

# chico's FAS<sup>®</sup>

## CHARTER OF THE HUMAN RESOURCES, COMPENSATION AND BENEFITS COMMITTEE OF THE BOARD OF DIRECTORS

### **I. Purpose**

The Human Resources, Compensation and Benefits Committee (the “Committee”) of Chico’s FAS, Inc. (“Company”) is appointed by the Board of Directors (“Board”) to: (a) assist the Board in discharging its responsibilities relating to the compensation of the Chief Executive Officer (“CEO”) and all other Executive Officers of the Company<sup>1</sup>; (b) review and approve all compensation and benefits programs, plans, and policies of the Company as they affect the CEO and the Executive Officers; and (c) perform the other duties and responsibilities set forth in this Charter.

### **II. Membership**

The Committee shall be comprised of at least three directors. Each director shall meet the independence requirements of the rules of the New York Stock Exchange (“NYSE Rules”) applicable to compensation committees, as well as the Director Independence Standards set forth in the Company’s Corporate Governance Guidelines. In addition, each member must qualify as a “non-employee” director within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and must meet the “outside director” requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder.

If a Committee member ceases to be independent under the NYSE Rules for compensation committee membership due to reasons outside the member’s reasonable control, such person may remain a member of the Committee until the earlier of the Company’s next annual shareholders’ meeting or one year from the occurrence of the event that resulted in the director’s disqualification as independent, provided however, that a majority of the members of the Committee continue to meet the independence requirements of the NYSE Rules and the New York Stock Exchange (“NYSE”) is provided prompt notification thereof.

The members of the Committee shall serve at the pleasure of the Board and may be replaced at any time by a majority vote of the independent directors then in office. The Board shall designate a Committee Chair.

### **III. Meetings and Procedures**

The Committee shall meet as often as deemed necessary or appropriate to perform its duties and responsibilities in its judgment, but no less than twice a year. The Committee Chair or a majority of the Committee members may call a special meeting of the Committee. The Committee shall meet in executive session at least once each year concerning the assessment of the performance and compensation of the Chief Executive Officer (“CEO”), and may meet in executive session at any other time it deems appropriate. The Committee may request any officer or employee of the Company, the Company’s outside counsel, or representatives of the Company’s independent compensation advisor, to attend a

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<sup>1</sup> Executive Officers are all members of the Company’s Executive Committee and the Chief Accounting Officer.

meeting of the Committee or to meet with any members of, or advisors to, the Committee. Meetings may be held in-person, by telephone, or by video or web conference.

The Committee shall maintain written minutes of its meetings, which shall be presented to and filed with the minutes of the Board. The Committee shall report to the Board with respect to its activities and decisions. The operations of the Committee shall be governed otherwise by the then current Bylaws of the Company and the Florida Business Corporation Act.

#### **IV. Responsibilities and Duties**

The Committee shall have the following principal responsibilities, duties and authority, along with such other responsibilities as the Board may delegate to the Committee from time to time:

1. Annually establish and review the Company's compensation philosophy. The Committee shall have oversight of the total executive compensation program, which is generally designed to: (a) support the Company's overall strategy, goals and objectives; (b) attract and retain Executive Officers; (c) link total compensation to financial performance and the attainment of strategic objectives; and (d) provide competitive total compensation opportunities at a reasonable cost while enhancing the Company's ability to fulfill its objectives.
2. Annually review the Company's executive compensation plans to ensure alignment with the Company's goals and, as appropriate, adopt, or recommend to the Board the adoption of amendments to such plans or new executive compensation plans linked to the Company's performance goals.
3. Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the compensation for the CEO based on this evaluation, including, but not limited to: (a) annual base salary; (b) annual and long-term incentive plans and awards, including cash-based and equity-based awards and opportunities; (c) executive perquisites; and (d) benefits, and special or supplemental benefits. With respect to the long term incentive component of the CEO compensation, the Committee shall consider, among other factors it deems appropriate: (a) the Company's performance relative to shareholder return; (b) the value of similar incentive awards granted to chief executive officers at comparable companies; and (c) the awards granted to the CEO in past years.
4. Review and approve periodically as and when appropriate, the following, as they affect any or all of the Executive Officers: (a) annual base salary; (b) annual and long-term incentive plans and awards, including cash-based and equity-based awards and opportunities; (c) executive perquisites; and (d) benefits and special or supplemental benefits including any special or supplemental, retirement or other benefits for any individual who formerly served as an Executive Officer.
5. Oversee and, at least annually, review management's assessment of risks related to the Company's compensation programs.
6. Review and approve any offers of employment, employment agreements, consulting arrangements, severance or termination agreements, and change-of-control plans, policies or agreements for or that affect any elements of compensation of and benefits for the CEO or any of the Executive Officers. If required due to time constraints, the Committee Chair may perform any

of these duties, provided that such actions are reviewed and ratified at the Committee's next meeting.

7. To the extent that the Committee deems necessary or appropriate, recommend to the Board the establishment or modification of equity compensation plans for the Company, establish and periodically review policies regarding Executive Officers' perquisites (except to the extent that such policies and programs apply to the Company's employees generally), and monitor compliance by Executive Officers with the terms and conditions of the Company's executive compensation plans.
8. Participate in the management succession planning process with the Board and the CEO.
9. Review management's recommendations for, and approve as it deems appropriate, long-term incentive award levels for key, non-Executive Officers. The Committee may delegate authority to the CEO, Chief Financial Officer and/or Chief Human Resources Officer to make new-hire and promotional equity grants under such terms and conditions as the Committee deems appropriate, except that no authority may be delegated with respect to the following: (i) any element of compensation for any Executive Officer; (ii) the equity compensation of officers subject to Section 16(b) of the Securities Exchange Act of 1934; and (iii) matters as to which delegation is prohibited under Section 162(m) of the Internal Revenue Code.
10. Review annually and recommend compensation levels for Board members including retainers, fees, benefits and perquisites for review and vote by the full Board. Given the conflict of interest inherent in directors setting their own pay levels, these recommendations will be reviewed by others such as the Company's independent compensation consultant, human resources, and the corporate secretary.
11. Periodically review and make recommendations to the Board with respect to the Company's Stock Ownership Guidelines and monitor compliance with those Guidelines.
12. Provide oversight to management of the contents of the Securities and Exchange Commission ("SEC"), NYSE, and other regulatory filings related to compensation matters, including, without limitation, the tabular and footnote disclosures of compensation elements and pay ratio disclosures set forth in the Company's proxy statement and annual report on Form 10-K. The Committee also shall oversee the Company's compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under NYSE Rules that, with limited exceptions, shareholders approve equity compensation plans. The Committee shall review and evaluate the results of advisory votes on executive compensation and the Company's engagement with shareholders and proxy advisors regarding executive compensation matters.
13. Review and discuss with management the Compensation Discussion and Analysis ("CD&A") required by SEC rules and regulations to be included in the Company's proxy statement and Annual Report on Form 10-K and, based on such review and discussion, determine whether to recommend to the Board that the CD&A be included therein.
14. Prepare the annual Compensation Committee Report for inclusion in the Company's proxy statement in accordance with the rules and regulations of the SEC.

15. Monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 ("SOX") relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits. Coordinate with the Audit Committee in connection with its review of related party transactions in accordance with the Company's Related Party Transactions Policy to ensure that the Committee is appropriately advised of any reported loan transactions that may be subject to SOX requirements.
16. Establish and oversee any of the Company's executive compensation recovery policies or agreements.
17. Exercise authority and powers delegated to the Committee to act as the administering committee of any employee bonus and other incentive plans, equity compensation plans and equity arrangements that may be adopted by the Company from time to time, with such powers and authority as are set forth in the respective instruments of such plans, in each case, subject to applicable policies adopted by the Board.
18. Approve and adopt amendments to any of the employee benefit plans and arrangements maintained by the Company under the Internal Revenue Code, ERISA, or otherwise, that either (a) are required by applicable law or requested by the Internal Revenue Service or other regulatory agencies upon administrative review or audit, or (b) the Committee, in its discretion, deems appropriate to be made (each such amendment made pursuant to this subsection (b) to be hereinafter referred to as a "Discretionary Amendment"). The Committee shall also have the right, in its discretion, to delegate the authority granted pursuant to this Section IV.18 to the Company, or to a separate committee established by the Board, provided, that with respect to Discretionary Amendments described in Item (b) herein, the Company or separate committee, as applicable, shall only have the authority to recommend to the Committee, for its consideration, the approval and adoption of any amendments to any of the employee benefit plans and arrangements that would result in a material expense or exposure to material liability for the Company, or a material cost savings to the Company. For purposes of this Section IV.18, the threshold for determining whether the adoption of an amendment would result in a "material expense", "exposure to material liability" or "material cost savings" is \$[3,000,000].
19. Report regularly to the Board with respect to its oversight responsibilities and findings.
20. Periodically meet without members of management present.
21. Perform an annual self-assessment of the Committee's own performance relative to its purpose, responsibilities and duties, as set forth in this Charter.
22. Annually review the Charter for this Committee. Recommend any proposed changes to the Corporate Governance and Nominating Committee.

## **V. External Resources Available to the Committee**

The Committee shall have sole authority to retain and have direct access to and receive advice from outside advisors to assist it in the performance of its responsibilities, first taking into consideration the factors relevant to the advisor's independence from management set forth in NYSE Rule 303A.05(c). The Committee shall have the sole authority and direct responsibility to retain and terminate any such advisors, including authority to establish the relationship and roles and responsibilities, oversee the work of the advisor, and approve the advisor's fees and other retention terms. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisors retained by the Committee.

## **VI. Limitations**

While members of the Committee have the responsibilities and duties set forth in this Charter, nothing in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the members of the Committee, except to the extent otherwise provided under applicable federal or state law.