

Saks Incorporated

Director Independence—Additional Standards

The Board of Directors has adopted categorical director independence standards that supplement the objective director independence standards of the New York Stock Exchange described in its Listed Company Manual, Section 303A.02. Under the Company's categorical independence standards (i) a director will not qualify as "independent" unless the Board of Directors affirmatively determines that the director does not have a material relationship with the Company (either directly or as a partner, shareholder, or officer of an organization that has a relationship with the Company), and (ii) a director will not qualify as independent if the director has any relationship described in Section 303A.02 or the director has any of the following specific relationships:

1. The director or an immediate family member is, or has been within the last three years, a director or executive officer of another company that is indebted to the Company, or to which the Company is indebted, if the total amount of either company's indebtedness for borrowed money to the other is or was 2% or more of the other company's total consolidated assets.
2. The director or an immediate family member is, or has been within the last three years, an officer, director, or trustee of a charitable organization if the annual charitable contributions to the organization by the Company or any executive officer of the Company exceeds or exceeded the greater of \$1 million, or 2% of the charitable organization's gross revenue.