

**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.

Dated: December 2007

- 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 Compensation 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.

## **Committee Structure and Operations**

### **Qualifications**

The Compensation 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 Compensation Committee must meet the definition of an "independent director" within the meaning of the New York Stock Exchange rules and regulations.

### **Committee Meetings**

The Committee customarily conducts four (4) 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, the Chairman of the Board.

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 should 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 Third-Party Service Providers**

If the Committee utilizes a third-party service provider in executing its duties and responsibilities, the Committee shall have the sole authority to retain and terminate the third-party service provider, including the sole authority to approve the third-party service provider's fees and other retention terms. The Committee may also choose to delegate certain of its activities with regard to the third-party service provider to the Committee Chairman and/or representatives from the Company's management as appropriate.

### **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.