

Committees of the Board of Directors of Saks Incorporated

The Board of Directors has established Audit, Human Resources and Compensation, Corporate Governance, and Finance Committees. The Board determined that all members of the Audit, Human Resources and Compensation, Corporate Governance and Finance Committees are independent within the meaning of the NYSE rules and the Board's categorical standards.

Each of the Audit, Human Resources and Compensation, and Corporate Governance Committees operates under a written charter that meets the requirements of the NYSE corporate governance listing standards. Each charter is available at www.saksincorporated.com and in print to any person who sends a written request to the Company's Corporate Secretary, at 12 East 49th Street, New York, New York 10017. Each committee conducts an annual performance self-evaluation.

The Board and each of its committees has access, at the Company's expense, to outside accounting, legal, corporate governance and other advisors as and when Board or committee members determine advisor retention is advisable.

Audit Committee

The Audit Committee consists of Dr. Neel (Chair), Messrs. Gross and Levin and Ms. Kondracke. The Audit Committee met nine times during 2010. The primary duties of the Audit Committee are to (i) assist the Board in its oversight of (a) the integrity of our financial statements, (b) legal and regulatory matters, (c) the qualifications and independence of our independent registered public accounting firm, (d) ethics and compliance programs, and (e) the performance of our internal auditors and the independent registered public accounting firm; and (ii) prepare the report of the Audit Committee required to be included in the Company's annual proxy statement.

No member of the Audit Committee may serve on more than two other audit committees of public companies.

See "Audit Committee Report" on pages 18-19 of the Company's proxy statement for additional information about the Audit Committee.

Human Resources and Compensation Committee

The HRCC consists of Ms. McAniff (Chair), Messrs. Carter, Hess and Stadler and Ms. Kondracke. The HRCC met five times during 2010. The primary duties of the HRCC are to (i) assist the Board in its responsibilities relating to compensation of the Company's directors and executive officers; (ii) review and recommend to the Board human resources plans, policies and programs, as well as approve individual executive officer compensation intended to attract, motivate, retain and appropriately reward associates in

order to motivate their performance in the achievement of the Company's business objectives and align their interests with the long-term interests of the Company's shareholders; (iii) review the Compensation Discussion and Analysis and recommend that it be included in the Company's proxy statement and Annual Report on Form 10-K; and (iv) prepare the report of the HRCC required to be included in the Company's annual proxy statement.

See "Report of the Human Resources and Compensation Committee" at page 47 of the Company's proxy statement for additional information regarding the HRCC.

Corporate Governance

The Corporate Governance Committee consists of Messrs. Hess (Chair) and Carter, Ms. McAniff and Dr. Neel. The Lead Director assumes the role of Chair of the Corporate Governance Committee. The committee met five times during 2010. The primary duties of the Corporate Governance Committee are to (i) identify, evaluate and recommend to the Board individuals qualified to be directors of the Company for either appointment to the Board or to stand for election at a meeting of the shareholders, and (ii) develop and recommend to the Board corporate governance guidelines for the Company. The Corporate Governance Committee also makes recommendations to the Board with respect to shareholder proposals.

Finance Committee

The Finance Committee consists of Messrs. Gross (Chair), de Waal, Levin and Stadler. The committee met six times during 2010. The Finance Committee's primary duties are to: (i) ensure that the Company's capital structure is consistent with the Company's long-term value-creating strategy, (ii) advise management on specific elements of the Company's capital structure strategy, and (iii) approve, based on authority delegated from the Board, or recommend to the Board for approval, specific terms and parameters of certain financing transactions.