



Compensation Committee Charter

Chaired by Michael Ainslie, the Compensation Committee approves all of the policies under which compensation is paid or awarded to the Company's Executive Officers and assists the board in evaluating and developing candidates for executive positions.

I. Composition of the Compensation Committee

The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of The St. Joe Company (the Company") shall be comprised of three or more directors, each of whom shall satisfy the applicable membership requirements under the rules of the New York Stock Exchange, Inc., as such requirements are interpreted by the Board in its business judgment. The members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board. The Board shall designate one member of the Committee as its Chairperson.

II. Purposes of the Committee

The primary purposes of the Committee are to oversee the administration of the Company's compensation programs, review the compensation of executive officers and directors, and prepare any report on executive compensation required by the rules and regulations of the Securities and Exchange Commission.

III. Meetings of the Committee

The Committee shall meet at least four times a year, with authority to convene additional meetings as circumstances require. The Committee may invite any officer or employee of the Company to attend meetings. Minutes will be prepared and the Committee will report to the Board the results of its meetings. The Company's General Counsel, or in the absence of the General Counsel such person as may be designated by the Chairperson of the Committee, shall serve as Secretary to the Committee. Except as expressly provided in this Charter, the By-laws of the Company or the Company's Corporate Governance Guidelines, or as required by law, regulation or New York Stock Exchange listing standards, the Committee shall establish its own rules of procedure.

IV. Duties and Responsibilities of the Committee

To carry out its purposes, the Committee shall have the following duties and responsibilities, in addition to any similar matters which may be referred to the Committee from time to time by the Board or the Chairperson or which the Committee raises on its own initiative that will further its purposes:

- A. In consultation with senior management, establish the Company's general compensation philosophy, and oversee the development and implementation of compensation programs.
- B. Review and approve corporate goals and objectives relating to the compensation of the Chief Executive Officer ("CEO"), evaluate the performance of the CEO in light of those goals and objectives, and have the sole authority to determine the CEO's compensation level based on this evaluation; the Committee will report its determinations to the full Board. In determining the long term incentive component of the CEO's compensation, the Committee will consider, among other factors, the Company's performance and relative shareholder return, the value of similar incentive awards to CEO's at comparable companies, and the awards granted to the CEO in other years.
- C. Review and approve, and report to the full Board, the compensation and benefits for the executive officers and other senior officers of the Company.
- D. Approve annual incentive plans and merit plans for the officers and employees of the Company.
- E. Supervise the administration of all current employee benefit plans and any other benefit plans which may from time-to-time be created.
- F. Grant stock options and other awards of the Company's stock to directors, officers and employees of the Company

pursuant to the Company's stock incentive plans as approved by the Company's shareholders and as may from time-to-time be amended.

G. In consultation with management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring compensation programs to preserve the tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of 162 (m) of the Internal Revenue Code.

H. Review and approve any severance or similar termination payment proposed to be made to any executive officer or other senior officer of the Company.

I. Recommend, subject to the approval of the Board, compensation for the directors.

J. Conduct an annual performance evaluation of the Committee.

K. Prepare and issue required evaluations and reports.

L. Any other duties or responsibilities expressly delegated to the Committee by the Board from time-to-time.

V. Committee Reports

The Committee shall produce an annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's proxy statement in accordance with the rules and regulations of the Securities and Exchange Commission.

VI. Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to engage outside consultants and advisors, at the expense of the Company.