
ANIXTER INTERNATIONAL INC.
Compensation Committee Charter

Committee Purpose

The primary purpose of the Committee is to discharge the responsibilities of the Board of Directors (the “Board”) relating to compensation and benefits of the Company’s executives, and to produce an annual Compensation Committee Report for inclusion in the Company’s annual report on Form 10-K and proxy statement, in accordance with applicable rules and regulations.

Committee’s Duties and Responsibilities

The Committee shall have the following duties and responsibilities and the necessary power and authority, including budgetary and fiscal authority, to carry out such duties and responsibilities:

- A. On an annual basis, ensure that Chief Executive Officer (“CEO”) compensation is appropriately linked to corporate goals and objectives, evaluate the CEO’s performance in light of those goals and objectives, and set the CEO’s compensation level based on this evaluation.
- B. Review and approve on an annual basis the compensation structure of the Company’s senior executives, including the Named Executive Officers as specified in the Company’s proxy statement. The Committee, by assuring a balance of short- and long-term incentives which supports key employee retention, shall approve, based on an evaluation of performance, the annual compensation of the senior executives including base salary, short-term incentives, and long-term incentives.
- C. Make recommendations to the Board with respect to new or modified equity-based plans, for ultimate approval by the shareholders.
- D. Make recommendations to the Board with respect to new or modified annual or other cash-based plans, some of which may be subject to the ultimate approval by the shareholders.
- E. Perform an annual performance evaluation of the Committee and its members and report the findings to the Board.
- F. The overall responsibility for approving, evaluating, modifying, terminating, and monitoring the compensation and benefit plans, policies, and programs of the Company, including all employment contracts, severance and change-in-control agreements, and provisions of supplemental benefits / perquisites, in which executives subject to the Committee’s review participate.
- G. The overall responsibility for approving any changes to the pension and employee welfare plans (as defined by the Employee Retirement Income Security Act of 1974) maintained by the Company and/or its domestic subsidiaries which could have a material impact on the financial position, operation, or results of the Company.
- H. Produce an annual Compensation Committee Report for inclusion in the Company’s annual report on Form 10-K and proxy statement, in accordance with applicable rules and regulations.
- I. Review and discuss with management the Compensation Discussion and Analysis prepared by management.

- J. Based on its review and discussions, recommend to the Board that the Compensation Discussion and Analysis be included in the Company's annual report on Form 10-K and proxy statement.
- K. Recommend to the Board the form and amount of compensation for non-employee directors.
- L. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for consideration and approval.
- M. Perform any other activities consistent with this Charter, the Company's Bylaws and applicable law, as the Committee deems appropriate or as requested by the Board.
- N. Coordination between the Committee and Nominating and Governance Committee on issues of senior executive succession. Coordination can include, but is not limited to, sharing advance drafts of Committee meeting agendas and other relevant documentation, and conducting joint Committee meetings to coordinate succession discussions and decision making.
- O. Select the companies against which the compensation of the Company's senior executives will be compared.

Committee Structure and Operations

Qualifications

The Committee shall consist of a minimum of three (3) directors. Members of the Committee shall be appointed by the Nominating and Governance Committee and may be removed by the Nominating and Governance Committee at any time in its sole discretion. At all times, all members of the Committee must meet the definition of an "independent director" within the meaning of the New York Stock Exchange rules and regulations and must be considered independent for purposes of compensation committee membership under the New York Stock Exchange rules and regulations. At least two members of the Committee also shall qualify as "outside" directors within the meaning of Internal Revenue Code Section 162(m) and as "non-employee" directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Committee Meetings

The Committee customarily conducts five (5) regularly scheduled meetings each year. Regular meetings of the Committee shall be called according to the schedule approved by the Committee for the year. Special meetings of the Committee can be called by the Committee Chairman, a majority of the members of the Committee, or the Chairman of the Board. A quorum of the Committee will consist of a majority of its members, and the approval of all actions at a meeting will be decided by the majority of the Committee members present, provided a quorum is present in person or by conference telephone.

The Committee may meet with or without the attendance of executives, other management representatives, third-party service providers, and others, as determined by the Committee from time to time. The Committee shall meet regularly in executive session.

The Committee Secretary will keep minutes of all Committee meetings, which will be distributed to all Board members. The VP of Human Resources will be the management liaison to the Committee and the General Counsel will act as the Committee Secretary.

Use of Outside Advisers

The Committee shall have the authority, in its sole discretion, to select, retain or obtain the advice of a compensation consultant, outside legal counsel or other adviser (an “Adviser”), but only after taking into consideration all factors relevant to the Adviser’s independence from management, including those set forth in the rules and regulations of the New York Stock Exchange. Such assessment shall be made at least annually.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Adviser retained by the Committee. The Committee shall receive appropriate funding from the Company, as determined by the Committee, for the payment of reasonable compensation to any Adviser retained by the Committee. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of any Adviser to the Committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties under this Charter.

Reporting to the Board

The Committee Chairman shall present periodic reports to the Board concerning the Committee’s actions related to compensation and the execution of its duties and responsibilities.