability reporting for the top 80% of our Tier 1 vendors and factories.



Introduce 2-3 fabrics, innovations, technologies and other efficiencies in our product design, development and manufacturing every year over the next 3 years to reduce our environmental footprint.

LEADING BY OUR VALUES

A *Passion for FASHION* is in our DNA. We understand that our customers expect us to live and breathe our Customer Led strategic pillar and our values across our organization. We recognize that we cannot deliver on this expectation unless we maintain continuous dialogue and collaboration with the people and organizations that help create our products.

Our approach to supply chain management involves the ongoing assessment of our strengths and opportunities to develop meaningful and impactful strategies and partnerships. We operationalize these supply chain initiatives through our policies, programs and procedures, along with the adoption of best practices and adherence to applicable laws and regulations. We routinely oversee and monitor our progress, and that of our business partners, in our effort to be transparent and *ACCOUNTABLE*.

Our motivation to continue to improve our supply chain is rooted in our values of being *INSPIRED* and *INSPIRING others* and *CUSTOMER centricity*. We achieve this by actively collaborating across our Sourcing, Design, Global Compliance, Legal and Logistics Departments and building strong relationships with our business partners.

Oversight of our supply chain management ultimately rests with our Executive leadership and the Board. Our Board's Audit and ESG Committees and our Executive leadership receive regular updates from our teams on a variety of matters, including, but not limited to, supplier compliance, sustainability and regulatory compliance.

Under their oversight, our Global Compliance Department leads our organizational alignment and external compliance stakeholder partnerships, which include, among others, industry groups, trade organizations, suppliers and value-chain partners. The day-to-day management of our compliance programs is owned by our Manager of Global Compliance & Sustainability, who reports to our Vice President of Sourcing.

GETTING TO KNOW OUR SUPPLY CHAIN & PARTNERS

The relationships we cultivate with our business partners are a critical element of building a more responsible supply chain.

OUR SUPPLY CHAIN

Each of our brands have in-house sourcing, design and merchandising teams who collaborate in the merchandise development process. This may include choices of style, construction, design specifications, fabric, fit, finish and color.

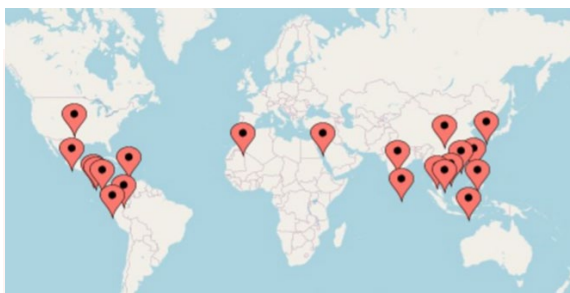
We do not own the companies or facilities that source and manufacture our products. We place our product orders through our authorized third-party vendors, agents or Tier 1 factories, who in turn coordinate the acquisition of raw materials and other services so that our third-party factories can produce our finished goods. From time to time we carry reputable third-party brand name finished products and place wholesale orders with the brand names directly for those finished goods (**Brand Name Products**).

Once produced, the merchandise is delivered to logistics partners who ensure delivery to our DC in Winder, GA.

OUR PARTNERS

Over the years, we have developed strategic collaborations with key vendors who produce the majority of the merchandise we purchase. These key vendors accounted for approximately 81 percent of our total apparel purchases in 2022, with our largest key vendor handling no more than 14 percent of the total.

Our products are manufactured in 22 countries around the world. The top 5 manufacturing countries are Vietnam, China, India, Nicaragua and Indonesia, each yielding at least 5.25 percent of our global unit volume.



Products were sourced from a total of approximately 300 factories in 22 countries during fiscal year 2022. Total factories include those producing our branded products and the Brand Name Products purchased at wholesale.

Our branded products were made in approximately 260 factories throughout fiscal year 2022. By year end, our active factories totaled 256. Going forward, we plan to focus on adding new strategic vendors who will enhance our overall diversification and resiliency.

SUPPORTING SUSTAINABLE AND ETHICAL PRACTICES

It is important for us to engage with our own supply chain and those of our Brand Name Product suppliers, to elevate responsible and sustainable social and environmental practices. Core to our approach is the promotion and preservation of human dignity.

We believe that every person has a right to safe, decent and humane working conditions. We also

VENDOR AWARD SPOTLIGHT

How we elevate our Tier 1 vendors: One of the ways Chico's FAS celebrates the compliance efforts of our Tier 1 vendors is through our Chico's FAS Vendor Awards Program. The Awards Program rewards our Tier 1 vendors across six categories, Vendor of the Year, Best Quality, Best On Time Delivery, Best On Time Delivery (Non-Apparel), Best Innovation and Best Support, based on the results of our annual vendor scorecarding exercise.

hold that our operations and the operations of our supply chain partners ought to minimize their impact - from the water, energy and chemicals we use to the waste we generate, the materials we source and the logistics providers we utilize.

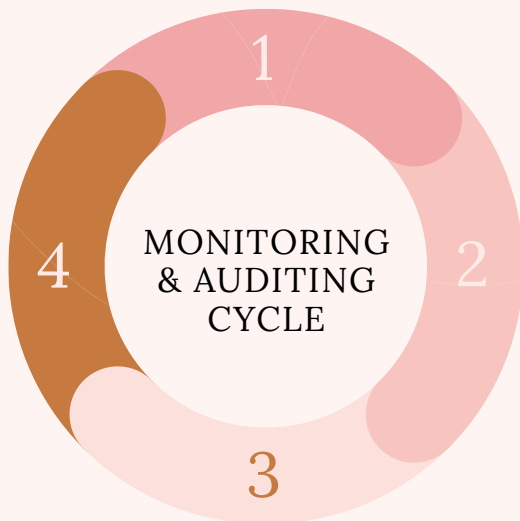
Each of our Tier 1 vendors and factories must contractually agree to comply with our Global Vendor Code of Conduct, which is based on standards and guidance of the International Labour Organization (**ILO**) and The UN Guiding Principles on Business and Human Rights (**UN Guiding Principles**). In turn, they agree to hold their value-chain partners (e.g., factories, mills, laundry facilities, raw materials suppliers, finishers, etc.) to the same standards. Our vendors and factories are required to comply with all environmental, labor and health and safety requirements in every governmental jurisdiction where our branded products, and the Brand Name Products we purchase at wholesale, are sourced, manufactured and processed. As a supplement to our Global Vendor Code of Conduct and legal controls, we have implemented formal processes and written guidelines for our vendors and factories to follow. We couple this with management oversight and



Visit our Investor Relations page on chicosfas.com to find a copy of our **Global Vendor Code of Conduct**.

CEO Letter	regular monitoring and audits of their operations for compliance.	environmental) audits at our domestic (U.S.) Tier 1 factories. Additional audits to determine technical capabilities are completed as needed.
Board Letter	All of this helps to foster a culture of transparency and continuous improvement in social, labor and environmental practices in accordance with our Global Vendor Code of Conduct, our expectations and the evolving trends in the fashion industry as a whole.	While the majority of our Tier 1 factory audits are performed by our Auditor, to reduce audit fatigue within our supply chain, we accept other third-party audits under certain conditions. For our long-standing vendors, Better Work and WRAP are acceptable replacements, provided they meet our compliance standards. In other instances, we will participate in collaborative audits whereby our
Power in the Numbers	DUE DILIGENCE We strive to support stable, long-term relationships with vendors that align with our core values.	
About Chico's FAS	For our branded products, we have robust processes in place to assure that our Tier 1 factories comply with our Global Vendor Code of Conduct and other applicable standards. This involves auditing, measuring performance and monitoring improvements. For the Brand Name Products we carry, we require their Tier 1 factories to confirm that their practices meet our requirements, through the submission of acceptable audits or suitable assurances of compliance.	INITIAL FACTORY ASSESSMENTS When identifying and selecting vendors and factories, we seek out partners who operate responsibly and demonstrate a commitment to transparency and a record of continuous improvement. We begin with a thorough approval process consisting of initial on-site factory audits that address social (labor and environmental) and security compliance and technical capabilities. For initial low-quantity test orders, we will accept certain third-party factory audits conducted on behalf of other fashion brands. If a test order results in the placement of additional orders with the factory, our Auditor will conduct the initial on-site audits. During our assessments, we also take into consideration the vendor's social and environmental capabilities and commitments, in addition to externally recognized programs and certifications, including, but not limited to, International Organization for Standardization (ISO) 14001 & 14064 certifications, Social & Labor Convergence Program, bluesign®, waste recycling, Zero Discharge of Hazardous Chemicals (ZDHC), the Better Cotton Initiative (BCI), VIP & WCP, Higg and Sustainable Apparel Coalition membership.
Our ESG Commitment	Every year, our Tier 1 factories are required to undergo compliance-based audits of their operations. The majority of our Tier 1 factory audits are performed by our preferred third-party auditor (Auditor).	
Strategic Pillars	Our on-site factory audits incorporate guidelines from the ILO, United Nations. Guiding Principles, Better Work and industry standards. The Auditors evaluate compliance with (i) health and safety, (ii) human rights, including discrimination, harassment, forced labor, child labor, freedom of association and collective bargaining and other protections, (iii) wages, hours and benefits, (iv) compliance with laws and ethical business practices, (v) environmental safety including the safe handling, use, storage and disposal of chemicals, (vi) security, (vii) subcontracting and (viii) other social compliance standards, including those set forth in our Global Vendor Code of Conduct.	
Customer Led	We also conduct social (labor and environmental) and security audits at our foreign-based Tier 1 factories and prioritize social (labor and	
Product Obsessed		
Digital First		
Operationally Excellent		
Our Path		
Appendix		

OUR TIER 1 FACTORIES ARE
TYPICALLY MONITORED ON
A THREE- TO 12-MONTH
CYCLE USING OUR
FOUR-PHASE PROCESS.



1

ON-SITE AUDIT

On-site audits by our Auditor typically consist of facility tours, documents & systems reviews, interviews with workers and management, physical inspections and observations.

2

INTERNAL ASSESSMENT

Our Manager of Global Compliance & Sustainability evaluates our Auditor findings; in the event of any non-conformance issues, our Manager determines the appropriateness of adding or maintaining the factory in our vendor matrix.

3

CORRECTIVE ACTIONS

Our Manager prepares a corrective action plan (**CAP**) aligned to the severity of any audit deficiencies. The CAP may require that production cease at the factory until the CAP is completed or may permit production to continue with deadlines for corrective action.

4

FOLLOW-UP AUDITS

Our Auditor or Manager completes a verification assessment to ensure deficiencies are addressed over a reasonable period of time or, if necessary, to terminate the relationship if a factory is unable or unwilling to improve their performance.

Auditor performs baseline inspection reports that incorporate our Company-specific requirements and are conducted for multiple companies at once.

To ensure our compliance standards are maintained, any Tier 1 factory submitting annual Better Work or WRAP audits is required to have our Auditor conduct our company-specific independent audit every three years. All audits are also internally reviewed.

During our standard audit cadence, we strive to audit all our Tier 1 factories each year. As with many of our peers, we are still managing the supply chain impacts from the COVID-19 global pandemic. Lockdowns, travel restrictions and similar virus-mitigation efforts limited our ability to schedule on-site factory audits over the past several years. As a result, we have accepted in good faith various recent third-party audits in lieu of sending our own Auditor in certain circumstances. We expect our auditing program to steadily return to normal as the effects of the pandemic wane.

In 2022, 77 percent of our Tier 1 factories were audited by our Auditor and/or our other

acceptable auditor for social (labor and/or environmental) and security compliance. Of the total factories audited, 100 percent of the factories underwent social labor compliance audits and 97 percent underwent social environmental compliance audits.

VENDOR SCORECARDS

Our Sourcing department prepares proprietary Vendor Scorecards to communicate how well factories are performing against compliance, quality, timeliness and accuracy standards. By using historical auditing data, the scorecards measure performance against a variety of complex workplace challenges, including workplace conditions, environmental opportunities, safety and ethical business practices to assist our teams in determining the ongoing suitability of vendors and factories in our supplier matrix.

VENDOR SPOTLIGHT



JIVA DESIGN PVT. LTD.

JIVA's Superpower:

Delivering high fashion through stringent quality control standards, advanced planning and monitoring systems.

How JIVA blends confidence with quality: For JIVA, doing business the right way means being a socially responsible corporation that cares for society, the environment and its employees. JIVA has implemented management programs that address sustainable development areas, such as waste reduction and recycling, energy conservation, chemical restrictions, water reuse and women's empowerment.

Central to JIVA's sustainable development initiatives is the recognition of its efforts through third-party audits and certifications. To date, JIVA has received several external validations of its practices. JIVA's environmental management systems are ISO 14001:2015 certified. Its sustainable products have been audited by Global Organic Textile Standard (**GOTS**), Organic Content Standard (**OCS**), OEKO-TEX 100 and BCI. Recycled materials are verified by the Recycled Claims Standard (**RCS**) 100 and Global Recycled Standard (**GRS**). In addition, JIVA adopted Higg Index FEM reporting and implemented wastewater lab testing according to ZDHC's Manufacturing Restricted Substance List (**MRSL**) version 2.0.



We conduct surveys and provide special training in many of our strategic factories. Our Global Compliance Department actively engages in communication with, and education of, our vendors and factories using tools such as our Vendor Portal, field visits, monthly conference calls with key vendors, participation in multi-brand compliance summits and various worker engagement programs.

Each of our Tier 1 vendors and factories are required to participate through our Vendor Portal in annual training on social and security elements in our supplier compliance guidelines, anti-money laundering programs and Customs Trade Partnership Against Terrorism (**CTPAT**) Foreign manufacturer's training. Over the past years, we have also provided additional training and awareness on fire safety and the prevention of denim finishing accidents and injuries in accordance with the American Apparel and Footwear Association's (**AAFA's**) [Health & Safety Guidelines for Workers in Denim Finishing](#).

PARTNER ENGAGEMENT

We believe our supply chain partners' performance and approach to tackling labor, health and safety, environmental, human rights, ethics and security issues is a key component of our success.

We continuously seek to engage our partners to enhance these efforts by building greater knowledge, awareness and understanding of our supply chain strengths, capacities and opportunities and by facilitating new modes of operation.

Under the direction of our ESG Task Force and Steering Committee, we are pursuing new insights into the practices of our factories as they relate to:

- + Environmental risks & opportunities
- + Carbon & climate
- + Natural resources
- + Water & toxicity
- + Human rights
- + Labor, health & safety
- + Stakeholders & society

In 2020, we conducted our first-ever ESG-focused environmental and social audit questionnaire (**E&S Audit**) with our Tier 1 factories. The E&S Audit addressed a broad range of topics including human rights, I&D, women's empowerment, living wages, energy consumption, wastewater discharge, climate-related Paris Accord goals and other areas of environmental management and relied on self-reporting by our Tier 1 factories

*Read about some of the findings from our 2020 E&S Audit in the Supply Chain - Labor Conditions section of our **2020 Impact Report**.*

In 2021, we expanded our E&S Audit questions to include more questions related to the environmental impact of our Tier 1 factories' operations. The questions sought information on water usage, recycling and discharge, total waste, waste classifications, recycling and disposal and energy sources and consumption rates.

This past year, we refined various questions in our E&S Audit to garner more accurate, consistent and industry-standardized reporting. We plan to maintain this refined survey to measure our Tier 1 factory activities annually going forward.

*For more information about current activities, see our **Promoting Sustainable Operations and Women's Empowerment** sections.*

CHEMICALS MANAGEMENT

Integral to the safety of our products is understanding and limiting the use of harmful chemicals and toxins in their manufacturing processes.

We take a hazard-based approach to our chemicals management, which emphasizes awareness along with minimization and/or avoidance of substances with potential adverse impacts.

First and foremost, we ensure that our branded products are sourced in compliance with applicable restricted chemical regulations in the countries in which they are produced as well as in our domestic market. Additionally, the Company has adopted the [AAFA's Restricted Substance List \(RSL\)](#), which contains certain chemicals and substances that are either restricted or banned from apparel products.

Each vendor must confirm that our finished products, including the components and raw materials, comply with the most current version of the AAFA RSL, as set forth in our purchase order terms and conditions. Certain of our finished products have received third-party certification for the testing of harmful substances, including OEKO-TEX®, and/or comply with the ZDHC MRSL.

We regularly verify compliance by conducting product testing and technical capabilities audits. The product tests are performed by certified third-party or in-house testing labs. These testing labs are, in turn, required to meet certain certification requirements and on an annual basis, we receive verification that the required certifications at each testing lab remains up to date.

In addition to product tests, chemicals management is part of our routine factory audit process. Our Auditor evaluates our Tier 1 factories to determine their compliance with the safe handling, use, storage and disposal of any chemicals used in the manufacturing process.

*Read more about our chemical reduction efforts in the **Sustainable Innovation** section.*

SOURCING SUSTAINABLE AND ETHICAL MATERIALS

The raw materials used in our products are just as important as the designs that bring confidence and joy to our customers.

Our approach to responsible material sourcing focuses on the identification and introduction of materials that embody ethical practices in terms of the welfare of the people producing them, the treatment of the physical environment or livestock from which it is harvested and the overall environmental impact. We also consider the location from which the materials are acquired, the procurement practices involved, and the types of fibers used in the fabric creations.

Our cross-functional team handles the variety of tasks necessary to oversee our product sourcing activities. These include responsibilities such as the maintenance of quality standards, the development of partner relationships and the identification of cost-effective and efficient practices that align with our responsible sourcing practices.

CONFLICT MINERALS

Within some of our products, including jewelry, watches, fashion accessories and pants, we have identified certain materials – tin, tungsten and gold – that may qualify as conflict minerals under the rules of the Securities Exchange Act of 1934, as amended. These are minerals that could be sourced from regions where they may be exploited and traded by armed groups, which in turn contribute to ongoing conflicts and further humanitarian crises.

To help mitigate the risk of sourcing these materials, we adopted our [Conflict Minerals Policy](#) in 2014, and have published our [Conflict Minerals Report](#) each year thereafter. The report details the Reasonable Country of Origin Inquiry due diligence requirements conducted into the mineral smelters or refiners and associate mines where these materials are sourced, in accordance with the five-step framework developed by the Organization for Economic Cooperation and Development. We proactively work with our vendors to improve the transparency and responsible sourcing of these materials.

ANIMAL WELFARE

For the small percentage of our products that contain materials derived from animals, such as leather, feathers, fur, bones and skins, we expect our vendors to source those materials from suppliers who are committed to the humane treatment of animals.

Our [Animal Welfare Policy](#) and *Supplier Certification for the Ethical Sourcing of Animal Products* detail our position and obligate the vendors who source animal products on our behalf to conduct due diligence on the practices of their suppliers. This certification requires that materials are sourced from (i) animals treated in accordance with the [Five Freedoms](#)⁷ developed by the Farm Animal Welfare Council, (ii) by-products from another industry (e.g., food processing); and/or (iii) humane harvesting processes that do not harm the animal.

HUMAN RIGHTS

Across our supply chain, we believe that everyone should be afforded the recognition and protection of universally accepted human rights. Our [Human Rights Policy](#) and Global Vendor Code of Conduct encapsulates our commitment and position on human rights and workplace conditions, which are guided by the [ILO fundamental conventions](#) and The UN Guiding Principles.

We do not tolerate the use of trafficked, indentured, imprisoned or otherwise forced or coerced labor, nor do we accept child labor. In addition, we expect our vendors and factories to provide fair wages and benefits, at least to the mandated minimum in the legal jurisdiction. In recent years, we have phased out certain materials sourced from regions with human rights violations and/or import restrictions issued by the US Customs and Border Protection (**CBP**).

7. Farm Animal Welfare Council (April 16, 2009). Five Freedoms. <https://webarchive.nationalarchives.gov.uk/ukgwa/20121010012427/http://www.fawc.org.uk/freedoms.htm>. The Five Freedoms include: Freedom from Hunger and Thirst; Freedom from Discomfort; Freedom from Pain, Injury or Disease; Freedom to Express Normal Behaviour; and Freedom from Fear and Distress.

SUSTAINABLY SOURCED FIBERS

We have made it a priority to introduce fabrics made with more mindfully produced and sustainably sourced raw materials (**Mindful Fabrics**) into our product designs. These Mindful Fabrics include natural fibers, such as organic cotton and linen, synthetic fibers made of recycled yarns, including polyester and nylon, and cellulosic fiber derived from wood sources, like modal and lyocell. Mindful Fabrics are also those that are manufactured through more sustainable processes, such as Lenzing's Tencel™. To qualify as a Mindful Fabric at Chico's FAS, the fabric or fabric blend must contain a minimum of 10 percent, and up to 100 percent, of sustainably sourced raw materials.

LABEL MATERIALS

Sustainability is also a consideration when designing and developing our product labels and hang tags.

By working with our labeling partner on the selection and adoption of more sustainable labels and tags for our brands, on average 57 percent of our Chico's, WHBM and Soma product labels and hang tags now meet one or more sustainability criteria.

This ranges from the composition of the material, such as paper or polyester, to the potential impact on people and the environment during their production. The label and hang tag materials may be certified by GRS or FSC for their recycled content. The heat treatments may require fewer chemicals through the use of water-soluble ink, or the type of adhesive may improve factory air quality from the low odor content.

In addition, our labeling partners' factories undergo social and environmental audits, and some are OEKO TEX Standard 100 certified.

Benefits from the use of Mindful Fabrics in our collections range from lower water and chemical usage and low-impact and/or closed-loop manufacturing processes to organic cultivation and sustainable harvesting of natural resources.

To continue to grow our library of Mindful Fabrics and other mindfully produced raw materials, we seek to increase engagement with vendors and factories with reputable third-party verifications of their environmental practices, including certifications from BCI, European Union Ecolabel, Forest Stewardship Council (**FSC**®), GOTS, GRS, OEKO-TEX®, OK Biodegradable, OCS and RCS, among others.

SUSTAINABILITY GOAL SPOTLIGHT

Introduce 2-3 fabrics, innovations, technologies and other efficiencies in our product design, development and manufacturing every year over the next 3 years to reduce our environmental footprint.

Our Progress

In 2022, we introduced 36 new Mindful Fabrics in our Brands for a total of 98 Mindful Fabrics featured in our collections. By year end 2022, 8 percent of our total apparel receipts used one or more Mindful Fabrics.

PROMOTING SUSTAINABLE OPERATIONS

Over the past few years, we have begun implementing new programs and processes to enhance our visibility into the existing sustainability initiatives undertaken within our supply chain community. We are documenting third-party social and environmental certifications, requesting information on environmental impact statistics and workplace practices and receiving details on any existing sustainability performance goals.

In addition, we have initiated supply-chain mapping with our vendors to increase our supply-chain transparency.

By gaining greater insights into our production and logistics value chains, we are better positioned to improve our social and environmental impacts through deliberate and thoughtful actions.

ENVIRONMENTAL FOOTPRINT

We are encouraging our vendors and factories to adopt practices that will enhance transparency and sustainability performance within our supply chain.

For our Tier 1 vendors and factories, we are promoting the use of the Higg sustainability standards. By leveraging the Facility Environmental Module (**Higg FEM**), we aim to improve reporting standardization for environmental issues, such as water, energy use and waste management. The Higg FEM module assists us with tracking and reporting on our environmental sustainability factors. We have also asked our vendors and factories to begin reporting to Facility Social & Labor Module (**Higg FSLM**), which addresses labor and social factors such as wages, health and safety and employee well-being.

We also seek to understand our Tier 1 factories' water consumption, energy use and waste production to determine where industry outliers exist and other areas of opportunity.

In 2021, we expanded and refined our questions in our E&S Audit on key environmental factors, including water, energy and waste. Although we intended the updated E&S Audit to be used to establish the basis from which we are measuring the

SUSTAINABILITY GOAL SPOTLIGHT

Implement Higg Index sustainability reporting for the top 80% of our Tier 1 vendors and factories.

Our Progress

In 2022, we engaged with our Tier 1 vendors and factories and encouraged each of those not currently reporting to Higg to initiate FEM and FSLM disclosures. By year end, the number of Tier 1 vendors and factories self-reporting to Higg increased by 100 percent, raising the total participation of all Tier 1 vendors and factories to 58%.

operational activities of our supply chain partners. During the past year, we updated our data collection and reporting processes to improve the accuracy of our baseline reporting and are using our 2022 data as our new baselines for future reporting.

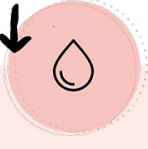
We started the process by refining, clarifying, standardizing and expanding on questions in our E&S Audit. This enhanced the quality of responses and the overall response rate.

New survey questions addressed pre-existing factory sustainability goals, such as reductions in non-renewable energy usage and increases in recycled water usage, in addition to the plans and processes our factories are using to achieve them, such as the adaptation of existing technologies to improve efficiency or adoption of new technologies.


Once the responses were received, we reviewed the data for completeness, however our E&S Audits rely on self-reporting by our Tier 1 factory base and the data has not been independently verified. As part of our review, we improved our methodology for analyzing the data, which included updating the methodology for the identification and removal of outliers and the use of extrapolated data within a data category. We plan to apply the current approach in future years' reporting, to ensure

consistency and proper comparative value of year-over-year reporting for our Sustainability Goal but will also continue to refine our data methodologies to supplement this with more accurate and complete data.


The following tables provide the aggregate statistics for the 96 Tier 1 factories, representing 71% of our total product receipts for 2022, that responded to one or more of the survey metrics identified below and report according to the Higg FEM standard (**Higg Factories**).⁸

 WATER	Number of Higg Factories Responding	Average Water per product unit produced (gal)
Total Usage	86	3.05
Recycled	18	0.75
Discharged	68	1.60

69% of our total branded products receipts were made at Tier 1 factories that report total water using Higg FEM.

 WASTE	Number of Higg Factories Responding	Average Waste per product unit produced (kgs)
Total	85	0.35
Recycled	67	0.16
Incinerated	50	0.16
Landfill	45	0.02

68% of our total branded products receipts were made at Tier 1 factories that report total waste using Higg FEM.

 ENERGY	Number of Higg Factories Responding	Average Energy consumed per product unit produced (KwH)
Total	78	0.96
Renewable	30	0.28

66% of our total branded products receipts were made at Tier 1 factories that report total energy using Higg FEM.

SUSTAINABILITY GOAL SPOTLIGHT

Analyze, disclose and engage with our Tier 1 factories on their total water consumption, energy use and waste output and identify opportunities to reduce their impact by at least 1 percent per year over the next 3 calendar years.

Our Progress

In 2022, we expanded our annual factory E&S Audit to refine the data capture process and we inquired about any existing impact-reduction goals set by our factories. We also refined our data analysis methodology for improved accuracy and standardization. On average, the self-reporting survey response rate of our factories increased by 50 percent, 60 percent and 55 percent for energy, water and waste, respectively.

Due to changes in the data analysis methodology and other impacts affecting the 2021 reporting year, we have re-established our baselines in 2022. Our prior year baseline was impacted by several unquantifiable factors, including impacts from COVID-19, as well as the types of garments produced at each factory and the number of factories responding to each category. In addition, methodological changes including the removal of outliers, inclusion of coal calculations for energy and responses of total amount versus percentage of water recycled also affected these totals.

For more information, see
our Appendix – **Tier 1 Factory
Usage Baselines.**

8. Values reported only reflect the 2022 fiscal year. Due to changes in the data analysis methodology and other impacts affecting the 2021 reporting year, we have re-established our baselines in 2022. Our prior year baseline was impacted by several unquantifiable factors, including a variety of impacts from COVID-19, the types of garments produced at each factory and the number of factories responding to each category. In addition, methodological changes including the removal of outliers, inclusion of coal calculations for energy and responses of total amount versus percentage of water recycled also affected these totals.

TIER 1 FACTORY SPOTLIGHT


**RICHA GLOBAL EXPORTS PVT LTD.
(RICHA GLOBAL)**

Its Superpower: **Delivering creative and innovative designs and raw materials, multi-product capability and technical excellence.**

How Richa Global is tackling environmental reporting and progress: In 2013, Richa Global committed to integrating economic, environmental and social factors into their operations by partnering with the Sustainable Apparel Coalition and introducing Higg Index 1.0 reporting at one of its facilities. Since then, all of Richa Global's facilities have become participants in Higg Index 3.0. They have also set a target to achieve the highest Higg FEM score (Level 3) for their environmental practices.

To meet their ambitions, Richa Global has adopted, and continues to adopt, practices that address the seven pillars of the Higg FEM scores, which include environmental management, energy, water, waste, wastewater, air emissions and chemical management. Examples of their sustainability initiatives include the implementation of a jet spray vertical washing with a material to liquor ratio (**MLR**)⁹ of 1:5; Go-Green washing systems with 75% chemical and water savings and a 1:2 washing MLR; installation of rooftop solar panels; and new LED lights on the shop floor; and adopting the use of variable frequency drive compressors and pumps to conserve energy.

9. A lower MLR equates to greater water savings. MLRs may range between 1:4 to 1:20, with the average between 1:8 and 1:10. WWF (2022). Guidebook "Water Efficiency Practices in the Textile Industry". https://www.fasia.awsassets.panda.org/downloads/water_efficiency_practice_guidebook_eng_1.pdf



DISTRIBUTION LOGISTICS

A responsible supply chain does not end with our finished products. It must also consider the impact, the safety and the security with which our products reach our DC, stores and customers' homes.

Our Winder, GA DC is the primary location for receipt of all our merchandise before it is delivered to our stores or customers. Our finished products arrive by sea, air, truck or rail, depending on the situation and the country of export. For our domestic-based products, shipments are primarily sent by truck or rail.

Green optimization strategies have already been implemented across our logistics program, from our ocean-going carriers to our trucking partners.

For our overseas products, approximately 75 percent are received at major West Coast ports including Los Angeles and Long Beach, California with the remainder coming through the East Coast, primarily to Savannah, GA. Each of these ports is committed to reducing their environmental impact by adopting sustainable practices, including emission goals, water quality and usage enhancements, marine protection strategies and renewable energy projects, among others.

One hundred percent of our ocean carrier partners follow International Maritime Association 2020, which limits the amount of sulphur in ships' fuel to 0.5%. Once the ocean containers arrive at the ports, the contents are strategically

consolidated to minimize the number of trucks required to transport the goods to our DC. For the West Coast trucks, initiatives remain underway to transition away from diesel to electric vehicles. These practices are being promoted through the ports and the Harbor Truck Association.

Most all of our trucking partners are certified by the Environmental Protection Agency's SmartWay® program, which aims to reduce transport related greenhouse gas (**GHG**) emissions and enhance supply chain efficiencies. Many of these partners have been recognized on the SmartWay High Performers list for being leaders of sustainable transport solutions, including their commitments to fleet electrification.

Safety and security are other key elements of our supply chain logistics. We reinforce best practices by including these factors in our regular auditing process. Important to this effort is our voluntary participation in the U.S. CBP's CTPAT program. This public-private sector partnership program serves to enhance security measures and best practices within our supply chain and helps to identify us as low risk importer.

Internally, we ensure that our Associates remain knowledgeable of and trained on the latest CTPAT program standards, as required by their role. We have continued to earn CTPAT Tier 3 certification, which is the highest security status awarded by CBP - a distinction we have held since our participation in the program began in 2003.



SUPPLY CHAIN SECURITY SPOTLIGHT

CHARLES COON, MANAGER, COMPLIANCE AND INVENTORY CONTROL

My Superpower: **Inventory integrity and Foreign Trade Zone compliance.**

How product security is maintained at our Winder, GA DC: Every day, I help safeguard Chico's FAS shipments and ensure they are processed in compliance with industry guidelines. I also protect the integrity of our inventory once it is delivered to our DC. With the use of a Warehouse Management system and robust auditing process, we track shipment inflows and outflows and conduct inventory analysis, which we share with our Operations team to enhance our accuracy and identify areas for continued improvement.



SUPPLY CHAIN SPOTLIGHT

GEORGIA PORTS AUTHORITY (GPA)

Its Superpower: **Relentlessly striving to accelerate global commerce to empower entrepreneurs, strengthen industries, sustain communities and fortify families.**

How GPA is contributing to sustainable supply chains: GPA conducts its operations in an efficient and environmentally respectful manner. In every decision, GPA makes continual improvements by balancing service excellence with a commitment to preserving natural resources and ensuring those who work at its facilities make it home safely each day. At its Mason Mega Rail Terminal at the Port of Savannah, GPA has doubled its rail capacity to 1 million containers per year, which has cut supply chain emissions by transporting cargo to inland markets via rail and taking thousands of trucks off state highways. GPA is also investing in hybrid electric yard cranes to serve its expanded container yards at the Port of Savannah. These cutting-edge machines reduce fuel consumption on site by more than 47 percent per crane, greatly reducing emissions of carbon dioxide, nitrogen oxide and particulate matter compared to diesel-powered equipment. GPA has also installed new outdoor lighting controls and fixtures across its terminals, which reduces light pollution and cuts energy consumption for lighting by up to 60 percent. GPA's investment in more efficient equipment and improved infrastructure provides its customers and partners with the dual benefits of a smooth, reliable cargo flow and a cleaner operation through reduced terminal congestion and truck idling.



CIRCULARITY

We are a partner and ally to all those investing in a more sustainable fashion future. From design conception, material selection and product packaging, we are finding new ways to integrate, revitalize and extend the life of our merchandise and the resources used to make and deliver our final products.

POWER IN THE NUMBERS

51,300+

BRAS DONATED FROM
SOMA'S BRA IT FORWARD
CAMPAIGN IN 2022

2M+

BRAS DONATED
SINCE 2010

16,553

PAIR OF JEANS
COLLECTED FROM WHBM'S
GIVE BACK: RECYCLE
YOUR JEANS WITH WHBM®
DENIM RECYCLING
PROGRAM IN CALENDAR
YEAR 2022

33,106 ft²

INSULATION
MANUFACTURED FROM
JEANS COLLECTED

40%

POST-CONSUMER
CONTENT INCLUDED
IN CHICO'S FAS
SHOPPING BAGS

100%

RECYCLABLE SHIPPING
BOXES FOR LARGER
ONLINE PURCHASES

CHICO'S FAS SUSTAINABILITY GOALS



Explore and quantify value-added sustainable packaging opportunities to reduce landfill waste by having our brands align on and adopt at least one new sustainable packaging opportunity per year over the next 3 years.



LEADING BY OUR VALUES

We have always approached our product assortments with a focus on quality and versatility, inspired by the women who wear them. At WHBM, we say that no woman is just one thing. We are always evolving, adapting, transforming and re-envisioning ourselves. These same qualities are inherent to our circularity journey – a practice that avoids waste and reimagines the ongoing usefulness of everyday items.

Our industry has made great strides to adopt more sustainable and circular practices and has the potential to improve even more.¹⁰ We are *INSPIRED* by these achievements and are committed to *INSPIRE others* by being an active contributor in the integration of circularity principles within our own decisions and actions.

Teams throughout our Company are already collaborating with their business partners, engaging with peers at industry events and expanding partnerships to identify new circularity opportunities. Our Sourcing and Design teams are exploring new textiles and manufacturing processes, while our Marketing, Merchandising, and Procurement teams and field Associates are promoting the repurposing of our clothes through our donation programs and delivering new eco-friendlier packaging options.

Our teams research potential opportunities to present to our internal stakeholders, ESG Task Force and Steering Committee for further review and approval. Our Board's ESG Committee is kept apprised of our activities and provides feedback and counsel on our circularity developments.

ADVANCING PRODUCT CIRCULARITY

Our merchandise – the items that bring our customers *CONFIDENCE* and *JOY* – are a focal point of our circularity strategy. From the beginning stages of our garments' life, we are thinking about the characteristics of the fabrics and the resources used in their production. As the garments near the end of their useful life, we are partnering with organizations that help create their next life.

FABRIC SOLUTIONS

Each of our brands has its own unique look and feel, and the fabrics we select often set us apart from our competitors. They can be natural or synthetic, but

no matter the type, we have taken strides to identify opportunities with circularity in mind.

Recycled yarns are being introduced across our brands in certain selections of our polyester and nylon Mindful Fabrics. Their use minimizes our reliance on virgin materials, contributes to the recirculation of previously used products and delays the diversion of waste, including plastics, into our landfills and oceans.

Natural fibers offer another Mindful Fabric solution. Derived from natural sources, these fabrics may simply decompose once they are past their prime. During the decomposition process, when proper conditions are met, such as composting or anaerobic digestion, these types of fabrics and materials are returned to the biological cycle. Mindful Fabrics in our collections with these qualities Lenzing's Ecovero™ viscose, which is fabric made from wood pulp, in addition to organic cotton and linen.

Linen has the added benefit of requiring very little pesticide or fertilizer and during normal growing seasons, does not require any irrigation, relying instead on rainwater.

We also select Mindful Fabrics that embed circularity in their production, like Eastman's Naia™ cellulosic fiber, Lenzing's Tencel™ lyocell and Lenzing's Ecovero™ viscose. Closed-loop production systems reclaim and reuse resources, such as chemicals and water, during the manufacturing process for these fibers, limiting the amount of new resources used.

Eastman's Naia fiber uses a low-impact closed-loop process that recycles solvents back into the system for reuse. This manufacturing process has been recognized by external third parties, including a ranking on the Higg Materials Sustainability Index.¹¹

Lenzing™ fabrics are made in a way that recovers, converts and returns gases and solvents as raw materials back into the process. Lenzing® technology recovers 99 percent of the NMMO organic solvent used to dissolve the wood pulp¹² that forms Tencel™ fibers and generates up to 50% lower emissions and water impact to produce Ecovero™ viscose compared to generic viscose.¹³

10. Ellen MacArthur Foundation (November 22, 2021). "Circular business models in the fashion industry – new study identifies USD 700 billion opportunity." <https://ellenmacarthurfoundation.org/news/circular-business-models-in-the-fashion-industry>.

11. Higg. (2023). "Higg Materials Sustainability Index (Higg MSI)." <https://howtohigg.org/higg-msi/>

12. Lenzing AG (2023). "Chemicals: Closing the loops."

13. Lenzing EcoVero. (2023). "Lenzing EcoVero: Take Less, give more."

<https://www.ecovero.com/en/>

MANUFACTURING PROCESS SPOTLIGHT

OZONE PROCESSING

Its Superpower: **Reducing water, chemical and energy usage during fabric and garment finishing.**

How ozone is advancing the Chico's FAS' sustainable manufacturing initiative: How ozone is advancing the Chico's FAS' sustainable manufacturing initiative: Ozone gas removes excess dye from the surface of fabrics or garments. By using ozone gas, the finishing process is faster than traditional washing treatments and reduces the amount of water, energy and chemicals needed to clean fabric surfaces or create a faded look.¹⁴ Once the process is complete, the ozone gas can be broken down into oxygen and safely released into the atmosphere.¹⁵

Our designers are working with our suppliers to utilize ozone finishing on our products, particularly in our denim offerings. We currently leverage Jeanalogia's G2 Ozone machine, which uses the latest in ozone technology to:

- + Reduce water use by 65%
- + Reduce energy use by 20%
- + Reduce chemical use by 80%
- + Produce zero waste!¹⁶

SUSTAINABILITY GOAL SPOTLIGHT

Explore and quantify value-added sustainable packaging opportunities to reduce landfill waste by having our brands align on and adopt at least one new sustainable packaging opportunity per year over the next 3 years.

Our Progress

In 2022, we researched and identified a recyclable, LDPE poly bag alternative for our adoption in all shipments by the end of 2023.

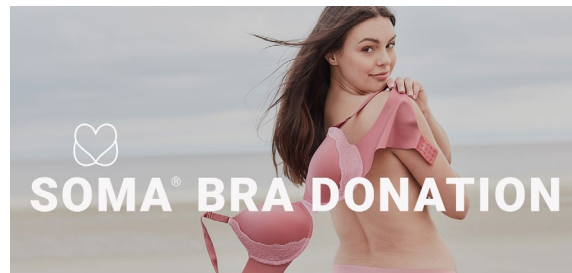
14. Periyasamy, A. & Periyasami, S. (2023). "Critical Review on Sustainability in Denim: A Step toward Sustainable Production and Consumption of Denim." ACS Omega. <https://doi.org/10.1021/acsomega.2c06374>
15. Fashion for Good (2022). "Textile Processing Guide: Pre-Treatment, Colouration, & Finishing." <https://reports.fashionforgood.com/report/textile-processing-guide-pre-treatment-colouration-and-finishing/>
16. Jeanalogia (2023). "Eco-Wash Solution- G2." <https://www.jeanalogia.com/g2/>

REPURPOSE-DRIVEN PARTNERSHIPS

Each of our brands has a long-standing commitment to extending the life of our products. We routinely collect and donate gently used clothing to charities, extending their lives for use by women in need. We also participate in initiatives that recycle certain of our materials and their components.

When our customers clean out their closets and participate in our programs, they are not just helping to delay used clothing from reaching landfills. They are giving other women the opportunity to experience the confidence and joy our products inspired for them.

The programs we support are made possible through the collaborations we have with organizations that share our vision and commitment.



BRA IT FORWARD WITH SOMA®

As part of our Soma® Bra It Forward Donation program, we share new or gently used bras donated by our customers or Associates with our partner I Support the Girls™. Their mission is to help women who are experiencing homelessness, impoverishment or distress by providing them with essential items, like bras and other basics. These acts of kindness enhance women's self-esteem, personal health and dignity.



For well-loved bras, our Soma Bra Recycling program, in partnership with THE BRA RECYCLERS™ and Give Back Box™, delays used bras and lingerie from entering landfills by



repurposing them. The Bra Recyclers' mission is to provide families in need with undergarments while creating job opportunities for those with disabilities.

Through responsible recycling by these trusted partners, fabrics are either reused, converted back to their fiber elements for new uses or made into wiper cloths.

RECYCLE YOUR JEANS WITH WHBM

In January 2022, WHBM teamed up with Cotton, Inc. for a year-long Give Back: Recycle Your Jeans with WHBM® campaign as part of Cotton Inc's Blue Jeans Go Green™ denim recycling program. The program is on a mission to keep used denim from landfills and in turn transform it into something new, such as housing insulation, pet beds and packaging materials.

We encouraged our customers to drop off pre-loved jeans from any brand, not just our own, at our participating WHBM locations. By doing so, our customers helped to give new life to their old jeans, and our Rewards+ Loyalty Program members may have been eligible to earn \$5 dollar Rewards and Loyalty Points for their donated jeans.

Our campaign ran from January to December 2022. In total, 16,553 pair of jeans were collected, enabling the diversion of almost 8 tons of textile waste from landfills and more than 33,100 square feet of new insulation to be manufactured.

EMBARKING ON PACKAGING CIRCULARITY

Our impact and embrace of circularity expand beyond our merchandise to include the materials and practices of our packaging. By identifying and adopting new sustainable packaging opportunities, we aim to contribute to the minimization of waste entering our landfills from single-use packaging.

At our DC, we reuse cartons when sending products to our stores, and any cartons past their useful life are recycled with our recycling partners.

Our customer shopping bags contain 40 percent

post-consumer paper content and are 100 percent recyclable, once the handles are removed. For online purchases, we use fully recyclable cardboard boxes for our larger packages and plastic shipping bags made of 30 percent post-consumer content for our smaller shipments. The bags can be dropped off for recycling at select national retailers.

To further minimize our impact, we assessed our current packing materials and procedures in collaboration with our suppliers. Based on this process, we identified a more sustainable low-density polyethylene (LDPE) poly bag (the packaging protecting each garment during shipment) and updated our Packing and Routing Guidelines to require our suppliers to convert to their use for our shipments for our Fall 2023 deliveries. To date, approximately 63 percent of our suppliers use these products.

SOMA'S BRA DONATION IMPACT

Since 2010, Soma has accepted more than 2 million bra donations.

In 2022, approximately 11,400 bras were donated to I Support the Girls™ for reuse by women in need and approximately 40,000 bras were recycled with The Bra Recyclers™.

The Bra Recyclers¹⁷ report that the impact of throwing away 1 lb. of bras (or 7 bras) is the equivalent CO₂ emissions impact from:

- + 28.2 miles driven by an average passenger vehicle or
- + 1.2 gallons of gasoline consumed.

Based on these statistics, besides the substantial social impacts on donating gently-used bras to women in need, we believe that Soma's 2022 Bra Donation and Recycling programs resulted in:

- + The diversion of approximately 3.67 tons of waste from our landfills
- + The prevention of GHG emissions equivalent to approximately 206,700 miles driven or approximately 8,800 gallons of gasoline consumed by an average passenger vehicle.

17. The Bra Recyclers (2022). Bra Recycling Form. <https://www.brarecycling.com/bra-recycling-form>



DIGITAL *first*

We leverage technology and think digitally with the aim of strengthening the experiences of our customers, Associates and business partners and improving the impact of our products and services. In doing so, we are developing new sustainable innovations and gaining better insights to support more informed, deliberate and sustainable decisions.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In this section, in addition to discussing our information security and privacy programs, we discuss programs, policies procedures and goals that align towards the United Nations Sustainable Development Goal #12 (Responsible Consumption) and its target 12.5, to ensure sustainable consumption and production patterns.



sustainable INNOVATIONS

We are driven to find solutions that bring confidence and joy to our customers, while in the process, creating beneficial impacts in the world where we work and live. Our Digital-First lens does just that by promoting the adoption of new technologies that reduce our environmental footprint, enhance our relationships and elevate our customer-centric approach.

CHICO'S FAS SUSTAINABILITY GOALS



Introduce 2-3 fabrics, innovations, technologies and other efficiencies in our product design, development and manufacturing over the next 3 years to reduce our environmental footprint.



POWER IN THE NUMBERS

156,257 LASER-PROCESSED PAIRS OF DENIM DELIVERED TO CHICO'S® BRAND

70% INCREASE IN THE NUMBER OF LASER-PROCESSED DENIM AT CHICO'S®

55% OF SOMA® FOUNDATIONS' BRA AND PANTY PRINT STYLES APPLIED DIGITALLY

LEADING BY OUR VALUES

Our Digital First approach touches our full fashion lifecycle from development and production to marketing and e-commerce. By integrating a digital mindset into our culture, we *continuously IMPROVE* and find inspiration that drives our *Passion for FASHION* and embodies the uniqueness of our *CUSTOMER centricity*.

Our digital adaptation was accelerated by the COVID-19 pandemic and has been motivated by engagements with, and learnings from, our fashion industry stakeholders. We stay informed about the latest technological advancements through regular communication with our supply chain partners.

We exchange lessons and achievements on new digital applications with peers at industry conferences and events. We leverage resources and technology available through our supply chain and other partnerships, like those with Alante Capital and TAL Apparel. We also maintain personal connections with our customers by elevating virtual conversations. Each of these interactions provides opportunities to evaluate our current methods and actions and discover new, more efficient, sustainable and mindful practices.

Our Chief Digital Officer (**CDO**) and our brands' Senior Vice Presidents of Merchandising and Design, support the execution of our Digital First-strategy and vision. Through our cross-functional teams of talented designers, technical experts, IT partners, sourcing specialists, visual merchandisers, digital marketers, virtual stylists and more, we are managing the implementation of digital applications across our processes. All of this is supported and overseen by our Board and its Merchant Committee.

TRANSITIONING TO A DIGITAL SUPPLY CHAIN

Our adoption of new technology solutions, such as 3D sampling and laser printing, is spurring an evolution in our supply chain activities. Along the way, it is helping to decrease our waste and enhance our production efficiencies.



THE ALANTE INNOVATION COMMUNITY

Our innovation partnerships expanded when joined Alante Capital's Innovation Community in 2021. Alante Capital is a female-led venture capital fund focused on investing in innovative technologies that address climate risk and enable a resilient, sustainable future for apparel production and retail.

As part of the Alante Capital Innovation Community, Chico's FAS joins six other companies with the aim of validating and scaling new technologies that accelerate solutions that, in turn, support a more circular, regenerative and equitable economy. This past year, our quarterly meetings with Alante led to a number of introductions to technology innovators to explore collaboration opportunities | for our brands.

3D TECHNOLOGY

The use of product design software applications with 3D computing capabilities is giving us greater flexibility and improved sustainability in the development of our brands' collections.

These applications enhance communication among our internal teams and with our supply chain partners by instantly sharing content through online collaboration. They reduce waste and minimize environmental impacts by cutting back on the number of physical samples produced and shipped during our working groups' design-development process. They improve fit consistency by leveraging model avatars with specified body measurement

standards. And they create a universal digital representation of our garments that can be leveraged throughout the fashion lifecycle.

In practice, actualizing the aesthetic design details with the use of 3D digital garments is helping our designers visualize the finished product and make better decisions in real-time. Decisions such as fabric selection, print placement, colorways and virtual fitting can all be made before producing a single physical sample. Each of our brands has been steadily increasing the penetration of 3D technology in their design process.

Our journey began in 2018 with our technical design team and the introduction of 3D pattern software, which we leveraged for certain of our Chico's Outlet® brand styles, and later expanded across all Chico's Outlet® styles as well as Soma® and WHBM® in 2019. By 2022, we introduced 3D garment and visualization technology, which expanded the digital possibilities for our designers at Chico's® and WHBM®.

Along the way, we raised awareness of our digital integration strategy and provided resources and training to enhance our Associates' 3D knowledge and toolboxes. Our outreach programs have included internal newsletters and communication boards in addition to lunch-and-learn sessions and NSSC-wide informational meetings.

Our training programs offer in-person and virtual sessions, as well as group and self-paced options -from video tutorials and customized assignments to digital design contests and specialized training bootcamps. These are supplemented with one-on-one coaching, professional support, and the availability of 3D-ready workstations to refine their skills.

DIGITAL PRINTING

Our collection of digital textile printing technologies is helping to reduce the number of resources we use to produce some of our graphic-and pattern-print designs.

The shift across our brands towards digital printing reduces our reliance on resource-heavy conventional techniques, like traditional screen printing. Studies have found that the environmental benefits of this transition include up to:

- + 70% Less water consumption per linear meter of fabric¹⁸
- + 55% Increase in energy savings¹⁹
- + 10% Reduction in the volume of ink²⁰

Soma®, in particular, has introduced digital printing into its Foundations bra and panties collections. In 2022, 55 percent of Soma's bra and panty print styles were applied digitally. This is just the start as we continue to identify opportunities to increase digital printing across our collections.

At WHBM® and Chico's®, our teams have focused on reducing the environmental impacts of our denim finishing processes. By using laser printing, enzyme finishes and ozone processing, and exploring other techniques, we are using fewer potentially harmful chemicals in the creation of our denim collections. In 2022, Chico's delivered more than 156,257 pairs of denim with laser processing finishes, a 70% increase as compared to 2021.

*To learn more about our ozone processing see our **Manufacturing Process Spotlight**.*

SUSTAINABILITY GOAL SPOTLIGHT

Introduce 2-3 fabrics, innovations, technologies and other efficiencies in our product design, development and manufacturing over the next 3 years to reduce our environmental footprint.

Our Progress

In 2022, we introduced a new 3D digital garment technology for our designers and continued to increase the integration of digital printing across our brands.

18. SPG prints (2022). "[The Note] Sustainable Textile Printing: digitally reducing the ecological footprint." <https://blog.spgprints.com/sustainable-textile-printing>.

19. Ibid.

20. María Renée Ayau and Dr Nicholas Hellmuth (June 23, 2020). "Digital Textile Printing, is it Sustainable." <https://meprinter.com/digital-textile-printing-is-it-sustainable/>



PROMOTING DIGITAL ENGAGEMENTS

As a Digital First company, we are exploring opportunities to serve our customers better. By re-envisioning how we deliver our *Most Amazing Customer Service*, we are finding new ways to integrate technology to meet our customers wherever they are and create seamless experiences between our virtual and physical spaces.

DIGITAL ENGAGEMENT

In recent years, we have focused on optimizing our brands' websites and other methods of engaging with our customers. This has included new website features and functionality, like better search engines that assist with locating the products our customers love - like our Chico's NO IRON™ collection, Soma's post-surgical bra solutions or our eco-friendlier WHBM® denim - or the right fit - like our smoothing, skimming and shaping features in our Soma® shapewear.

In 2022, we launched new mobile apps for each of our brands, which offer new, enriching experiences to engage with our products and services, including "App Stories" with content carousels. We also launched our new and improved customer loyalty programs, Chico's Rewards+™, Soma Rewards+™ and WHBM Rewards+™, which, in addition to other great benefits, feature opportunities to earn Rewards and Points for participating in our donation and recycling programs.

We have also expanded ways for our customers to access their favorite in-store stylists. Through

StyleConnect™, we have designed an at-home virtual shopping experience where our customers get the same personal attention from their local stylist that they are used to receiving in our boutiques. In addition, we introduced My Closet™, an online tool that provides customers with new looks and outfit recommendations that help coordinate with their recent purchases.



Check out our new **iOS** and **Android** mobile apps.

SOCIAL MEDIA PROMOTION

We are expanding our digital communication footprint. We have created Instagram galleries where our customers can upload and share their favorite looks with our online community, we feature digital blogs and look books on our websites and we are leveraging social and organic social influencers that showcase new looks and styling advice. This helps define our brands and raise the profile of our customers, creating a space for them to highlight their own individuality and style.

INFORMATION *security and privacy*

We strive to be fast, agile and vigilant when serving our customers and managing our operations. From integrated inventory management to payment processing, we diligently work to maintain the integrity of our systems and protect the security of the information that our customers, Associates and business partners entrust to us.



POWER IN THE NUMBERS

1 year

MAXIMUM TIME BETWEEN SCHEDULED ASSOCIATE RETRAINING COURSES ON INFORMATION SECURITY AND DATA PRIVACY COURSES

100%

COMPANY PAYMENT CARD INDUSTRY COMPLIANCE ACHIEVED ANNUALLY

5 step

APPROACH TO DATA SECURITY FOLLOWING THE NIST CYBERSECURITY FRAMEWORK

100%

COMPLIANCE WITH 108 CONTROLS OF THE NIST CYBERSECURITY FRAMEWORK

LEADING BY OUR VALUES

We approach information security and data privacy with a focus on risk reduction and business continuity. We do this by weaving these areas into the culture of our organization and creating programmatic processes and procedures.

To be *ACCOUNTABLE* and *continuously IMPROVE*, we have a comprehensive Cybersecurity Program (**Program**) in place to reduce the likelihood of any unauthorized access or exploitation. The Program has been developed in alignment with industry standards and best practices and is designed to comply with currently applicable regulatory requirements. By emphasizing risk mitigation, we are continuously reevaluating our Program to identify and implement new policies, standards, procedures and guidelines that will enhance our information security and protect data privacy.

In 2021, the Company replaced its Chief Information Officer role in its executive team lineup with its newly-formed Chief Digital Officer role. Our first CDO was appointed in March 2021. The CDO oversees our Technology Group, which includes the IT Security and Compliance departments, along with supply chain and logistics. Under the CDO's leadership, our VP of Global Infrastructure and Security is responsible for reviewing and ensuring adherence and enforcement of our Program and policies, while the management, supervision and administration of the Program and its policies are handled by our IT Security Services Team.

The success of our Program is dependent on all of us at Chico's FAS. Our Technology Group works with our other departments and leaders, such as our SVP & General Counsel, Corporate Secretary & Chief Compliance Officer and our EVP & Chief Human Resources Officer, to support Company-wide compliance and awareness. Under their purview, the Company delivers educational resources and training to our Associates and develops and delivers policies that reinforce the expectation that each of us is responsible for protecting the integrity of our information systems and data.

Our Program activities are monitored by, and routinely communicated to, our Executive leadership and the Board. The Board receives updates from senior management multiple times a year covering the Company's cybersecurity strategy and current cyber trends. The Audit Committee also oversees the adequacy and effectiveness of our information security and technology risk management policies and internal controls.

MAINTAINING A ROBUST CYBERSECURITY PROGRAM

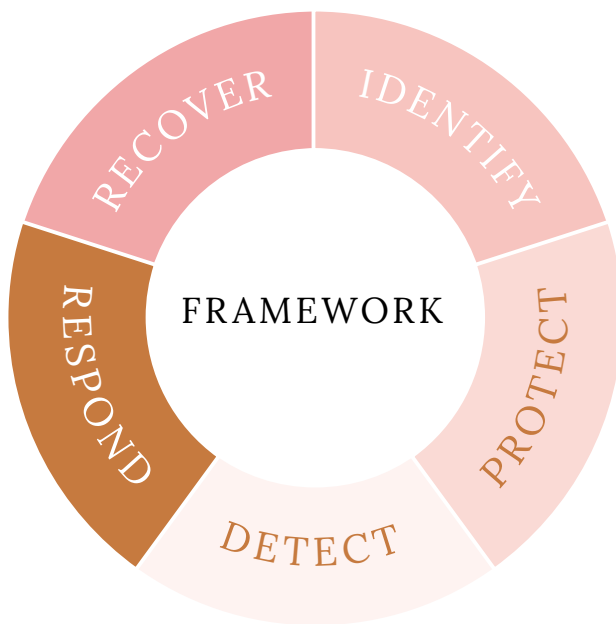
The protection of our information security system and the privacy of our data is central to our day-to-day operations. As a company that stores and transmits customers' personal information, we have identified our primary risk factors in this area and actively work to control and mitigate them. We promote a culture of vigilance through education and awareness programs, and by maintaining policies, procedures and standards designed for this purpose.

CYBERSECURITY FRAMEWORK

Our Program considers the full lifecycle of our information security. It factors in information collection, use, retention, processing, disclosure and destruction.

We employ the NIST Framework for Improving Critical Infrastructure Cybersecurity to identify, manage and reduce our risks and protect our networks and data. Prior to adopting NIST in 2021, we relied on, and were compliant with, the ISO 27001 framework. It is our practice to continuously review and evaluate the frameworks we use in the context of our risk profile. Our evaluation considers how we may achieve the right alignment of compliance and security within our cybersecurity and privacy controls.

THE NIST FRAMEWORK APPLIES A FIVE-STEP APPROACH FOR AN EFFECTIVE CYBERSECURITY PROGRAM.



● IDENTIFY (29 controls)

Assists in developing an organizational understanding of managing cybersecurity risk to systems, people, assets, data, and capabilities.

● PROTECT (39 controls)

Outlines safeguards to ensure delivery of critical infrastructure services.

● DETECT (18 controls)

Defines the appropriate activities to identify the occurrence of a cybersecurity event and enables timely discovery of cybersecurity events.

● RESPOND (16 controls)

Includes activities to take regarding a detected cybersecurity incident.

● RECOVER (6 controls)

Identifies activities to maintain plans for resilience and to restore any capabilities or services that were impaired due to a cybersecurity incident.

OUR 2022 ANNUAL RISK ASSESSMENT CONFIRMED 100% COMPLIANCE WITH ALL 108 NIST CSF CONTROLS FOR THE SECOND YEAR IN A ROW.

SECURITY PRACTICES

Our cybersecurity framework is actualized through the implementation of strong security practices. These focus on continuous monitoring, threat evaluations and responses protocols. We conduct third-party audits and certifications, vulnerability assessments, penetration tests, investigations and security incident reporting and response. We practice industry-standard data access and disclosure protections and environment segmentation to improve our protections and limit data exposure in the event of a potential breach. Across all these measures, we reinforce our practices with regularly scheduled Associate training and awareness campaigns.

PROGRAMS AND POLICIES

The programs and policies we have established are designed to safeguard our Company and stakeholders, and to comply with the Payment Card Industry Data Security Standards and

currently applicable regulatory obligations, such as those under the European Union's General Data Protection Regulation, the California Consumer Privacy Act of 2018 and the California Privacy Rights Act of 2020. We work to ensure that our programs address the use and security of the devices, systems, network, and data of our Associates, contractors, temporary staff and any others with authorized access to our systems.

We have established rules governing the use, retention, access, transmission and monitoring of electronic communication and sensitive information. We protect data privacy with authorization protocols, password requirements, multi-factor authentication, encryption and other data loss prevention solutions. We conduct routine security checks, perform upgrades and assess the integrity of our systems through internal and third-party vulnerability tests, penetration tests and various tabletop exercises.

BUSINESS CONTINUITY & INCIDENT RESPONSE

One of our primary focus areas is ensuring the continuous operations of our business. Through the implementation of an incident reporting and response plan, we are well-positioned to address and remediate potential critical security incidents.

Our incident reporting and response plan includes a hierarchy of strategic and tactical teams. They coordinate our response and execute the protocols to follow depending on the type and severity of the incident. These teams work in tandem to resolve the incident and mitigate any impacts to our business.

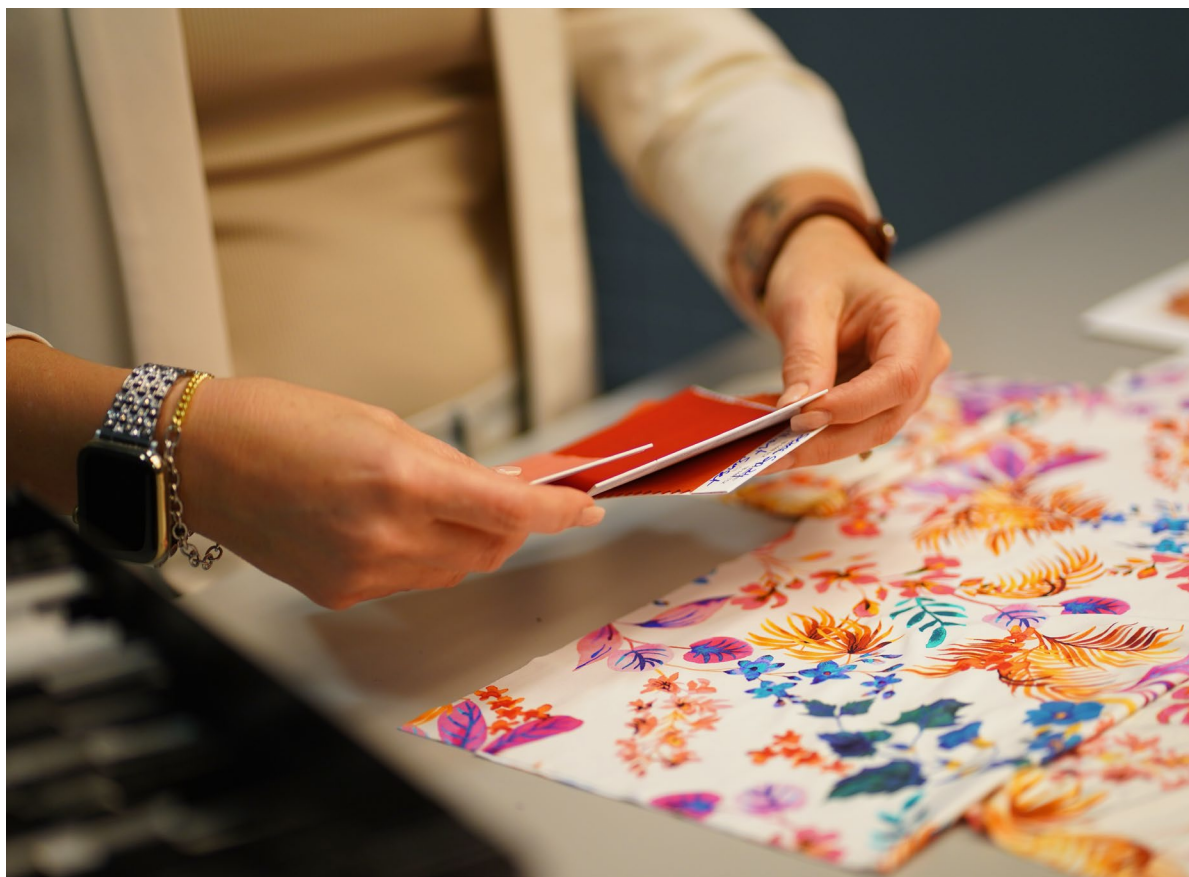
In the event an incident occurs, our response actions and remediation efforts are documented and communicated to our Technology Group, Executive leadership and Board. The lessons learned serve as opportunities to enhance our policies and procedures and improve our architectural designs.

TRAINING & AWARENESS

We expect all our Associates to take active roles in maintaining the integrity and security of our information systems.

All Associates are expected to complete our Privacy and Information Security training within the first 30 days of their initial hire date. Thereafter, training is conducted annually, or as needed throughout the year if there has been a policy violation or a significant enhancement to our policies and procedures. Secure coding training is also provided annually to Associates with application development roles.

Our ongoing Associate training and awareness efforts include anti-phishing campaigns, company-wide alerts, training videos and published policies and standards. We actively communicate our policies and expectations through our websites, emails, internal memoranda and other means. In addition, our Technology Group is always available to address any questions or concerns.





IT SECURITY SPOTLIGHT

JOHN DWYER, DIRECTOR, TECHNOLOGY AUDIT

My Superpower:

Elevating transparency.

Why Chico's FAS emphasizes the partnership between our Internal Audit and IT Security teams:

We clearly understand and value each of the roles of our Internal Audit and IT Security teams within the organization. IT Security is our first and second lines of defense of our risk management framework, with our Internal Audit team being the third. The two functions work closely and collaboratively to ensure our internal security controls are both well designed and operating effectively. Open and honest communication between our teams is a synergistic cornerstone of this relationship and helps ensure emerging threats in a complex and dynamic risk environment are properly accounted for and addressed.

PROMOTING PRIVACY CONTROLS

Understanding our customers' wants and needs helps our brands to design products and experiences that bring them confidence and joy. From time-to-time, we engage with specialized vendors to assist us in providing more personalized products and services. We strive to ensure that our customers willingly share information with us based on informed decisions about our privacy practices.

We have created Privacy Centers on our websites that allow our customers to view our Privacy Policy to learn about our privacy practices, submit privacy requests regarding their personal data and visit our Cookie Preference Center - all in one convenient location.

The Cookie Preference Center informs our customers about the types of cookies that we use, allows our customers to view the specific cookies that are on our website and enables our customers to select and update their cookie preferences at any time.



*To learn more, visit our Privacy Center by clicking on the privacy policy links on our **websites**.*



OPERATIONALLY *excellent*

We approach our business through prudent management and oversight; acting with integrity, a commitment to sustainable and ethical practices and a focus on transparency and accountability.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In this section, we discuss programs, policies, procedures and goals that align towards the United Nations Sustainable Development Goal #12 (Responsible Consumption) and its targets 12.2 and 12.6, to ensure sustainable consumption and production patterns and Goal #17 (Partnerships For the Goals) and its target 17.16, 17.17 and 17.19, to strengthen the means of implementation and revitalize the global partnership for sustainable development.



sustainable OPERATIONS

Our commitment to environmental sustainability extends beyond our supply chain and merchandise to our own physical footprint. By examining how we rely on and use natural resources within our stores, DC and NSSC, we believe that we are better positioned to actively identify ways to minimize our overall impact and adopt more conscientious practices.

POWER IN THE NUMBERS

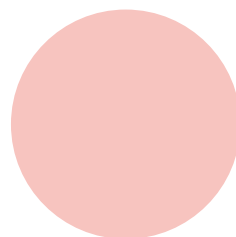
5,322,423 ft² OF LEASED AND OWNED FACILITIES²¹

10,276 MWh ELECTRICITY USED AT OUR DC

1,806 KGal WATER CONSUMED AT OUR DC

1,678 TONS OF CARDBOARD, PAPER PRODUCTS, AND CORRUGATED, PLASTIC AND METAL SCRAP RECYCLED BY OUR NSSC AND DC CAMPUSES

73,502 TOTAL TREES SAVED VIA SHRED-IT® PAPER RECYCLING SINCE INCEPTION



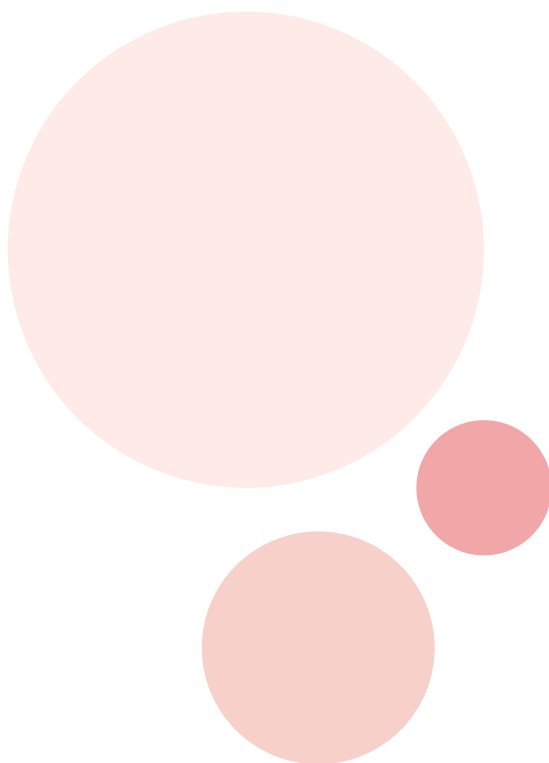
²¹ Last year, we calculated our square footage of leased and owned facilities based, in part, on selling square footage in our stores. Our 2022 figures above represent total square footage of leased and owned facilities based on total square footage of our stores.

LEADING BY OUR VALUES

Our approach to environmental management centers on integrating sustainable practices that address systemic environmental challenges. Over the past few years, we have focused on the waste we produce, the energy we consume and the water we use.

These factors are managed by our Operations and Asset Protection teams who oversee our NSSC, DC and store facilities. Guided by our values to *continuously IMPROVE* and be *ACCOUNTABLE*, they have implemented several programs designed to reduce our environmental footprint and support the overall health and well-being of our Associates and customers.

We recognize that implementing new programs and systems and monitoring our impacts is only part of the solution. We also educate and encourage our Associates to support our sustainability efforts by practicing greener everyday activities. Our intranet provides useful educational materials and tips on proper waste disposal, energy conservation, paper reduction and eco-friendly transportation options.



LOCATION SPOTLIGHT

CHICO'S FAS' NSSC CAMPUS FORT MYERS, FLORIDA

Its Superpower:

Being a butterfly attractor.

Why is the ecological design of the NSSC Campus important to Chico's: When we created our 62-acre campus, we sought to blend the natural with the constructed.

In Florida, we are surrounded by beautiful beaches, lush parks and temperate weather year-round, and our campus gives us the opportunity to remain connected to that environment while at work.

Within our campus, we have a National Wildlife Federation Certified Wildlife Habitat® in recognition of the eco-friendly grounds we maintain on campus for our local and migratory wildlife. We have ponds, wetlands, natural areas and a butterfly garden that support food and water resources for residents like turtles, birds, butterflies, bees and even the occasional alligator or snake, and provide our local wildlife with shelter and safety. The grounds are also maintained by sustainable management practices to keep the area thriving.



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INTEGRATING ENVIRONMENTAL RESPONSIBILITY

Our operations include more than 1,260 stores located in 46 states, Puerto Rico and the U.S. Virgin Islands, a DC in Winder, GA, and our corporate headquarters – our NSSC campus – in Fort Myers, Florida. Combined, they account for approximately 5.3 million square feet of building space – the equivalent of about 92 football fields or 122 acres.

The majority of our locations, including our retail spaces, are leased. Under these agreements, some of our locations have external management of our utilities and environmental services as part of our landlords’ responsibility. This may limit the opportunities to effect certain operational changes. However, in certain leases, we are eligible for tenant improvement allowances, which may be used to support more energy- efficient and resource-conserving capital improvement projects in those locations.

For our corporate-owned locations, we are prioritizing services and upgrades that advance our sustainability initiatives. Our NSSC Campus has evolved over time to be designed and constructed with sustainability in mind. One of our buildings achieved a Bronze-level Florida Green Commercial Building certification in 2013.

WASTE

Our waste management priorities aim to reduce or delay the amount of refuse entering landfills by promoting diversion initiatives such as recycling and reuse.

Across our operations, our operations waste consists of items such as cardboard and paper products, corrugated containers and plastics, scrap metal, electronic waste and organics. We work in concert with our municipal and private vendors to address our waste management needs, who are responsible for appropriately handling and fulfilling our requests in compliance with all applicable laws and regulations. For any role that handles chemicals and other dangerous waste, we provide Safety Data Sheets for proper chemical and waste disposal.

During the past fiscal year, our DC recycled approximately 1,648 tons of corrugated waste and an additional 6 tons of plastic, while our NSSC

contributed to the diversion of 12.5 tons of paper and cardboard and 11.3 tons of scrap metal.

As part of our sensitive-materials paper recycling initiative in partnership with Shred-It®, in 2022, we contributed to the preservation of approximately 3,402 trees, with approximately 73,500 trees preserved since we started the program.

We also continued our electronics waste recycling program in partnership with a third party that has its own zero-landfill environment protection policy.

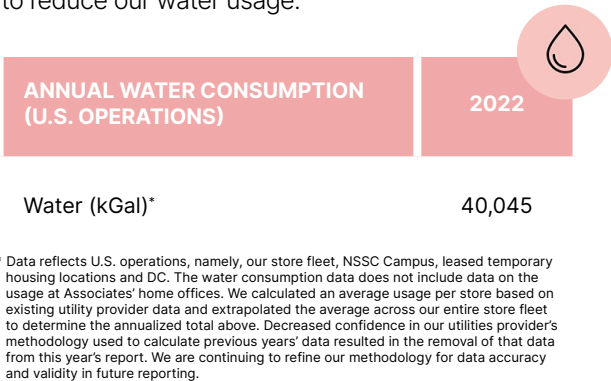
Beyond recycling, we encourage our Associates to reduce their overall waste production. We emphasize responsible paper use by promoting digital assets and setting printer defaults to double-sided printing. We also promote Associate commitments to use reusable containers, such as water bottles, cups, cutlery and cookware, to cut down on paper and plastics waste.

Our procurement strategy for our campus cafés also supports our waste efforts. Starting in 2020, we began to use eco-friendly food containers that are biodegradable, compostable and sourced from sustainably managed forests.

WATER

The attention we have placed on water conservation practices has centered on our largest area of water use, namely, use in our supply chain. But we also strive to understand our own water practices and identify conservation opportunities.

As an initial step, we have begun monitoring our water use based on information from our utility providers. By tracking our consumption patterns, we may develop additional processes and procedures or pursue certain facilities’ upgrades to reduce our water usage.



ENERGY

Our energy strategy has primarily focused on energy-efficiency improvements. Over the past several years, our efforts have prioritized lighting and equipment upgrades at our NSSC, stores, and DC. These include the ongoing conversion to high-efficiency HVAC units across our facilities and store fleet, implementation of programmable thermostats and the transition to high-efficiency LED lighting with automated sensors at our NSSC in addition to similar lighting fixture upgrades at our stores and DC.

We also enlist our Associates to do their part. Through our Tips and Tricks communications program, we encourage our Associates to shut down their computers or place them in sleep mode when they are not active, remove the use of screen savers, turn off screens at the end of the day and adjust any lighting or equipment when leaving an office or conference room.

ANNUAL ENERGY CONSUMPTION (U.S. OPERATIONS)

2022



Electric (MWh)*

111,142

* Data reflects U.S. operations, namely, our store fleet, NSSC Campus, leased temporary housing locations and DC. The electric consumption data does not include data on electricity consumed at Associates' home offices. We calculated an average usage per store based on existing utility provider data and extrapolated the average across our entire store fleet to determine the annualized total above. Chilled water usage was removed from our reporting, as it is used for only a subset of stores that is immaterial to our overall calculations. Similarly, natural gas is used within only certain geographical locations and was not factored into our energy usage calculations. Decreased confidence in our utilities provider's methodology used to calculate previous years' data resulted in the removal of that data from this year's report. We are continuing to refine our methodology for data accuracy and validity in future reporting.



See our *Product Obsessed* section to read about our other environmental initiatives.

GREENHOUSE GAS EMISSIONS

We recognize that our activities across our value chain, by their very nature, generate GHG emissions. This in turn contributes to the increasingly acute impacts of climate change. No matter the origin, we are committed to understanding the composition of our GHG footprint. By doing so, we aim to identify opportunities for us to further reduce our impacts and strive to meet the call from the Paris Agreement to limit global temperature rise to below 2°C.

Our approach to GHG emission reporting and the creation of future reduction and mitigation plans is being developed in a deliberate and thoughtful manner. Members of our ESG Task Force have become familiar with the guidance from climate-change frameworks, such as the Task Force on Climate-related Financial Disclosures.

In addition, we are engaging an independent third-party consultant to assess our baseline Scope 1 and Scope 2 GHG emissions. At the same time, we have implemented practices that are helping to curb our current emissions and that incentivize more sustainable activities.

We are prioritizing energy efficient equipment as part of our energy strategy. We offer bicycles and electric vehicles for our Associates to get around the NSSC Campus, which is also very walkable, and we have installed electric vehicle charging stations for our Associates to use free-of-charge.

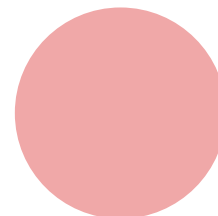
We are also thinking creatively about our partnerships and the ways we can work collaboratively to address this global issue.



Read more about how we leverage our partnerships in this area in our *Distribution Logistics* section.

ETHICS *and* INTEGRITY

We are dedicated to delivering high-quality fashion-savvy merchandise in a manner that is considerate of industry guidelines and best practices and compliant with all applicable laws and regulations, with a commitment to honesty, trust, respect and dignity for all.



POWER IN THE NUMBERS

1 YEAR

TIME PERIOD BETWEEN
ANNUAL CODE OF
ETHICS REVIEWS AND
ACKNOWLEDGEMENTS

6

NUMBER OF MANDATORY ON-
BOARDING ETHICS-BASED
TRAINING COURSES

9 +

NUMBER OF ETHICS, CONDUCT
AND OTHER KEY POLICIES FOR
OUR SUPPLY-CHAIN PARTNERS

100 %

OF FULL-TIME AND PART-TIME
ASSOCIATES PARTICIPATE IN
ETHICS TRAINING UPON HIRE

LEADING BY OUR VALUES

At the core of our Company is our dedication to being Customer Led by providing *Most Amazing Personal Service* to our customers and each other through our embrace of the *Power of &*. To us, the *Power of &* symbolizes the strength in our collective pursuits – the relationship among our three brands, our individual & corporate goals, our customers' interests & creative designs, our supply chain partners & business divisions, our Company & all our stakeholders. It captures how we approach every interaction with an emphasis on valuing the connections among us all, which engenders honesty, trustworthiness and drives our culture of caring.

This approach is underpinned by our commitment to operate our business within the spirit and letter of all applicable laws and regulations. Our Code of Ethics and Global Vendor Code of Conduct form the basis of our day-to-day expectations and serve as the minimum standards of ethical behavior. These policies are comprehensive in scope, addressing matters such as conflicts of interests, fair dealing, bribery and fraud, employment laws, health and safety and environmental protection. They keep us moving forward every day, always upholding our value of being *ACCOUNTABLE*.

ELEVATING RESPONSIBILITY & TRANSPARENCY

Our commitment to act ethically and with integrity is the responsibility of everyone at the Company. We expect our Associates, Management, Board, and supply chain partners to adhere to our policies and incorporate our guidance within their daily interactions. We reinforce the importance of this behavior through communication, training, auditing and reporting.

ACCOUNTABILITY

To further our commitment to transparency and accountability, we adopted three new policies in 2022. These included our [Environmental Policy](#), [Political Action Statement](#) and [Human Rights Policy](#). Each of these policies addresses how we expect our

Associates to act when engaging with each other and business partners. We expect our suppliers to also meet the standards of our Environmental and Human Right Policies, which are supplement our Global Vendor Code of Conduct.

Since 2021, we have also established goals to drive ongoing progress and value for our organization and supply chain partners. In 2021, we achieved our 10 short-term ESG goals, which focused on enhancing our Board's oversight of our ESG program and our public disclosures related to our policies and stances on human rights, ethics, vendor onboarding, conduct and monitoring, political advocacy and business waste management. In 2022, we created seven mid-term goals, which are more operational in nature and are described throughout this Report. At the beginning of 2023, we shifted our focus to the long-term and created three goals specific to environmental, social and governance issues. These relate to emissions, women's empowerment and materials traceability.



To learn more about our 10 short-term ESG goals, visit our *FY2021 Impact Report*.

OVERSIGHT

Our Executive leadership and Board set the tone and advise on our ethics and compliance activities. Our Legal Department, under the guidance of our SVP, General Counsel, Corporate Secretary & Chief Compliance Officer, manages our ethics and compliance programs and policies. Our L&D teams, in partnership with our divisional teams and managers, support the creation and administration of our training and communication. And each of us looks out for one another to ensure we are living up to the Chico's FAS commitment to integrity.

TRAINING

From day one, all our Associates are introduced to our culture and values. Within the first 30 days, Associates are required to complete 6 mandatory training courses in areas including our Code of Ethics, compliance, information and data security and proper conduct. Additional training is assigned on an as-needed basis or depending on an Associate's role and position.

We require annual retraining and certification to reinforce our collective commitment to compliance, ethics and integrity.

COMMUNICATION

We value good communication among our Associates and strive to create a workplace that fosters meaningful communication through our "open-door, open-communication" philosophy. We encourage asking questions, sharing ideas and providing feedback so we can mutually achieve our goals and objectives.

Our open-door policy serves to build trusting relationships among one another. That includes the connection between fellow Associates, direct supervisors and members of our management team. We respect that there may be times when an issue is more sensitive and may be best served by approaching our Human Resources or Legal team or through our various anonymous reporting Hotlines.

We keep our Associates informed and provide them with access to important information like our policies and procedures, through our intranet and in our stores. We also reinforce this messaging or provide specific notifications during group meetings.

RAISING OUR VOICES

No matter the situation, if someone suspects or has the perception or suspicion of unethical conduct, a violation of policies or laws, dishonesty, theft or the like, we want our Associates to feel comfortable bringing this to our attention.

We provide an independent third-party-operated Open Door and Ethics Hotline that is available 24 hours, 7 days a week, 365 days a year and a Loss Prevention Hotline for anonymous reporting of any suspected activity or threatening situation. These channels, and others, are kept as confidential as possible and are supported by our strict non-retaliation policy to safeguard those who make a report or who may participate in any investigation.

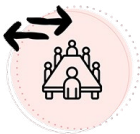
Each report is promptly investigated and evaluated to determine the best course of action. Investigations may involve several teams, including our internal auditors and outside advisors. Summaries of our ethics hotline activity and investigation outcomes are reported to Management and the Board's Audit Committee quarterly.

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corporate GOVERNANCE

We understand that the mark of a sustainable and resilient company is one that has robust governance principles and practices, strong and effective leadership and transparent communication and reporting.

CHICO'S FAS SUSTAINABILITY GOALS



Promote ESG reporting that aligns with stakeholder expectations and regulatory disclosure recommendations.



POWER IN THE NUMBERS

9 DIRECTORS SERVING ON OUR BOARD

78% INDEPENDENT BOARD DIRECTORS

56% FEMALE BOARD REPRESENTATION

11% RACIALLY AND ETHNICALLY DIVERSE BOARD REPRESENTATION

1 ASSOCIATE-LED ESG TASK FORCE

1 ASSOCIATE-LED I&D COUNCIL

3 SENIOR EXECUTIVES SERVING ON OUR ESG STEERING COMMITTEE

5 BOARD OF DIRECTOR COMMITTEES, INCLUDING 1 ESG COMMITTEE

LEADING BY OUR VALUES

Our approach to governance emphasizes our commitment to being **ACCOUNTABLE**. Our governance policies generally align with the corporate governance principles for U.S. companies developed by the Investor Stewardship Group. Our CEO and Executive leadership guide their activities and the execution of our operations in alignment with our strategic pillars, purpose and vision. Our Board oversees these activities and provides direction and counsel to our Executive leadership, who engage with and leverage the expertise of our Associates and the individuals with direct responsibility for our brands and business divisions. All of this is supported by our policies, procedures and guidelines, which advise and direct our actions.

This forms the foundation for meeting our customer expectations and achieving our sustainability goals. By leveraging an organization-wide approach, we believe that we are better positioned to listen to and learn from our diverse stakeholders, including our customers, Associates, business partners, outside advisors, trade organizations, government regulators and our shareholders. We believe that these insights help to improve our operations through the adoption of best practices that provide the added benefit of addressing issues raised by sustainability frameworks. We see all of this as propelling our current success and future ambitions.

BEING ACCOUNTABLE

The effectiveness of our corporate governance practices and the ability for us to be strong corporate stewards, accountable to our people, customers and communities, is tied to our attention to the risks and opportunities inherent to our business. This requires a comprehensive risk management approach and proper oversight for us to execute our corporate strategy.

ENTERPRISE RISK MANAGEMENT

We take a holistic approach to enterprise risk management (**ERM**), ensuring it is front and center in our strategic decisions.

As a business dependent on global supply chains and omnichannel retailing, our risk factors encompass a variety of issues like cybersecurity, public health events, weather, economic conditions, talent attraction and retention, health and safety and supplier labor practices, among others. These considerations encompass issues identified in our ESG approach and are integral to our strategic pillars.

To effectively identify, assess and mitigate these and others risks, we approach risk management based on generally accepted risk management principles. These principles form the basis of our internal training programs and support consistent ERM practices across the organization. Important to this approach is developing and implementing responses and action plans to address identified risks, communicating these measures to the appropriate stakeholders, reporting and monitoring the effectiveness of controls and periodically reevaluating our approach.

Throughout the process, we strive to make risk management an integral part of our everyday culture.

Our Board and its Committees oversee management's identification, assessment and mitigation of priority risks that are material to us. They provide the strategies, techniques and advice to support the growth of the Company, our assets and reputation, and to guard against potential threats. Our internal audit department serves as internal assurance and review on the effectiveness of our ERM program controls and governance processes.

Both our legal team and internal auditors work alongside our other departments to support them in communicating, monitoring, and appropriately responding to our enterprise risks. They engage with our Executive leadership, who communicates our ERM program and enterprise risk updates to the Board on at least an annual basis. Our Executive leadership and internal auditors also issue periodic reports to our Board's Audit Committee.

BOARD LEADERSHIP

For 30 years, we have been a publicly traded company. Our directors respect this privilege and serve the interests of our shareholders and stakeholders. They advise and provide counsel to our management and oversee our practices and procedures, advancing our long-term performance and accountability.

The Board is supported by a strong set of principles and practices that serve as the framework for and underpin our commitment to good governance. Our directors uphold our standards of ethics and integrity and conduct themselves in accordance with our Code of Ethics. In addition, our Corporate Governance Guidelines and other governance documents act as the primary source for understanding how we promote the proper oversight and functioning of the Board and its Committees.

ACCOUNTABILITY TO OUR SHAREHOLDERS

- + One Share – One Vote standard
- + Annual election of directors
- + Majority voting and director resignation policy
- + Independent director executive sessions
- + Proxy access provision
- + Right for shareholders to call a special meeting
- + Majority vote standard for most article amendments
- + Director and Senior Officers stock ownership guidelines
- + Claw back policy on incentive compensation
- + Proactive shareholder outreach

COMMITTEE OVERSIGHT

Our Board has five standing Committees with the following principal responsibilities:

- + **AUDIT** – Assisting in Board oversight of accounting, financial reporting, financial risk assessment, internal control processes and audit function and related risk management.
- + **CORPORATE GOVERNANCE AND NOMINATING** – Developing, assessing, maintaining, recommending and implementing policies and practices relating to corporate governance, evaluating the risks related to corporate governance, business conduct and ethics, overseeing Board and management evaluation processes and recommending actions on Board membership, leadership and structure.
- + **ESG** – Assisting with the oversight of policies, practices and reports related to ESG matters including, among others, health and safety, environmental sustainability, human rights, diversity and inclusion, corporate governance and philanthropy.
- + **HUMAN RESOURCES, COMPENSATION AND BENEFITS** – Advising on executive compensation and benefits programs, plans, and policies in addition to overseeing the Company's culture, human capital management and our diversity and inclusion programs.
- + **MERCHANT** – Providing oversight and advice on the Company's products and brands as well as insights on issues such as product development, competition and consumer sentiment.



Visit our *Governance Documents & Charters* page on our Investor site for a complete list of our governance documents.

Our directors are an engaged group who are consistently asking questions to promote dialogue that drives our Operational Excellence. They encourage us to *continuously IMPROVE* our operations and to always be *INSPIRED* and *INSPIRE* others around us as we pursue our vision of bringing confidence and joy to women.

BOARD COMPOSITION

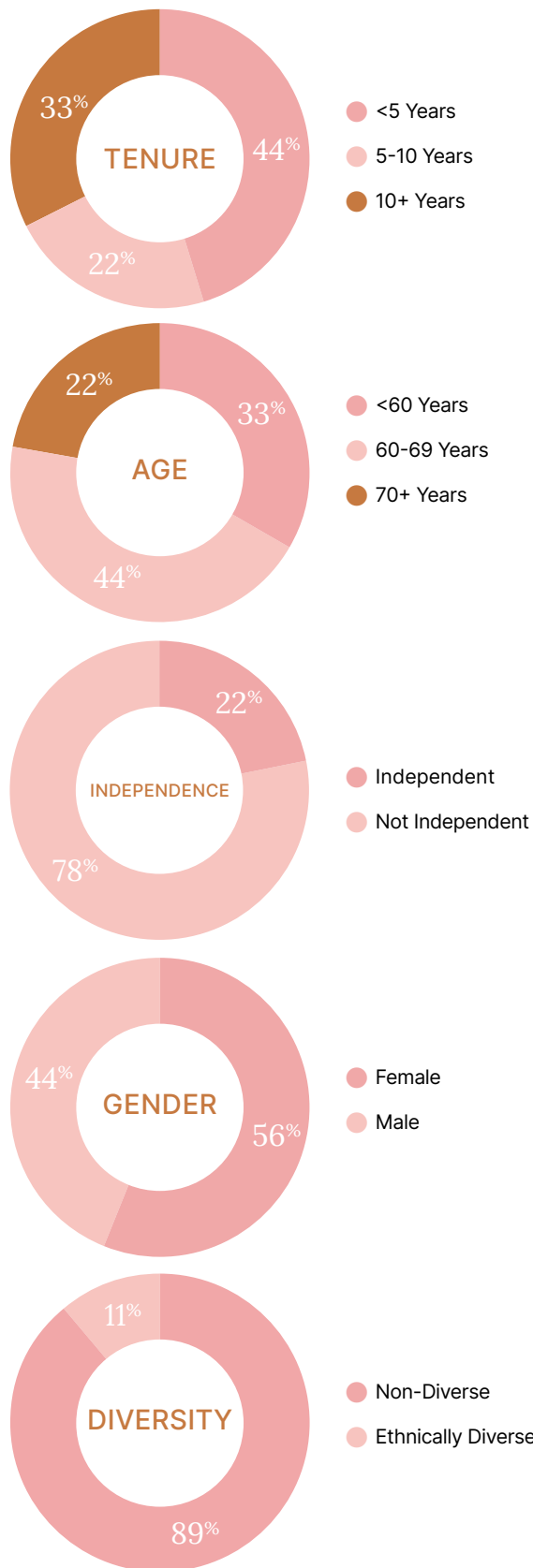
We understand the value of having the right mix of backgrounds, skills, expertise, perspectives and tenures among our directors. We have steadily refreshed our Board over the years to achieve a balance between new directors with fresh ideas and perspectives and tenured directors who have historical knowledge of our business and its cycles.

As part of our Board refreshment and succession planning practices, our Corporate Governance and Nominating Committee oversees our Board composition and related practices, including overseeing annual Board, Committee and director evaluations, identifying new candidates and reviewing and recommending Board actions pursuant to our director retirement policy, to strengthen our relevant expertise on the Board.

All but two members of our Board are independent, with seven of our nine directors meeting the independence requirement set forth in the Company's Corporate Governance Guidelines and the New York Stock Exchange listing standards. In addition, our Board has been comprised of at least 50 percent female directors for more than six years.

Currently, the positions of Chair of the Board and CEO are separate, with Mr. Kevin Mansell serving as Chair of the Board, and Ms. Molly Langenstein serving as CEO. Mr. Mansell became the Chair of the Board in June after serving as our lead independent director. With Mr. Mansell's appointment, the Chair of the Board is again an independent director, and consequently, Mr. Mansell performs the functions of the Lead Independent Director in his capacity as independent Chair of the Board.

CHICO'S FAS FY2022 BOARD COMPOSITION



HARNESSING ESG GOVERNANCE

We elevated our commitment to sustainability and ESG over the past few years through the establishment of internal committees focused on advancing our strategic pillars.



In 2019, we formed our Associate-led ESG Task Force - a cross-functional team comprised of Associates from across the organization, including, among others, sourcing, compliance, legal, human resources, design, marketing, IT and public relations. Led by our Senior Director - Corporate Counsel, the Task Force drives our ESG stewardship efforts. The members of the ESG Task Force research, develop, implement, monitor and report on our ESG initiatives and goals.

The next year, we assembled our Inclusion & Diversity Council, which is led by our VP of Human Resources. Like the ESG Task Force, the Council's members are Associates from across our brands and departments. The role of the Council is to (i) create an understanding of the power of individuality and inclusion, (ii) promote I&D initiatives throughout our value chain and (iii) execute on our I&D roadmap and its three pillars of Attraction & Retention, Education & Training, and Customer Focus.

In February 2021, our Board formalized its responsibilities for our stewardship efforts through the creation of a Board-level ESG Committee. The Committee oversees and advises on our ESG policies and practices, including that of the I&D Council, and receives regular updates from our ESG Steering Committee. The independent directors serving on the Committee in turn report to and counsel the full Board on the latest ESG developments.

In 2021, we established our ESG Steering Committee, whose members serve as the ESG Task Force's Executive sponsors. They are responsible for overseeing the Task Force, reinforcing its strategic aims, incorporating its initiatives into our processes and procedures and reporting on its progress to the ESG Committee of the Board.



ESG TASK FORCE SPOTLIGHT

TERRI MCMANUS BECERRIL
SENIOR DIRECTOR, CORPORATE
COUNSEL & ESG TASK FORCE LEADER

My Superpower: **Being a fierce advocate for sustainable action.**

How the ESG Task Force drives valuable change for the Company: Since I joined Chico's FAS in 2017, our world, and how we work, live, socialize (and shop) within it, has changed significantly. The world is still recovering from the social, economic, political and psychological effects of surviving a global pandemic. At the same time, we have witnessed changes within our culture and the ways we think about the world around us, accelerated by a deeper awareness of the effects of long-standing social and environmental issues. All of this has affected how we interact with each other, the issues that are top of mind and the standards of corporate stewardship we have all come to expect from our favorite brands.

As part of the ESG Task Force, part of our mission is to educate our stakeholders about the work that we have been doing all along as responsible corporate citizens. But our bigger mission is to work on driving the change that the world needs now. By focusing on new ways to reduce our environmental footprint, improve equality, diversity and inclusion in the places we conduct business and promote the ongoing empowerment of women around the world, all while finding new ways to connect with our customers in an increasingly isolated world, we continue to rise to meet today's challenges and the expectations of our customers, Associates and stakeholder partners. The end result is three brands with product offerings our customers can wear with confidence, knowing that we are taking positive action to improve our impact on the world. Nothing could be better.

REPORTING & ENGAGEMENT

We are ambitious in our intent and aspire to be transparent in our approach to ESG. By holding ourselves to account, being transparent about our current state of operations and disclosing our activities regularly, we will continue to evolve and progress towards achieving our ESG goals. We will also continue to identify synergies between our own aims and those of our stakeholders – our customers, Associates, business partners, shareholders, regulators, communities and more. By doing so, we anticipate becoming ever more resilient and responsive to our shared spaces.

Opportunities for collaboration, learning and growth arise from the development of our stakeholder relationships. Our management speak with our largest investors through our shareholder outreach. We engage our Associates through surveys and frequent touchpoints. We maintain regular dialogue with our business partners. We establish familiarity and solicit feedback from our customers. We support and partner with our communities. And we stay informed on the latest regulatory developments and best practices with our trade associations.

From these engagements, we are driving outcomes by monitoring our activities, identifying enhancements to our reporting mechanisms and updating our disclosures to better align with

industry-recognized ESG frameworks. As we did in our 2021 Impact Report, we have again incorporated the SASB Standards for Apparel, Accessories and Footwear and E-Commerce and the UN SDGs in this year's Report. We have also begun directing our attention to climate change and are reviewing the specifics of the Task Force on Climate-related Financial Disclosures framework as we continue to monitor the SEC's climate disclosure rulemaking.

We are committed to making positive differences in the world and to achieving meaningful results. We look forward to continuing to report on our initiatives and progress and to sharing our latest ESG developments and achievements.

SUSTAINABILITY GOAL SPOTLIGHT

Promote ESG reporting that aligns with stakeholder expectations and regulatory disclosure recommendations.

Our Progress

In 2022, we enhanced our reporting in our 2021 Impact Report to reference the SASB standards and align to the UN SDGs. We also continued to leverage ESG frameworks and industry trends and data from ESG ratings to guide progress on our ESG program and goals. In addition, we elaborated on our environmental and supply chain risk factors in our annual report.





our path to a **MORE EQUITABLE &** *SUSTAINABLE future*

All the actions described in this Impact Report demonstrate our commitment to evolving into a more sustainable, equitable and responsible corporate citizen. We are a fashion retailer with a purpose and vision of contributing to a world where women are free to embrace their inner confidence and joy.

We are driven to seek out sustainable solutions, build communities and create memorable experiences so women never have to compromise.

We are proud of the progress we have made thus far. As with 2021, 2022 was another important year for our ESG Program. We continued to make progress on our seven mid-term sustainability goals, which are driving us forward for the next two years. We also established our first set of long-term goals with a focus on emissions, women's empowerment and traceability.

As we continue to look to the future, we remain *INSPIRED* to achieve even more positive change in the world and to share those successes with you.

4



APPENDIX

SASB Standards



UN Sustainable Development Goals



Factory Usage Baselines



LIST OF SASB STANDARDS ADDRESSED IN THIS REPORT

APPAREL, ACCESSORIES & FOOTWEAR

Topic	Accounting Metric	Code	Chico's FAS
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	CG-AA-250a.1	Learn More in our Responsible Supply Section – Chemicals Management Pg. 43
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-AA-250a.2	Learn More in our Responsible Supply Section – Chemicals Management Pg. 43
Environmental Impacts in the Supply Chain	Percentage of Tier 1 supplier facilities that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	CG-AA-430a.2 [PARTIAL]	Learn More in our Responsible Supply Section – Due Diligence and Promoting Sustainable Operations Pg. 40 & 46
	(1) Percentage of Tier 1 supplier facilities that have been audited to a labor code of conduct	CG-AA-430b.1 [PARTIAL]	Learn More in our Responsible Supply Section – Due Diligence Pg. 40
	(3) Percentage of total audits conducted by a third-party auditor		
Labor Conditions in the Supply Chain	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audit	CG-AA-430b.2	Learn More in our Responsible Supply Section – Due Diligence Pg. 40
	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	CG-AA-430b.3	Learn More in our Responsible Supply Section – Supporting Sustainable and Ethical Practices, Due Diligence and Partner Engagement Pg. 39, 40 & 42
Raw Materials Sourcing	Description of environmental and social risks associated with sourcing priority raw materials	CG-AA-440a.1	Learn More in our Responsible Supply Section – Sourcing Sustainable and Ethical Materials Pg. 44

Activity Metric	Code	Chico's FAS
Number of Tier 1 suppliers	CG-AA-000.A [PARTIAL]	Learn More in our Responsible Supply Section – Getting to Know Our Supply Chain & Partners Pg. 38

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Topic	Accounting Metric	Code	Chico's FAS
Data Privacy & Advertising Standards	Description of policies and practices relating to behavioral advertising and user privacy	CG-EC-220a.2	Learn More in our Information Security and Privacy Section – Promoting Privacy Controls Pg. 64
Data Security	Description of approach to identifying and addressing data security risks	CG-EC-230a.1	Learn More in our Information Security and Privacy Section – Maintaining a Robust Cybersecurity Program Pg. 61
Employee Recruitment, Inclusion & Performance	Employee engagement as a percentage	CG-EC-330a.1 [PARTIAL]	Learn More in our Women's Empowerment Section – Fostering Engagement Pg. 29
	Percentage of gender representation for (1) management, (2) technical staff, and (3) all other employees	CG-EC-330a.3 [PARTIAL]	Learn More in our Women's Empowerment Section Pg. 21
Product Packaging & Distribution	Discussion of strategies to reduce the environmental impact of product delivery	CG-EC-410a.2 [PARTIAL]	Learn More in our Circularity Section – Embarking on Packaging Circularity and Sustainable Operations Section – Greenhouse Gas Emissions Pg. 51 & 69

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

UN SDGs	UN SDG Targets	Chico's FAS Goals Alignment
 <p>Achieve gender equality and empower all women and girls</p>	<p>5.1 End all forms of discrimination against all</p> <p>5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation</p> <p>5.5 – Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p> <p>5.c – Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels</p>	<p>Develop expanded product assortments using customer and Associate input to create solutions that give comfort and joy to women of all shapes, colors and sizes</p>
 <p>Ensure availability and sustainable management of water and sanitation for all</p>	<p>6.3 – By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and, materials, halving the proportion of untreated and substantially increasing recycling and safe reuse globally</p> <p>6.4 – By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p>	<p>Analyze, disclose, and engage with our Tier 1 factories on their total water consumption energy use and waste output wastewater and identify opportunities to reduce their impact by at least 1 percent per year over the next 3 calendar years</p>
 <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p>7.2 – By 2030, increase substantially the share of renewable energy in the global energy mix</p>	<p>Analyze, disclose, and engage with our Tier 1 factories on their total water consumption, energy use and waste output and identify opportunities to reduce their impact by at least 1 percent per year over the next 3 calendar years</p>
 <p>Reduce inequality within and among countries</p>	<p>10.2 – By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p> <p>10.3 – Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard</p> <p>10.4 – Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality</p>	<p>Associate input to create solutions that give comfort and joy to women of all shapes, colors and sizes</p> <p>Continue to enhance the racial and ethnic diversity of our workforce by focusing on recruiting and retention efforts</p> <p>Develop expanded product assortments using customer and Associate input to create solutions that give comfort and joy to women of all shapes, colors and sizes</p>

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

UN SDGs	UN SDG Targets	Chico's FAS Goals Alignment
 <p>Ensure sustainable consumption and production patterns</p>	<p>12.2 – By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.4 – By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p> <p>12.5 – By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>12.6 – Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> <p>12.7 – Promote public procurement practices that are sustainable, in accordance with national policies and priorities</p>	<p>Explore and quantify value-added sustainable packaging opportunities to reduce landfill waste by having our brands align on and adopt at least one opportunity per year over the next 3 years</p> <p>Introduce 2-3 fabrics, innovations, technologies and other efficiencies in our product design, development and manufacturing every year over the next 3 years to reduce our environmental footprint</p> <p>Implement Higg Index sustainability reporting for the top 80% of our vendors and factories</p>
 <p>Take urgent action to combat climate change and its impacts</p>	<p>13.2 – Integrate climate change measures into national policies, strategies and planning</p>	<p>Analyze, disclose, and engage with our Tier 1 factories on their total water consumption, energy use and waste output and identify opportunities to reduce their impact by at least 1 percent per year over the next 3 calendar years</p>
 <p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p>17.16 – Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries</p> <p>17.17 – Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p> <p>17.19 – By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries</p>	<p>Promote ESG reporting that aligns with stakeholder expectations and regulatory disclosure recommendations</p>

TIER 1 FACTORY USAGE BASELINES



WATER	Number of Factories Reporting	Higg Factories Reporting, as a % of total receipts	Water, in Kilogallons (KGal)
Total Usage	86	69%	113,943.53
Recycled	18	11%	4,319.23
Discharged	68	62%	53,662.96



WASTE	Number of Factories Reporting	Higg Factories Reporting, as a % of total receipts	Waste, in Tons
Total usage	85	68%	14,280.94
Recycled	67	59%	6,558.37
Incinerated	50	44%	6,408.48
Landfill	45	40%	968.80



ENERGY	Number of Factories Reporting	Higg Factories Reporting, as a % of total receipts	Energy, in Megawatt Hours (MWh)
Total	78	66%	34,421,898.52
Renewable	30	22%	10,042,746.20

*Total amounts determined by multiplying the [number of units produced by the Higg Factories responding] by the respective [average amount per product] metric listed in the Tables in our [Environmental Footprint](#) section. All data provided in the charts above is self-reported by our Higg Factories responding to our E&S Audit and has not been independently verified.

LIST OF ABBREVIATIONS & DEFINITIONS

AAFA – American Apparel and Footwear Association

Auditor – Preferred third party for auditor for Tier 1 factories

BCI – Better Cotton Initiative

Board – Board of Directors

CBP – United States Customs and Border Protection

CO₂ – Carbon dioxide

CTPAT – Customs Trade Partnership Against Terrorism

DC – Distribution Center

E&S Audit – Tier 1 factory ESG-focused environmental and social audit questionnaire

ESG Committee – Board-level Environmental, Social and Governance Committee

ESG Task Force – Associate-led cross-functional Environmental, Social and Governance Task Force

ERM – Enterprise Risk Management

FSC® – Forest Stewardship Council

GHG – Greenhouse Gas

GOTS – Global Organic Textile Standard

GPA – Georgia Ports Authority

GRS – Global Recycled Standard

Higg – Higg Index

Higg Factories – Tier 1 factories that responded to the environmental impact survey and report according to the Higg Index

Higg FEM – Higg Facility Environmental Module

Higg FSLM – Higg Facility Social & Labor Module

HR – Human Resources

I&D – Inclusion & Diversity

I&D Council – Inclusion & Diversity Council

ILO – International Labour Organization

Impact Report – Corporate Social Responsibility Report/Impact Report

ISO – International Organization for Standardization

L&D – Learning and Development

LDPE – low-density polyethylene

MAPS – Most Amazing Personal Service

Mindful Fabrics – Fabrics containing at least 10% mindfully produced and sustainably sourced raw materials

MLR – Material to liquor ratio, a method used to calculate water savings in textiles production

NIST – National Institute of Standards Technology

NSSC – National Sales Support Center

OCS – Organic Content Standards

Program – Cybersecurity Program

RCS – Recycled Claim Standard

Report – Impact Report

RSL – Restricted Substances List

SASB Standards – Sustainability Accounting Standards Board Standards

Steering Committee – Executive-level ESG Steering Committee

UN Guiding Principles – United Nations Guiding Principles on Business and Human Rights

UN SDGs – United Nations Sustainable Development Goals

WHBM – White House Black Market

ZDHC – Zero Discharge of Hazardous Chemicals

ABOUT THIS REPORT

Unless otherwise indicated, this 2022 Impact Report (the "Impact Report") and related website disclosure cover our fiscal year ended January 28, 2023.

This Report and related website disclosure contain statements concerning our current expectations, assumptions, plans, estimates, judgments and projections about our business, strategies, programs, targets, commitments, goals, initiatives, objectives, expected actions and other statements that are not historical fact. These are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In most cases, words or phrases such as "aims," "intends," "could," "may," "will," "expects," "plans," "believes," "anticipates," "estimates," "targets," "projects," "should," "strives," "goal," "envision" and "would" and similar expressions identify forward-looking statements. These forward-looking statements are based largely on information currently available to our management and are subject to various risks and uncertainties that could cause actual results, performance or achievements, including the achievement of our goals, plans, targets or commitments, to differ materially from historical results or those expressed or implied by such forward-looking statements. Although we believe our expectations are based on reasonable estimates and assumptions, they are not guarantees of future actions, results, performance or achievements. There is no assurance that our expectations will occur or that our estimates or assumptions will be correct, and we caution investors and all others not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: (i) our ability to achieve our stated goals, (ii) the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, terrorist acts, geopolitical conflicts or public health events (such as the COVID-19 pandemic), and of governmental and societal responses thereto; (iii) our ability to successfully execute and achieve the expected results of our business, strategies and the programs discussed herein; and (iv) the factors described in Item 1A, "Risk Factors" in our most recent Annual Report on Form 10-K and, from time to time, in Item 1A, "Risk Factors" of our Quarterly Reports on Form 10-Q.

The information contained in this Report and the related website disclosure also are subject to the accuracy of our data collection and analysis methods, which are subject to future evolution and calibration. Such information is subject to additional uncertainties since there are limitations inherent in our data collection and analysis methods. While we consider information from external resources to be reliable, we do not assume responsibility for its accuracy. Additionally, all data, statistics and metrics included in this Report and the related website disclosure are non-audited, are not prepared in accordance with generally accepted accounting principles, are subject to the quality and comprehensiveness of the reporting received by the Company from internal and external sources and may be based on assumptions believed to be reasonable at the time of preparation that may be subject to revision. Therefore, certain data, statistics and metrics included in this Report and the related website disclosure may be approximate and/or estimated values. Please also note that the availability of data, statistics and metrics varies from section to section in this Report and the related website disclosure.

The goals, plans, targets and commitments in this Report and the related website disclosure are aspirational; as such, no guarantees or promises are made that they will be met or successfully executed. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in our reports filed with the SEC carefully in evaluating the forward-looking statements in this Report and the related website disclosure. We cannot assure you that the results reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. The forward-looking statements are made as of the date this Report and the related website disclosure were originally published, unless otherwise indicated. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.