

**CORPORATE
RESPONSIBILITY
REPORT
2017**

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Statement of Support

To our Stakeholders,

For the sixth consecutive year, I am pleased to reaffirm Anixter International's support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption.

In this annual corporate responsibility report, we describe our actions to continually improve upon the integration of the Global Compact's Ten Principles and three selected Sustainable Development Goals into our business.

Sincerely yours,

Robert J. Eck
Chief Executive Officer





The Ten Principles of the United Nations Global Compact

The contents of this report detail how Anixter has incorporated the Ten Principles of the United Nations Global Compact into its strategies, policies and procedures. The Ten Principles are as follows:

HUMAN RIGHTS

PRINCIPLE 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE 2:

make sure that they are not complicit in human rights abuses.

LABOR

PRINCIPLE 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4:

the elimination of all forms of forced and compulsory labor;

PRINCIPLE 5:

the effective abolition of child labor; and

PRINCIPLE 6:

the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

PRINCIPLE 7:

Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8:

undertake initiatives to promote greater environmental responsibility; and

PRINCIPLE 9:

encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

PRINCIPLE 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

HUMAN RIGHTS



HUMAN RIGHTS

Anixter is committed to the fair and ethical treatment of people within its organization and throughout the world. With company policies that clearly state a commitment to human rights and efforts undertaken to strive toward conflict-free supply chains, Anixter complies with applicable employment laws and regulations around the globe and does not tolerate human rights violations or discrimination of any kind.

HUMAN RIGHTS PROTECTION

Anixter upholds human rights based on its policies and regular management reviews combined with regularly engaging with peers and experts in the field. The following is a list of related policies and programs that support these ongoing efforts:

- Human Rights Policy
- Global Business Ethics and Conduct Policy
- Reaffirmation of Equal Employment Opportunity Policy
- Conflict Minerals Policy Statement
- Anti-Harassment Policy
- Anti-Retaliation Policy
- Workplace Violence and Response Policy
- Reaffirmation of Policy on Confidentiality
- Employee Personal Data Protection Policy and Notice
- Global Health and Safety Policy
- Non-discrimination in employment and personnel practices
- Comprehensive health and welfare benefit programs
- Business Integrity Line and other communication mechanisms

All human rights policies and programs are administered by the executive compliance committee, chief compliance officer, regional compliance officers and the human resources, legal and internal audit organizations.

U.K. MODERN SLAVERY ACT

A slavery and human trafficking statement was posted on the corporate responsibility webpage in 2017, highlighting the steps taken during 2016 to ensure that slavery and human trafficking is not taking place in our business or supply chain. As required by the U.K. Modern Slavery Act, this statement has been reviewed and approved by the Board of Directors of Anixter Limited, Anixter's operating entity in the U.K. The statement was made on behalf of all Anixter entities because the same policies and compliance framework relating to slavery and human trafficking exist across our entire business globally.

TOWARD CONFLICT-FREE SUPPLY CHAINS

- Anixter supports industrywide efforts to identify, reduce and eliminate the use of conflict minerals that originate from the Democratic Republic of the Congo and surrounding countries, which are believed to be financing groups that are responsible for human rights violations.
- Anixter is committed to fully complying with the conflict minerals requirements included in the U.S. Securities and Exchange Commission's (SEC) Dodd-Frank Act, which requires publicly traded companies to perform due diligence as to the existence and source of conflict minerals in their supply chains. Anixter successfully filed its Form SD and Conflict Minerals Report with the SEC in 2017 for the 2016 calendar year.
- Anixter's Conflict Minerals Policy Statement was the fourth most downloaded item from Anixter's corporate responsibility webpage.
- Anixter continued surveying suppliers for conflict minerals by using a risk-based approach to support its annual SEC reporting obligations.

Additional conflict minerals accomplishments can be found in the Environmental Product Compliance section on page 23.





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Anixter strives to create a positive and safe work environment – free of discrimination, harassment and inappropriate conduct and one in which employees treat each other fairly and with dignity and respect by:

- **Supporting and upholding the elimination of discriminatory practices particularly with respect to employment and occupation**
- **Promoting and embracing diversity in all aspects of business operations**
- **Supporting the elimination of all forms of forced, bonded or compulsory labor**
- **Supporting the freedom of association and the right to choose a collective bargaining representative, if desired**
- **Providing a safe and healthy work environment for all employees**
- **Condemning all forms of child exploitation and supporting the elimination of exploitative child labor.**

EMPLOYEE COMMITMENT

Anixter's labor policies and programs are communicated through its:

- Anti-Harassment Policy
- Anti-Retaliation Policy
- Global Business Ethics and Conduct Policy
- Workplace Violence and Response Policy
- Global Health and Safety Policy
- Employee Personal Data Protection Policy
- Competitive employee benefit programs
- Nondiscrimination in employment and personnel practices
- Employee notices of right to join or form unions for purposes of collective bargaining, if desired
- Annual compensation benchmarking analysis
- Business Integrity Line and other communication mechanisms.

EMPLOYEE DEVELOPMENT

Anixter believes in employees taking charge of their careers and cares about their professional development and goals. In 2017, Anixter launched It's Your Move, a career exploration tool for employees. The online tool includes tips, videos and other resources to teach employees about the different departments and career opportunities within Anixter. Employees are also able to schedule meetings with "Career Champions" to discuss their career goals and help them plan their next move.

EMPLOYEE CONCERNS

In addition to reporting a suspected issue through local management, human resources, the legal department or a compliance officer, employees around the globe can call a toll-free number or access the Business Integrity Line website to ask ethics- or compliance-related questions or report a suspected issue. Communications can be made anonymously where permitted by local laws. The call center and website are managed by an independent, third-party provider and all submissions or conversations are kept confidential and shared only with those necessary to respond to or investigate a report.



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U.S. MILITARY VETERAN RECRUITING

Being a multinational company headquartered in the U.S., Anixter supports and values those who have served our nation and actively recruits U.S. military veterans as they transition out of careers within the Army, Air Force, Navy, Coast Guard and Marines. Throughout our organization, U.S. military veterans are not only making a difference, but are also embarking on rewarding careers.

The following lists select accomplishments attained this year:

- Members of our veteran steering committee, combined with personnel from human resources and senior leadership teams, continued to participate in outreach recruiting events for U.S. military veterans.
- Anixter's veteran steering committee, now in its second year, continues to focus on providing assistance in the recruitment and integration of recently discharged veterans as well as developing veteran-focused marketing material and partnering with Anixter Cares, the charitable donations program, to support local veteran groups.
- In the U.S., Anixter hired 24 U.S. military veterans this year.

INFORMATION SECURITY

Information security is a critical part of Anixter's business environment. As a result, Anixter has a robust information security program, with policies and controls that are aligned with well-known security standards, such as ISO 27001 and NIST SP 800-53. Anixter's information security program includes security awareness initiatives designed to educate employees about computer security.

ANIXTER CONNECT

In 2017, a team of women and executive leaders at Anixter created Anixter CONNECT, a professional development and networking group for women with the goal of empowering the women of Anixter in their professional and personal lives. CONNECT provides a framework for both established and up-and-coming leaders to share professional resources and knowledge as well as networking, education and mentorship opportunities. Over 180 women from Anixter locations across the globe have joined the group.

The corporate chapter plans to meet every few months and women globally are invited to participate in the sessions through webinars. Women in other Anixter locations are also encouraged to develop their own local chapters that share the same corporate programming.

Some of Anixter's proud U.S. veterans



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EMPLOYEE RECOGNITION

In the Anixter Blue Book, the first item listed under “Our Philosophy” is “People come first” and this is demonstrated across the organization in the various ways in which employees are recognized for their outstanding contributions. One way employees are recognized is through awards. The information below provides examples of the various employee recognition awards given to select Anixter employees throughout the year:



AWARD OF EXCELLENCE

Nominated by fellow co-workers, the Award of Excellence is Anixter's most prestigious honor and is awarded to the top 1 percent of all employees globally. These employees demonstrate Anixter's philosophy to providing excellence for co-workers, customers and partners. In 2017, the Award of Excellence was given to 80 people to honor their outstanding performance in 2016.



AWARD OF EXCELLENCE: BLUE SKY AWARD

In the past, Anixter's practice has been that once an employee has received the Award of Excellence, they cannot be nominated again. This was to ensure a broader group of people would be recognized for their efforts. However, many employees continue to provide outstanding support, excellent service and truly embody our goal of Excellence in Execution. As such, in 2017, Anixter introduced the Award of Excellence: Blue Sky Award. Anyone who has previously received the Award of Excellence is now eligible to be nominated and possibly selected again. Winners of the 2017 Blue Sky Award will be announced in 2018.



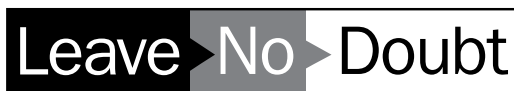
TECHNOLOGY FELLOW AWARD

The Anixter Technology Fellow award promotes leadership among Anixter's technical professionals who have contributed extensively to driving innovation in alignment with Anixter's business strategies and is awarded to one person each year.



PRESIDENT'S CLUB

Anixter's President's Club is a prestigious group of people who embody the drive, spirit and achievement that constitute the best at Anixter. Through dedication, customer service and an incredible work ethic, the members of the President's Club have earned the opportunity to be recognized. In 2017, 140 people were inducted into the President's Club for outstanding performance in 2016.



Velocity in Execution. Consistent Results.

LEAVE NO DOUBT

The Leave No Doubt award is given to those employees who go above and beyond in their jobs and truly leave no doubt about the exceptional service they provide to customers, suppliers and employees. Three people from each region receive the award each quarter, totaling 48 winners each year.

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HEALTH AND WELLNESS FAIRS

The following provides select examples of the various health and wellness events held for Anixter employees throughout the year:

- Anixter held its annual health and wellness fairs at its Glenview, Ill. headquarters and its largest global distribution facility in Alsip, Ill. making 24 local wellness and healthcare providers available to more than 1,100 employees. These fairs include basic healthcare screenings, educational information and free flu shots.
- Anixter's São Paulo location held several events throughout the year where free eye exams, discounted eye glasses, various medical screenings and safety, ergonomic, accident prevention and health presentations were offered to more than 80 employees.

TUITION REIMBURSEMENT

Anixter offers a tuition reimbursement program to eligible employees. In 2017, Anixter reimbursed more than \$101,800 in employee tuition costs.

ANNUAL EMPLOYEE CERTIFICATION AND TRAINING

The following provides select examples of the various employee certification and training programs distributed to Anixter employees throughout the year:

- Annual online training and certification acknowledging compliance with the Global Business Ethics and Conduct Policy is issued to all employees
- Annual affirmation of adherence to Anixter's security policies is required for all Anixter employees
- As part of its worldwide trade compliance program, Anixter delivers a comprehensive online export compliance training course to a majority of its global employees on a scheduled basis.

HEADQUARTERS INTERNSHIP OPPORTUNITIES

Anixter believes in building a strong workforce through hands-on learning experiences. Every year, a variety of internship opportunities are made available to allow high school and college students to gain real-world experience and evaluate different career fields.

In 2017, Anixter started the U.S. Finance Development Program for recent college graduates, in which three finance graduates were placed in a two-year job rotation within the corporate finance department located within the Glenview, Ill., headquarters. The program provides the graduates with one-on-one support from management, cross-functional experience through six different finance fields and support for professional development and continuing education. Upon successful completion, participants will be promoted into full-time roles that fit their professional development plans. This program helps align the right people with the right position, allowing for a fully engaged employee and a strong, talented workforce.



CORPORATE SUSTAINABILITY



CORPORATE SUSTAINABILITY

Through its corporate sustainability program, Anixter seeks to continuously improve business processes to control and reduce the impact associated with its targeted environmental aspects of energy, waste, materials and natural resources and transportation.

By targeting measurable results within each environmental aspect combined with using A Sustainable PathSM approach, which focuses on the economic, environmental and social impacts of the organization, Anixter balances environmental responsibility and return on investment.

PROGRAM GOALS



ENERGY

Anixter reduces energy use through innovative technologies, equipment and control systems.



WASTE

Anixter minimizes waste by capitalizing on opportunities to reduce, reuse and recycle.



MATERIALS AND NATURAL RESOURCES

Anixter consumes fewer materials and natural resources by increasing recycled content in consumables while simultaneously pursuing source reduction strategies.



TRANSPORTATION

Anixter lowers transportation emissions by utilizing third-party carriers, fleet vehicles and equipment that meet current environmental standards, maintaining a global no idling policy at warehouse locations and leveraging technology to eliminate the need to travel.

ENERGY

GREEN BUILDING CERTIFICATIONS

Anixter continues to operate and evaluate additional facilities for various green building certifications based upon lease durations and payback calculations. Green buildings help lower operational costs, minimize carbon emissions and provide a comfortable environment for employees. Anixter's green building certified portfolio consists of the following facilities:

- The 167,000 sq. ft. corporate headquarters located in Glenview, Ill. first attained the EPA ENERGY STAR certification in 2014 and attained recertification in 2015 and 2016, while 2017 results are forthcoming.
- The 61,000 sq. ft. annex office building located next to Anixter's headquarters in Glenview, Ill. attained U.S. Green Building Council LEED® (Leadership in Energy and Environmental Design) certification in 2014. The annex first attained ENERGY STAR certification in 2014 from the U.S. Environmental Protection Agency (EPA) and attained recertification in 2015 and 2016, while 2017 results are forthcoming.
- The 21,000 sq. ft. multitenant facility in St. John's, Newfoundland, attained LEED Silver in 2014.
- The 195,000 sq. ft. facility in Edmonton, Alberta, attained LEED Silver in 2011.
- The 457,000 sq. ft. Alsip, Ill. facility attained LEED certification in 2007.

HIGH-FREQUENCY BATTERY CHARGERS

Several Anixter locations around the world use high-frequency battery chargers to recharge forklift batteries. These advanced battery chargers not only monitor the health and condition of the batteries, but they also reduce charging time and are energy efficient. This year, Anixter's U.S. network added an additional 13 new high-frequency battery chargers to the existing units already deployed.

CORPORATE SUSTAINABILITY

FIELD SERVER VIRTUALIZATION

Anixter's global field locations continue to consolidate and virtualize servers. Currently, Anixter's field locations are using 33 physical servers to host 116 virtual machines. In 2017, Anixter eliminated four field servers by migrating virtual machines into existing equipment within the Glenview, Ill. and Bracknell, U.K. data centers. Each field server eliminated helps to conserve energy in the location and improves backup and recovery operations as it is now controlled within a data center.

ENERGY-EFFICIENT LIGHTING AND ADVANCED LIGHTING CONTROL SYSTEMS

Energy-efficient lighting solutions remains one of the simplest, most cost-effective ways to improve efficiency and reduce operating expenses. Anixter is a fully authorized value-added distributor of lighting products and solutions and is committed to improving the lighting efficiency of both our and our customers' facilities. Anixter lighting experts perform lighting audits to determine the project scope and create an energy-efficient lighting solution specifically designed for each customer's unique lighting needs.

In our facilities, energy-efficient lighting systems can range from advanced systems that include daylight harvesting, zone scheduling, dimmable ballasts/drivers and advanced occupancy control sensors to energy-efficient systems that include fluorescent fixtures and LED lighting. Anixter continues to increase the use of energy-efficient LED lighting and advanced wireless technologies to reduce energy consumption and increase lighting system controls.

In 2017, seven additional Anixter locations began utilizing LED technology:

1. Woodbridge, Ontario - 24,000 sq. ft. warehouse
2. Alsip, IL - 238,000 sq. ft. warehouse and office*
3. Charlotte, NC - 40,100 sq. ft. warehouse*
4. Plymouth, MN - 18,300 sq. ft. warehouse
5. Houston, TX - 20,000 sq. ft. office
6. Alpharetta, GA - 25,000 sq. ft. office
7. Gresham, OR - 28,200 sq. ft. warehouse

Anixter locations that converted to LED lighting in prior years include:

1. Denver, CO - 64,000 sq. ft. warehouse
2. Seattle, WA - 62,000 sq. ft. warehouse
3. Charlotte, NC - 40,000 sq. ft. warehouse*
4. Dublin, Ireland - 4,000 sq. ft. office
5. Sydney, Australia - 22,000 sq. ft. warehouse
6. Reno, NV - 249,400 sq. ft. warehouse
7. Phoenix, AZ - 65,000 sq. ft. warehouse
8. Memphis, TN - 93,300 sq. ft. warehouse
9. Alsip, IL - 457,000 sq. ft. warehouse*
10. Cranbury, NJ - 282,200 sq. ft. warehouse
11. Mexico City, Mexico - 19,190 sq. ft. warehouse
12. Windsor, CT - 58,000 sq. ft. warehouse
13. Detroit, MI - 59,000 sq. ft. warehouse
14. Glenview, IL - 61,000 sq. ft. LEED-certified annex office building and adjacent parking lots

* Anixter may operate more than one location in large metropolitan areas to better service our customers.

ONGOING DATA CENTER EFFICIENCIES

Anixter continues to consolidate and virtualize servers in its data center, which currently uses 81 physical servers to host 1,288 virtual machines. Anixter's data center is more than 90 percent virtualized. Due to the decrease in data center cooling requirements, combined with more than a 40 percent decrease in server space, Anixter continues to successfully use an air conditioning auto changer that rotates the shutdown of one of three air conditioning units each month.

SPAIN'S ENERGY AUDIT RESULTS

After successfully conducting Energy Savings Opportunity Scheme (ESOS) energy audits in July 2016, Anixter's Barcelona and Madrid locations implemented audit recommendations, which reduced year-over-year energy consumption by 35.8 percent and 10 percent, respectively.

CORPORATE SUSTAINABILITY

SINGAPORE'S CONTINUED ENERGY REDUCTION

After moving to a new building in August 2015 and installing new energy-saving air conditioning systems and fluorescent lighting, Anixter's 25,655-square-foot Singapore location is using 67 percent less kilowatts of energy than the previous building's last full year of consumption data compared through October 2017. Seven percent of the 2017 energy savings are attributed to various employee conservation initiatives.

SOLAR ENERGY

The 142,000-square-foot Willebroek, Belgium, facility—Anixter's largest in continental Europe—successfully started attaining solar energy from rooftop solar panels in late 2011, which powers approximately half of the facility.

HIGH-SPEED DOCK DOORS

Several Anixter locations around the world use high-speed dock doors that are motion-sensor activated to open and close within seconds. The speed of these dock doors helps to control warehouse temperatures and in turn helps conserve energy consumption.

DATA CENTER BEST PRACTICES

Anixter's Infrastructure as a Platform (IaaSP) approach addresses the key building blocks for data center interoperability that can provide agility for budgets, scalability for demand and flexibility for technology choices. The building blocks of power optimization and thermal efficiency specifically identify product solutions and best practices that enable customers to achieve energy savings by deploying state-of-the-art infrastructure.



REDUCING LANDFILL WASTE

Anixter leases its global buildings in order to remain flexible to successfully meet both customer and market demands. Leasing, combined with periodic divestitures and acquisitions, causes the physical locations, building sizes and waste and recycling tonnages to continuously change. To help manage these changes, Anixter has successfully outsourced various disposal services over the last several years to specialized waste brokers that help reduce landfill waste, lower operating costs and increase recycling tonnages. Anixter currently has more than 280 global locations successfully outsourced to waste brokers.

MATERIAL RECYCLING FACILITIES

Two U.S. locations continue to utilize specialized single-stream material recycling facilities (MRFs) that leverage a combination of manual processes and automated equipment to extract recyclables from the trash with no separation efforts required by Anixter. Based on the annualized projection of waste tonnage, as reported by Anixter's waste broker, these two facilities will send approximately 39,000 pounds of trash to the MRFs for recyclable recovery extraction this year.

NEW RECYCLING PROGRAMS

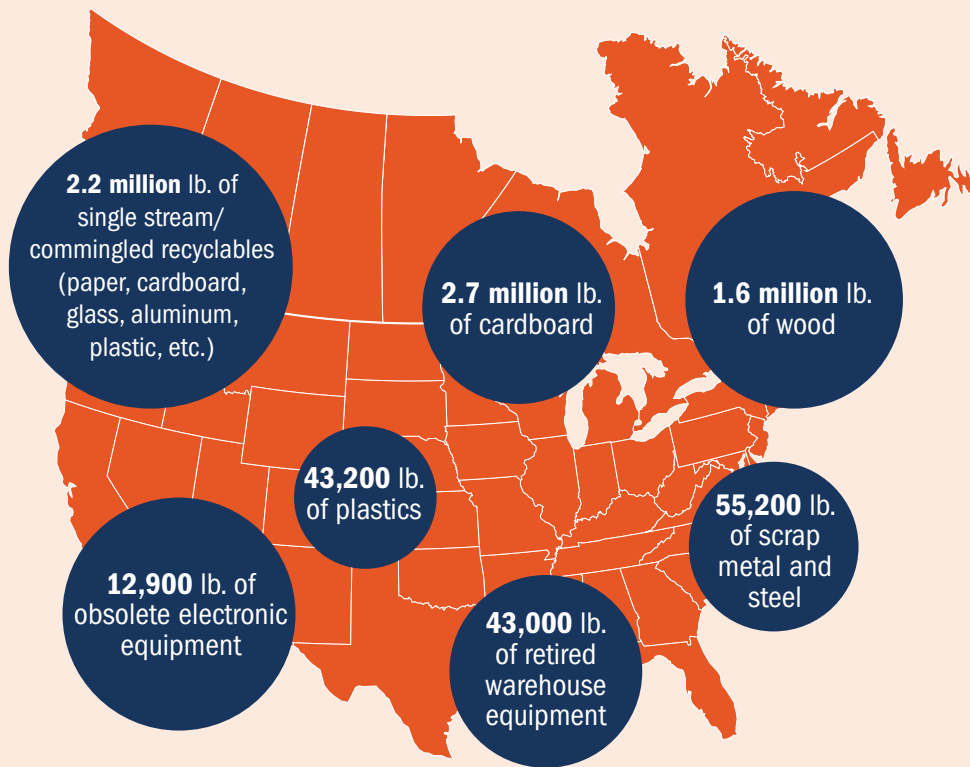
Within North America, Anixter successfully implemented 13 new recycling programs that will divert an estimated 185,500 pounds of cardboard, wood and single-stream/mixed recyclables from landfills annually.

CORPORATE SUSTAINABILITY

NORTH AMERICAN RECYCLING SNAPSHOT

Anixter's North American operations maintain the largest square footage building footprint and total number of employees.

This graphic provides a 2017 snapshot of key North American recycling volumes based on annualized projections from fixed and intermittent service frequencies, combined with industry guidelines and estimates for commodity weights and waste container capacity utilization.



SUPPLY CHAIN SOLUTIONS

Anixter's Supply Chain Solutions team provides customers with various value-added services that include, but are not limited to:

- Kitting of multiple line items into a single finished good part number to ease ordering, reduce waste at the job site and improve job site receiving
- Preassembling of racks, cabinets and cameras prior to shipping to improve job site productivity and lower overall project costs
- Providing job site waste diversion documentation, when requested by customers, for performing the above services to help earn points for green building certification projects. For example, 10 Anixter locations across eight countries collectively diverted and recorded more than 90,100 pounds of cardboard, wood and plastic for customer-specific green building projects in 2017.

In addition, Anixter locations in 10 countries will have completed more than 800 customer-specific product enhancement and packaging services by year end that will divert and recycle packaging waste prior to it reaching job sites. This packaging waste is included in the overall warehouse recycling snapshots.

REEL CONSOLIDATION

The Anixter-designed, reusable PARAPULLSM paralleling reels can accommodate various cut-to-length cables of the same gauge on a single multichambered wooden reel. Because each PARAPULL reel is reused an average of six times, their ongoing use helps preserve natural resources while eliminating empty reel disposal costs and waste from job sites. Customers using a single PARAPULL reel can eliminate two to four individual wooden cable reels on a job site, which reduces shipping and handling costs while increasing contractor productivity. Anixter shipped more than 3,300 reusable PARAPULL reels to customers over the last 12 months.

RECYCLING AUDITS

Anixter's internal ISO audit team reviewed 12 office and warehouse locations across North America to ensure the locations' recycling programs—which can consist of paper, cardboard, wood, metal and plastic—were being effectively supported by management and used by staff. Once again, all the locations successfully passed the audit team's screening criteria.

CORPORATE SUSTAINABILITY

PAPER SHREDDING

While Anixter endeavors to minimize paper consumption as much as possible, paper use is often a business necessity. By leveraging location-level paper recycling and shredding programs, Anixter seeks to minimize its overall environmental impact. For example, over the last 12 months, 38 U.S. and Canadian locations collectively shredded and recycled more than 96,567 pounds of paper. All recycled paper is sent to mills where it is pulped and de-inked to make recycled paper products like paper plates and paper towels. According to our shredding partner, Anixter's program saved 826 trees in 2017.

REUSE PROGRAMS

Anixter locations around the world successfully harvest and reuse select inbound packaging and shipping materials received from supplier partners when they are in like-new condition and meet our strict quality standards. In addition, Anixter locations receive cable reels from suppliers safely secured to wooden reel cradles. All reel cradles that pass Anixter's integrity inspections are reused to ship cable reels to customers. This has lowered freight claims and costs as well as improved operational efficiencies and customer satisfaction.

RECYCLING EMPTY PRINTER CARTRIDGES

By returning the empty printer toner and ink cartridges to office supply providers for reuse, Anixter helps prevent thousands of pounds of plastic and metal from entering landfills annually. For example, Anixter's Alsip, Ill. facility continues to successfully recycle toner cartridges and returned five pallets of empty cartridges this year alone.

CABLE CUTTING

This year, Anixter will process more than 2.1 million custom cable cuts for customers from 140 global warehouse locations. By providing cable cut to the exact length required by the customer, job site cable waste is virtually eliminated. Job site costs are also reduced as the need to purchase, cut and control master cable reels and the resulting short cable lengths, or leftover cable, no longer exists.



SELECT GLOBAL RECYCLING SNAPSHOT

- The Brisbane and Perth, Australia, locations will successfully recycle approximately 164,440 pounds of paper, cardboard, metal and wood by year end.
- The Dubai, UAE, location will successfully recycle approximately 36,200 pounds of paper, cardboard and plastic by year end.
- The Willebroek, Belgium, location will successfully recycle approximately 150,000 pounds of paper, plastic, cardboard and wood by year end.
- The Stuttgart, Germany, location will successfully recycle approximately 44,500 pounds of wood, paper, and plastic by year end.
- The Barcelona, Spain, location will successfully recycle approximately 3,200 pounds of cardboard, plastic and paper by year end.
- The Singapore location will successfully recycle approximately 14,300 pounds of wood and cardboard and more than 6,000 pounds of obsolete electronic equipment by year end.
- A total of 14 U.K. locations will successfully recycle approximately 513,000 pounds of cardboard, wood, paper, metal and plastic by year end.
- The Brazil location will successfully recycle more than 1,000 pounds of cardboard, metal, paper and wood by year end.
- Three Mexico locations will successfully recycle more than 17,200 pounds of cardboard, paper, plastic and wood by year end.
- In five countries alone, Anixter will successfully recycle more than 1.8 million pounds of scrap copper and other metals by year end.

CORPORATE SUSTAINABILITY

ASSET TRACKING

Anixter recently developed Anixter Trakr,SM a proprietary patent-pending asset-tracking solution that incorporates multiple technologies to track, locate and provide visibility to high-valued assets along with incorporating an inventory management component that helps customers locate assets in large laydown yards and complex project sites. The tool will help customers reduce labor costs by efficiently locating assets on large project sites via the tool's mobile app. In doing so, it will reduce the potential to cut from incorrect reels and overbuy due to misplaced products, therefore reducing waste. The tool can also provide visibility of the cut lengths remaining on master reels throughout the project site to help minimize scrap and identify reorder points.

TALKING TRASH

A recycling refresh campaign titled Talking Trash was unveiled to the approximately 850 employees within Anixter's Glenview, Ill, headquarters in November of last year. This year, targeted recyclable-specific signs were added in the headquarters as well as the Bracknell, U.K., location. A Talking Trash message continues to be featured on the large panel monitors outside the employee cafeteria in the headquarters to encourage people to recycle.



MATERIALS AND NATURAL RESOURCES

WAREHOUSE MANAGEMENT SYSTEM

The Anixter-developed and Anixter-supported next-generation WMX warehouse management system uses state-of-the-art technology and was designed to quickly incorporate operational system enhancements to meet customer and market demands. The WMX system also significantly reduces paper and printing waste generated throughout the entire order processing cycle.

In 2017, the Anixter WMX team continued to successfully incorporate more enhancements that improved performance, increased operational efficiencies and expanded user functionality in the facilities across North America that currently use WMX. By year end, approximately 70 locations will have been converted to the WMX platform with the majority of these locations utilizing the new point-of-sale storefront option.

REDUCING CABLE REELS AT THE JOB SITE

Anixter's Supply Chain Solutions offers a layering service that reduces the total number of cable reels needed at a job site by adding multiple layers of cable to a single reel chamber. As more layers are added, fewer reels are needed. Having fewer reels at a job site reduces transportation costs, transportation emissions and, when wood reels are used, timber consumption. This service provides further value when combined with Anixter's PARAPULLSM or PARASPINSM services that use returnable reels. Over the last 12 months, Anixter's U.S. locations have shipped more than 2,600 layered reels to customers' job sites.

REUSABLE METAL REELS

Anixter offers electrical contractors the option of receiving cut-to-length cable on reusable metal PARASPIN reels that have five independent spinning chambers from which to pull cable. Customers using a single PARASPIN reel can eliminate four individual wooden cable reels on a job site, which reduces shipping and handling costs while increasing contractor productivity. As the PARASPIN reel completely eliminates the use of wood and is reusable, natural resources are preserved and cable reel waste and disposal costs are eliminated at the job site. Over the last 12 months, Anixter shipped and retrieved more than 2,700 reusable PARASPIN reels from customers' job sites.

CORPORATE SUSTAINABILITY

REUSABLE WOODEN REELS

The INSTA-REEL by Anixter consists of a standard wooden reel that has oversized flanges attached to both sides. INSTA-REEL's inner reel spins independently of the outer flanges, creating a reel with a built-in payout stand. After use, the INSTA-REEL is returned to Anixter and is reused. The reuse of each INSTA-REEL helps preserve natural resources while eliminating empty reel disposal costs and waste from job sites. Over the last 12 months, Anixter has shipped more than 1,400 reusable INSTA-REELS to customers.

E-TRAVEL AND EXPENSE REPORTING

Anixter's paperless travel and expense reporting system now includes the U.S., Canada, Europe, Middle East, Africa, Central America and Latin America, excluding Brazil. During the last 12 months, there were more than 51,800 electronic expense report submissions that eliminated an estimated 311,100 sheets of paper and approximately 45,000 paper envelopes and the subsequent postage expense. Currently, there are 29 countries utilizing the paperless travel and expense reporting system. In 2018, Brazil and the Asia Pacific region will be targeted for migration to the system.

GREEN OFFICE SUPPLIES

Anixter continues to focus on purchasing office supplies that contain green attributes where feasible. Green attributes can include, but are not limited to, products that contain recycled or plant-based materials or are remanufactured. For example, as of Q4 2017, Anixter's U.K. and North American locations spent 56 and 46 percent respectively of their total office supply expenditures on products that contain green attributes, as identified by the office supply partners.

Further accomplishments include:

- Anixter's global locations continued to use remanufactured toner cartridges for printers instead of new OEM cartridges, where available
- Over 58 percent of print production jobs utilize soy-based inks.

E-BUSINESS

Anixter's e-business offerings allow global customers and suppliers the ability to seamlessly process a vast array of business transactions with Anixter in a secure and paperless environment. Anixter's e-business highlights include the following:

- **Electronic data interface (EDI):** By year end, Anixter will have successfully processed more than 2.4 million global EDI transactions of which more than 949,000, or approximately 40 percent, will result in the elimination of a paper transaction, such as an invoice, purchase order or forecast
- **Third-party electronic invoicing:** Anixter communicates extensively with various online procurement applications and supplier networks. By year end, Anixter will have successfully processed more than 167,000 paperless invoice transactions through these networks
- **eDelivery:** In 2017, there are more than 111,700 global customer accounts using Anixter's paperless invoice and statement email notification program.

RECYCLED CONTENT

Anixter seeks to use recycled content in consumables where feasible. Here are two examples:

- Anixter's U.S. warehouses, which collectively process the largest outbound line volume in the global network, shipped more than 2 million pounds of corrugated boxes, packing paper, paper tape and related packaging items that are made from recycled content ranging from 40 to 100 percent
- All of Anixter's North American business cards and marketing collateral are printed on 100 percent recycled paper that is approved by the Forest Stewardship Council, a group that works to ensure materials are sourced responsibly.

CORPORATE RESPONSIBILITY WEBPAGE AND DOWNLOADS

Since launching the corporate responsibility webpage on anixter.com in recognition of Earth Day 2014, the site continues to add new content and draw global stakeholders as measured through pageviews and document downloads. In Q4 2017, the webpage is trending to exceed more than 6,200 unique visitors and Anixter's Corporate Responsibility Report continues to be the page's most frequently downloaded item, followed by the Supplier Code of Conduct and Business Ethics Guide.

CORPORATE SUSTAINABILITY

E-CARDS

Anixter offers employees the option of sending animated e-cards to customers and supplier partners rather than using traditional printed paper holiday cards.

DIGITAL MARKETING

Anixter began its digital marketing initiatives in 2011 by focusing on the promotion of Anixter and its products and services over various digital channels, such as web, mobile, social media and email. Anixter's U.S. and Canada websites are now useful tools for customers to access their accounts, view real-time pricing and inventory, place orders, request quotes, track order and shipment status, and download invoices. Part of the digital marketing strategy has been the migration of traditional print materials into digital formats for use by internal sales representatives and external customers. The materials converted into digital formats include print catalogs, case studies, fact sheets, reference guides, product specification sheets and various other documents. Anixter has nearly 350,000 parts with accompanying product specification sheets in digital format for easy access on anixter.com. Being able to perform all of these business functions online reduces paper usage for both Anixter and its customers.

JUST-IN-TIME (JIT) SCANNING SOLUTIONS

Anixter has developed an automatic replenishment tool called JIT where customers or Anixter field representatives can scan product or rack labels to automatically create orders to Anixter. Users have the flexibility of digital input methods, such as scanning, web portal or file uploads, to generate orders. These electronic submission and reporting methods reduce the use of paper on site since the orders can be tracked without any handwritten order forms, sheets or cards. By leveraging the Anixter solution, customers are able to reduce time and resources allocated to purchasing inventory in addition to reducing the number of shipments received and excess inventory. By year end, Anixter will have received more than 890,000 sales order lines through its JIT system.

INVENTORY CONTROL SOFTWARE

Anixter offers an inventory management software application called Rapid Fire 2.0, which allows customers to scan and track inventory purchased from Anixter and other suppliers. Rather than keep manual paper logs using a pen and clipboard,

this web-based software can be accessed from a PC or mobile device, allowing Anixter customers the ability to view inventory status in real time. In addition to helping customers use software to reduce stock outs, excess inventory and loss, Anixter, upon request, can remove and recycle all product packaging prior to shipping to help customers attain their environmental goals. Currently, Anixter customers are collectively managing over 37,000 SKUs through Anixter's Rapid Fire 2.0 inventory control software.

ANIXTER MOBILE APP

In 2016, Anixter released its mobile app, making it easy for customers to shop and manage their accounts on the go. By digitizing the order and account management processes, Anixter is helping customers work more efficiently and eliminating the paper usage associated with the traditional ordering process. Using the Anixter app on their mobile device, customers can now perform the following tasks from anywhere:

- Search through 300,000 products and place orders online
- Download manufacturer specifications
- Find and contact the nearest Anixter location to request a quote
- Explore Anixter services and customized solutions.

ELECTRONIC FUND PAYMENTS

Anixter's accounts payable team continued to successfully migrate various material and service suppliers onto electronic payment platforms, which eliminates check fraud as well as the paper usage associated with printing and mailing paper checks. In 2017, more than 340 suppliers began accepting electronic payments. By year end, Anixter will have processed more than 1.4 million electronic checks and remittance transactions that will have eliminated approximately 304,160 sheets of paper and envelopes.

CANADA CUSTOMS PAPERLESS INVOICING AND PAYMENTS

Anixter has embraced a new program with Canada Customs called ARL, an online tool for viewing and downloading invoices, which eliminates the need for paper invoices to be picked up from Canada Customs every day. The program also enables Electronic Fund Transfers, eliminating the need to print and mail checks to Canada Customs.

TRANSPORTATION

LONGER COMBINATION VEHICLES

Anixter's global transportation team successfully leverages third-party carriers' longer combination vehicles (LCVs) that increase the cargo capacity of combination trucks by using longer and/or multiple trailers. According to the EPA's SmartWay program, LCVs generally have much better ton-mile fuel economy than other combination trucks as they carry more cargo per trip, which results in lower fuel consumption and reduced greenhouse gas and air pollutant emissions.

GPS NAVIGATION AND VEHICLE MONITORING SYSTEMS

Anixter continues to connect select fleet vehicles to GPS navigation systems that provide real-time route planning and various vehicle performance metrics to help increase fuel economy, lower carbon emissions and improve driver productivity. By year end, Anixter will operate 173 global fleet vehicles connected to a vehicle monitoring system.

COMMUTER BENEFITS PROGRAM

Since 2009, Anixter has offered U.S. employees a commuter benefits program that allows qualified public transportation and/or parking expenses to be automatically deducted pre-tax from paychecks. The program continues to grow and encourages staff to use public transportation, which helps protect the environment while saving users money.



NO IDLING PROGRAM

Anixter continues to operate a global no idling program at its warehouses and headquarters. Truck drivers are required to turn off their engines while waiting for materials to be loaded or unloaded

from their vehicles. Anixter-designed "No Idling" signs are placed on driver entrance doors as well as in select yard and loading dock locations. The No Idling program seeks to improve air quality, reduce carbon emissions and increase safety.

SMARTWAY CARRIERS

More than 90 percent of Anixter's preferred U.S. and international transportation spend is with the EPA's certified SmartWay carriers for products shipped to and from the United States. SmartWay carriers focus on reducing emissions and fuel consumption.

SHIPMENT CONSOLIDATION

In 2017, Anixter successfully used third-party transportation partners to collect, consolidate and ship more than 43 million pounds of products from global suppliers to Anixter and customer locations around the world. By leveraging supplier shipment consolidations at various origin points, Anixter reduces operating expenses, increases material visibility and lowers emissions.

GREEN SCREENING

Anixter's international transportation team continues to evaluate third-party transportation providers' environmental programs as one of several weighted metrics in competitive bids. In 2017, Anixter evaluated numerous providers for the U.S. to India trade lane, where more than 217,000 pounds of material was exported last year. The bid was awarded to two providers that have green programs in place.

TECHNOLOGY SUPPORT SERVICES

Anixter's global engineering teams work with customers to efficiently develop standards and compliant solutions that respond to change, drive innovation and deliver customer value. These teams use the latest in video and voice conferencing tools to provide instant support for customers' unique application needs, when and where needed. This reduces the need to visit customers in person, thus reducing the emissions associated with travel.

CORPORATE SUSTAINABILITY

ANIXTER'S UNIQUE CANADIAN CUSTOMS OPERATIONS

As Anixter electronically clears all its own products that ship to Canada under a self-clearance designation, U.S. imports moving by truck that pre-clear before reaching the border do not have to stop and await processing, thereby helping to reduce overall exhaust emissions. The self-clearance designation also gives Anixter a distinct advantage as the custom clearance transaction is faster since it does not need to pass through an outside custom broker. In addition to improving the speed of transaction, it also improves the visibility and accountability of every international import Anixter brings into Canada. For example, over the last 12 months, Anixter Canada processed 78,036 import entries containing more than 149,000 lines. In addition to handling the Canadian imports from the U.S., Anixter's Canadian transportation team is responsible to ensure compliance with U.S. Customs. The department also centrally manages all export paperwork for shipments leaving Canada and has processed 4,559 export shipments containing more than 8,800 lines over the past 12 months.

EMISSIONS-REDUCING FLEET VEHICLES

In 2017, Anixter's U.S. locations replaced 23 diesel commercial motor vehicles, which will significantly reduce nitrogen oxide emissions from 1.2 g/hp-hr to 0.2 g/hp-hr, an 83 percent decrease. In Europe, Anixter replaced 11 vans with ones that are Euro 6 compliant, which is a standard that aims to reduce nitrogen oxide, carbon monoxide, hydrocarbons and particulates from the exhaust gas.

TRANSPORTATION REDUCTION STRATEGIES

Anixter's Edmonton, Alberta, location continues to purchase unassembled cable reels to assemble when needed, as opposed to purchasing fully assembled reels. In doing so, the location can obtain nearly 2,000 unassembled reels in as few as two truckloads as opposed to 10 to 12 truckloads if the reels were fully assembled. This strategy reduces the location's inbound freight expenses, carbon emissions and reel storage space requirements.

ONLINE EMPLOYEE EDUCATION

Anixter uses an electronic delivery model for much of its learning and development programs. Web-based virtual workshops, classes and e-courses are delivered via a global learning management system (LMS). The LMS helps to reduce carbon emissions by eliminating employee travel and also helps to preserve natural resources as printed training materials are eliminated. This year, Anixter successfully attained more than 150,529 course completions from the 1,489 courses offered to employees.

ONLINE CUSTOMER EDUCATION

Through Anixter University, Anixter creates and offers university-like courses to educate customers globally on the latest standards and industry best practices for data centers, physical security, building technologies and industrial infrastructure. Course examples include power distribution and thermal management, which covers energy-efficient design, metering and monitoring of power using the power usage effectiveness (PUE) metric established by The Green Grid and how best to separate hot exhaust air from chilled supply air. Courses are available in live or on-demand formats.

VIDEOCONFERENCING

Many of Anixter's meeting rooms have videoconferencing capabilities, plus, several employees use desktop cameras and conferencing software to connect with co-workers, suppliers and customers around the world. Videoconferencing eliminates travel and its associated carbon emissions while lowering expenses and increasing employee productivity.

CLEANER FUEL

Anixter's U.S. forklift fleet will consume more than 80,000 gallons of propane in 2017 and because propane is a cleaner burning fuel, it qualifies for the IRS Federal Alternative Fuel Tax Credit.

ADVANCED EMISSION CONTROLS

In 2017, Anixter ordered nine forklifts that meet the EPA's Tier 4 emissions standards. This is a comprehensive national program focusing on reducing emissions from non-road diesel engines. To attain this standard, the forklift engines require advanced emission-control technologies.

ENVIRONMENTAL PRODUCT COMPLIANCE



ENVIRONMENTAL PRODUCT COMPLIANCE

Anixter's environmental product compliance team is comprised of specialists who are committed to:

- **Determining the compliance status of products to applicable environmental regulations in the countries where Anixter conducts business**
- **Fully complying with the Conflict Minerals Rule under the Dodd-Frank Act**
- **Identifying, monitoring and addressing new and existing environmental product compliance, international substance control and extended producer responsibility obligations**
- **Working with the global sales teams and partner suppliers to ensure customers' requested environmental product compliance specifications are successfully met**
- **Continuously improving processes and team training**
- **Advancing the use of technology to help fulfill the above.**

ONGOING COMPLIANCE ENHANCEMENTS

Anixter continued to enhance existing procedures and systems to further reduce the risk of potentially shipping products that may not meet international substance regulations from U.S. facilities. In addition, customer notification processes were enhanced should a product containing REACH substances of very high concern be identified by an Anixter supplier. Anixter continues to successfully survey suppliers for compliance to the updated REACH candidate list, among other regulations.

CUSTOMER SUPPORT

In 2017, Anixter's environmental product compliance team will have helped more than 800 customers address various international product compliance obligations for products purchased from Anixter.

ONGOING CONFLICT MINERALS ACTIONS

Anixter continues to partner with a third-party provider for all supplier outreach and follow-up activities as well as data management. The provider also analyzed all inbound supplier response documentation and provided various performance-based activity and status reports in support of Anixter's annual Conflict Minerals Report.

- Anixter improved supplier contact data quality to improve responsiveness and reduce duplication.

- Anixter increased the number of methods in which suppliers were contacted, including translating our communications to match that of the supplier's country language during the annual conflict minerals survey campaign.
- As a result of the above activities, Anixter's annual conflict minerals supplier survey resulted in an increase in the completed supplier conflict minerals reporting templates (CMRT) from the previous year. This, in turn, provides Anixter's customers with better insight into Anixter's distribution supply chain.
- Anixter continued generating a CMRT that better reflects the supply chain for each specific customer when required.
- Utilizing its software partner, in 2017, Anixter distributed conflict minerals training materials throughout its supply chain to increase knowledge and awareness of suppliers' obligations under the rule.
- Throughout 2017, the North American and corporate environmental product compliance teams continued to provide content that helped create Anixter's annual:
 1. Company-level CMRT customer response
 2. SEC Form SD
 3. Conflict Minerals Report.

**HEALTH
AND SAFETY**



HEALTH AND SAFETY

The Health, Safety and Environmental (HS&E) program is designed to create, implement and maintain a healthy and safe work environment for all employees, visitors and contractors. Everyone at Anixter is part of this program.

Anixter's global health, safety and environmental teams work to make sure compliance elements are met and that the guidelines of the global safety and environmental management system are followed. These teams make resources available and define responsibilities to enable the company to operate in a manner that provides a safe and healthy workplace for employees, visitors and contractors while also protecting the environment.

Anixter is committed to providing employees with a safe and healthy work environment through its:

- Global Health and Safety Policy
- Global safety and environmental management system
- Continuous location management education
- Equipment safety training
- Electronic notification and mandatory staff training on policy modifications
- Certification to ISO 14001:2004 (2015 in progress) Environmental Management System
- Certification or compliance OHSAS 18001 International Occupational Health and Safety Management System
- Business Integrity Line and other communication mechanisms
- "Start of Shift" weekly safety communication
- Monthly "Safety Toolbox Talks" via Anixter's learning management system
- Department of Transportation driver safety training
- Monthly driver safety communication.

AUDITS AND CERTIFICATIONS

- Internal and external compliance audits were successfully completed at three international locations for ISO 14001:2004 (2015 in progress) Environmental Management System and one U.K. location for the Five Star British Health and Safety Certification. As a result of the audits, all locations maintained their certifications.
- In Alberta, Anixter's Edmonton and Calgary facilities received the province's Certificate of Recognition. This is awarded to companies who have health and safety programs that meet or exceed standards established by Occupational Health and Safety.

WORKPLACE VIGILANCE

- Anixter's HS&E senior director continuously monitors global operations and reviews the global safety action list with management on a quarterly basis. This allows Anixter to address any current concerns and prioritize future actions.

ONGOING TRAINING AND EDUCATION

This year, the health, safety and environmental teams:

- Provided oversight on five continents and in ten languages
- Distributed 328 health and safety topics for local "safety huddles" globally
- Completed 124 compliance site audits
- Assigned 1,463 training modules and had 316 employees complete written certification tests.

FACILITY INSPECTIONS

Anixter used an external auditor to voluntarily complete human element inspections at 15 global facilities. These inspections focused on fire protection systems, sprinklers, sprinkler control valves and hot work areas.

QUALITY MANAGEMENT SYSTEMS



QUALITY MANAGEMENT SYSTEMS

Anixter's quality management system provides global support to all business divisions and segments through a variety of services by the corporate quality team. A commitment to continuously improving processes and maintaining the best quality practices drives Anixter's focus to meet or exceed customers' expectations. Anixter's quality management system is supported by its:

- Global quality manual
- Quality procedures
- Quality-related documents
- Standard operating procedures
- New business and customer audit support
- Continuous employee education in best practices
- Certification or compliance to: ISO 9001:2015 Quality Management Systems
- Mandatory staff training on policy and procedure updates
- Global on-site training and support for quality management system functions
- Formalized change management protocol to support improvement initiatives
- Operations help desk.

ISO STANDARDS

- 12 locations certified to ISO 9001:2015
- 40 locations compliant to ISO 9001:2015
- 28 locations certified to ISO 9001:2008 (2015 standard transition in progress)
- 19 locations compliant to ISO 9001:2008 (2015 standard transition in progress)
- Three locations certified to ISO 14001:2004 (2015 in progress).

OPERATIONS HELP DESK

Anixter's operations help desk is a support group available to all Anixter employees to analyze internal systems and provide assistance to address customer or internal inquiries. This year, the team has:

- Completed more than 350 customer and supplier quality questionnaires or surveys
- Created and assigned 291 quality training modules addressing new or changing procedures
- Addressed more than 8,000 individual internal support calls.

CONTINUED QUALITY MANAGEMENT IMPROVEMENTS

This year, the quality management teams have:

- Continued the redesign to a single, global quality management system that incorporates multiple languages
- Completed over 50 internal location audits and site reviews to improve Anixter's quality management system and location certification
- Created 56 standard operating procedures to address new processes and customer requirements
- Updated 144 existing standard operating procedures to include revised best practice instructions derived from customer and supplier feedback
- Led 11 on-site customer audits.

CHARITABLE AND SOCIAL RESPONSIBILITY PROGRAMS



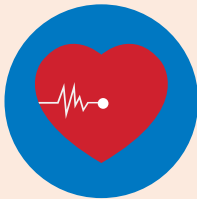
CHARITABLE AND SOCIAL RESPONSIBILITY PROGRAMS

Around the world, Anixter is powered by employees who have the talent and dedication to address the most challenging opportunities and problems, and their efforts go beyond business and into the communities where they work and live. Anixter believes it is important to support global communities and encourages employees to get involved with the causes and charities they care about. The Anixter Cares program is powered by these people and supports various charitable organizations. Anixter also provides company-matching gifts to select charities and institutions of higher education within the U.S. and Canada and offers time off for employees to volunteer at nonprofit organizations.

Anixter also believes in promoting diversity and is committed to the participation and advancement of small businesses and business enterprises owned by minorities, women and disabled veterans.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations has set forth 17 Sustainable Development Goals. According to the UN, the goals are “a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.” While Anixter’s corporate and charitable initiatives apply to several of the Sustainable Development Goals, there are three goals we will focus on in 2017 and beyond:



**#3 GOOD HEALTH
AND WELL-BEING**



**#4 QUALITY
EDUCATION**



**#11 SUSTAINABLE
CITIES AND
COMMUNITIES**

CHARITABLE AND SOCIAL RESPONSIBILITY PROGRAMS

ASPIRE OF CHICAGO

Since 2016, all 2,800 pounds of coffee consumed annually at Anixter's corporate headquarters comes from Aspire CoffeeWorks, a program through which adults with disabilities work side by side with employees of Metropolis Coffee Company in Chicago. Not only does this provide jobs to a greatly underemployed group, but 100 percent of the proceeds go back into Aspire's programs and services to improve the lives of adults and children with disabilities.

In 2017, Anixter donated \$10,000 worth of cabling for Aspire's new career academy in the Chicago area that will allow people with disabilities to learn new skills, connect with local businesses and be placed with organizations that can use those skills.



AMERICAN RED CROSS

In 2017, Anixter employees showed their support for victims of hurricanes Harvey, Irma, Jose and Maria, as well as the earthquake in Mexico, by donating \$21,437 to the American Red Cross, most of which was matched by Anixter for a total donation of \$39,754. Anixter was also a sponsoring member of the 15th annual Red Cross Heroes Breakfast, an event that raised nearly \$1.4 million to provide disaster victims with basic necessities, as well as vaccinations for children, volunteer training and other lifesaving skills. Additionally, the Anixter headquarters hosted two blood drives in which employees voluntarily donated 58 pints of blood, enough to save 174 lives.



KOHL CHILDREN'S MUSEUM

Anixter encourages the next generation of scientists by sponsoring the Tinkering Tuesdays educational program at Kohl Children's Museum in Glenview, Ill.. Tinkering Tuesdays aim to get more children interested in the fields of science, technology, engineering and math through a variety of fun and educational activities. Anixter engineers worked with the program's directors to develop six Tinkering Tuesday sessions geared toward exploring the world of engineering.



THE HOSPITAL FOR SICK CHILDREN

In June, Anixter's Toronto location raised more than \$12,000 for the Hospital for Sick Children, the second-largest pediatric research hospital in the world, at the 32nd Annual Anixter Golf Classic. More than 144 guests participated in the tournament, which was held at Glenn Abbey Golf Club in Oakville, Ontario.



BERNIE'S BOOK BANK

Anixter's corporate finance and treasury teams have volunteered a total of 200 hours during five community service outings at Bernie's Book Bank in Lake Bluff, Ill., where they helped sort and pack books for students in need. Bernie's Book Bank is a nonprofit organization that provides new and gently used children's books to school districts throughout Chicagoland. The organization is on target to distribute four million books in 2017 to over 333,000 at-risk children.



DISASTER RELIEF

The 2017 hurricane season was especially devastating and affected several Anixter employees, customers and supplier partners directly. In response, Anixter employees came together and started a GoFundMe account, which raised \$58,960 for employees who had lost their homes due to the hurricanes in Texas, Florida and the Caribbean. Anixter locations across the globe collected food, clothing and necessities to be shipped to the affected areas, including islands in the Caribbean that were hit by multiple hurricanes. Furthermore, numerous employees worked around the clock, including weekends, to help our utility customers restore power to the affected areas as quickly and efficiently as possible.



TUITION REIMBURSEMENT

Anixter offers a tuition reimbursement program to eligible employees. In 2017, Anixter reimbursed more than \$101,800 in employee tuition costs.



CHARITABLE AND SOCIAL RESPONSIBILITY PROGRAMS

AMERICAN DIABETES ASSOCIATION

For the third year in a row, Team Anixter was a top-10 fundraising team for the American Diabetes Association (ADA) Chicagoland Tour de Cure. With support from fellow Anixter employees, Team Anixter raised over \$8,500 for the ADA to help fund diabetes research and education. The seven riders, who totaled 300 combined miles, were among the 1,000+ participants who pedaled and pushed their way to raise more than \$535,000 for the ADA.



MISSION 500

Anixter is a continuing sponsor of Mission 500, a nonprofit organization that works closely with the security industry to serve the needs of children living in severe poverty across the U.S. Employees raised money for and even attended various fundraising events, including 5Ks, a security softball game and a benefit dinner. Employees also volunteered their time filling book bags with school supplies and distributing them to kids in need. In total, Anixter and its employees donated \$9,430 to Mission 500.



HABITAT FOR HUMANITY

In 2017, Anixter employees once again volunteered with Habitat for Humanity on a total of 16 projects throughout the Chicago, New York and Orlando areas. Over 100 employees participated in the program in 2017, in which they hung drywall, installed flooring, built porches and performed a multitude of other tasks to build affordable homes for families in need.



ANIXTER CARES

In 2017, donations generated through Anixter Cares included:

ANIXTER EMPLOYEE CONTRIBUTIONS **MORE THAN \$68,300**

+

ANIXTER CARES EMPLOYEE MATCHING CONTRIBUTIONS **MORE THAN \$68,300**

+

ANIXTER CORPORATE DONATIONS **MORE THAN \$223,300**

TOTAL ANIXTER EMPLOYEE AND ANIXTER CARES IMPACT **MORE THAN \$359,900**

CHARITABLE AND SOCIAL RESPONSIBILITY PROGRAMS

Diversity

Anixter is committed to promoting participation of minority, women-owned, and disabled veteran business enterprises (MWDVBE) in our distribution business. We will use reasonable efforts to provide opportunities to certified MWDVBE's through purchasing or reselling opportunities, mentor-protégé programs, teaming arrangements and subcontracting whenever practical.

DIVERSITY PURCHASING

- Within the U.S., Anixter spent more than \$224 million with 2,036 small, minority-, woman- and disabled-veteran owned business enterprises over the last 12 months.
- Anixter continued to help U.S. customers report on their indirect diversity purchases from Anixter by distributing electronic diversity purchasing reports each quarter. Anixter has been supporting customers with quarterly diversity purchasing reports since 1999.
- As a GSA contract holder since 2000, Anixter continuously strives to attain annual small business subcontracting goals. The small business subcontracting initiative focuses on increasing subcontracting opportunities for disadvantaged, HUBZone-certified, veteran-owned, service-disabled-veteran-owned and woman-owned small businesses to receive maximum practical opportunities in federal government subcontract awards. The program seeks to ensure that domestic small businesses receive a fair and equitable opportunity to compete for and receive subcontracts.

DIVERSITY SALES

Through a combination of long-term and recently established partnerships with a vast array of diversity organizations located across the U.S., Anixter's and our partners' strengths are combined to collectively help our mutual customers achieve their diversity business engagement goals for both large projects and day-to-day operations. In 2017, Anixter sold more than \$141 million in products to various strategic U.S. diversity partners.

SUPPLIER DIVERSITY AWARD

In 2017, Anixter was presented with AT&T's Supplier Diversity Crystal Award for significantly exceeding their minority-, woman- and disabled-veteran owned business utilization targets. Per AT&T's recognition letter, Anixter was part of "a very select group of prime suppliers who attained and/or exceeded 21.5 percent diversity utilization in 2016." This is the third time in four years Anixter has attained this award.

ANTI- CORRUPTION



ANTI-CORRUPTION

Anixter is proud of its reputation as a fair, honest and ethical company. All Anixter directors, officers, employees, suppliers and business partners are required to conduct business with the highest degree of honesty and integrity and in full compliance with applicable laws. These principles are set forth in company policies such as Anixter's Global Business Ethics and Conduct Policy (Ethics Policy), Global Anti-Bribery & Corruption Policy (Anti-Bribery Policy), Supplier Code of Conduct, and Business Partner Anti- Corruption Policy.

As clearly stated in its policies, Anixter takes a zero-tolerance approach to bribery and any other form of corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships. It upholds all laws countering bribery and corruption wherever it operates. No Anixter employee or anyone acting on Anixter's behalf may promise, offer, give, authorize, request, agree to receive or receive, directly or indirectly, a bribe to or from anyone.

COMPONENTS OF ANIXTER'S GLOBAL ANTI-CORRUPTION PROGRAM

Anixter promotes responsible business practices at every level of the company. It strives to conduct business ethically, honestly and in accordance with its Ethics Policy (anixter.com/ethics), and expects all employees and business partners to meet these high ethical standards.

Countering bribery and corruption is one of Anixter's standards and a primary focus area of its global Compliance program. The anti-bribery and corruption program is comprised of the following ten components:

- Policies
- Oversight, autonomy and resources
- Commitment from senior management
- Third-party due diligence
- Incentives and discipline
- Training and communication
- Confidential reporting and investigations
- M&A diligence and integration
- Risk assessment
- Periodic testing and review.



ANTI-CORRUPTION

POLICIES

In support of Anixter's high ethical standards, its global Compliance program provides guidance and training for Anixter employees worldwide on a variety of policies and topics, such as but not limited to, business ethics and conduct, anti-bribery and corruption, government contract compliance, fraud, conflicts of interest, prevention of workplace harassment and export compliance. The policies that reinforce Anixter's zero tolerance of bribery and corruption include, but are not limited to, the Ethics Policy, Anti-Bribery Policy, Government Contracts Policy, Global Fraud Policy and Conflicts of Interest Policy. See "Relevant Policies" in this section for more information about these policies.

Additionally, as part of Anixter's anti-corruption program, the company has implemented a business partner compliance program (anixter.com/bpcompliance) that includes the Global Business Partner Anti-Corruption Policy (anixter.com/bppolicy) and a business partner due diligence screening process.

Anixter has adopted a Supplier Code of Conduct available at anixter.com/suppliercode. This code incorporates the key Ten Principles of the United Nations Global Compact and specifies how Anixter expects its suppliers to conduct business. This code also emphasizes Anixter's zero-tolerance approach to bribery and any other form of corruption.

The Anti-Bribery Policy is an internal policy that applies to all Anixter employees globally. The Business Partner Anti-Corruption Policy applies to Anixter's suppliers, contractors, integrators, resellers, channel partners, consultants, professional advisers, joint venture partners, custom brokers, freight forwarders, sales agents and any other parties with whom Anixter does business (business partners). For a copy of Anixter's Business Partner Anti-Corruption Policy, visit anixter.com/bppolicy.

Anixter's anti-corruption policies are designed to comply with anti-bribery and anti-corruption laws in countries where Anixter operates or conducts business including, but not limited to, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. No bribe of any kind may be authorized, offered, given, requested or accepted in the course of doing business for Anixter. Anixter's policies also prohibit facilitation payments. Anixter's zero-tolerance approach to bribery and corruption is not limited to government officials; it also extends to bribes involving commercial parties.

The Anti-Bribery Policy, Business Partner Anti-Corruption Policy, the Overview Presentation and Supplier Code of Conduct are available in 11 languages.

All employees are familiar with the Blue Book, which drives the company's culture by outlining Anixter's core beliefs and guiding principles. Created over 45 years ago, the Blue Book continues to influence and shape Anixter's overall culture. The Blue Book is frequently quoted in companywide trainings and internal communications. For a copy of the Blue Book, visit anixter.com/bluebook.

All new employees globally are made aware of the Ethics Policy, Anti-Bribery Policy, Conflicts of Interest Policy and the Blue Book during their on-boarding process. They also receive the other policies if applicable to the employee's position.

OVERSIGHT, AUTONOMY AND RESOURCES

The Audit Committee of the Anixter International Inc. Board of Directors oversees the global Compliance program, including the anti-bribery and corruption program. Anixter's Chief Compliance Officer, who reports directly to the company's CEO, updates the Audit Committee quarterly on the company's anti-bribery corruption compliance program and initiatives.

Anixter's Internal Audit Department reports to the Audit Committee of the Board of Directors. It provides independent and objective advisory services designed to add value and improve Anixter's operations. The department helps Anixter accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of enterprise-wide risk management, internal control systems and governance processes. The Internal Audit Department, in collaboration with other key departments, also provides oversight and guidance related to applicable laws, regulations and company policies to foster a positive and ethical work environment for employees.

Anixter's Executive Compliance Committee ("ECC") is led by the Chief Compliance Officer and is comprised of the regional compliance officers and senior leaders from various departments within the company. The ECC administers the compliance program, oversees and assists in implementing the compliance program initiatives and monitors the effectiveness of the compliance program. The ECC held three meetings in 2017.

ANTI-CORRUPTION

Regional compliance committees are responsible for identifying risk and compliance matters within their respective regions, and for overseeing the regional compliance initiatives. These committees are comprised of senior leaders from various departments within the company. The committees meet at least twice a year and are led by regional compliance officers who are in-house regional attorneys. The regional compliance officers are also members of the Executive Compliance Committee.

COMMITMENT FROM SENIOR MANAGEMENT

Company policies, including the Ethics Policy and Anti-Bribery Policy, clearly state Anixter's commitment to conducting business ethically and with integrity and include Anixter's zero-tolerance approach to bribery and corruption. These are endorsed by CEO Bob Eck and Chairman of the Board Sam Zell. Anixter managers include topics such as bribery and corruption, and ethics and integrity in their leadership-driven discussions with their teams throughout the year.

THIRD-PARTY DUE DILIGENCE

Anixter expects its business partners to act professionally and ethically at all times in carrying out their services and contractual obligations to Anixter or on Anixter's behalf to an Anixter customer or any other third party. Business partners must undergo a qualification and screening process if the business partner is (1) located in or doing business in a "high-risk country" identified by Anixter or (2) performing services for or on behalf of Anixter in one of the "high-risk categories" identified by Anixter regardless of country. Red flags identified during this process are referred to a regional compliance officer for review and further investigation. Any business partner that refuses to participate in the screening process or an investigation will not be approved to do business with Anixter.

INCENTIVES AND DISCIPLINE

Performance and evaluation tools remind managers that ethics and integrity must be considered during performance evaluations. Anixter investigates all suspected incidents of corruption and violations of company policies. These investigations can result in disciplinary action, which could include termination.

TRAINING AND COMMUNICATION

Employees complete training on Anixter's Compliance program policies online. These assignments must be completed when issued. All new hires receive these assignments upon beginning their employment with Anixter. All new employees are also assigned the online training module "Blue Book - Living the Anixter Culture."

Targeted training sessions on the Compliance program policies and topics are also conducted throughout the company. These sessions are tailored to the group attending the session and are typically presented by management or a member of the Legal Department.

The Compliance program policies are posted in various locations on Anixter's intranet site and are easily accessible by employees. News about and updates to the Compliance program are communicated to employees via company-wide newsletters and email blasts.

To help Business Partners better understand Anixter's zero-tolerance approach to anti-bribery and corruption, they are encouraged to review the "Understanding Anixter's Business Partner Anti-Corruption Policy" presentation available at anixter.com/bpoverview (the "Overview Presentation"). This Overview Presentation summarizes Anixter's expectations of its business partners to comply with its zero-tolerance approach to bribery and corruption.



ANTI-CORRUPTION

CONFIDENTIAL REPORTING AND INVESTIGATIONS

Anixter's employees, business partners and other third parties can ask questions or report possible ethics or bribery and corruption violations through the Business Integrity Line.

Anixter has partnered with an independent third party to host and track such reports made via telephone or online. Where allowed by local laws, these reports can be made anonymously. Reports made at anixter.ethicspoint.com are managed and responded to by members of the Legal, Human Resources and Internal Audit departments, as appropriate. Anixter does not tolerate any form of retaliation against employees who in good faith report a concern regarding illegal or unethical activities. The anti-retaliation policy is emphasized by the Safe to Speak FAQs document that is available in 11 languages and posted on its intranet sites.

Investigation reports are provided to executive management and the Audit Committee on a quarterly basis.

M&A DILIGENCE AND INTEGRATION

Prior to an acquisition, Anixter conducts a due diligence review that includes reviewing the targeted company's anti-corruption compliance program and controls. Anixter also looks for prior anti-corruption issues or violations. Post-acquisition integration efforts include effectively communicating and implementing training on Anixter's Compliance program, including all policies and procedures.

RISK ASSESSMENT

The Internal Audit Department reviews business practices for anti-corruption risks during the audits they conduct throughout the year. Also, business partners that represent a greater risk, such as those in high risk countries or high-risk categories, identified by the company, are required to complete Anixter's business partner qualification process. This qualification process includes due diligence screening. Business partners who are approved are continuously monitored by the company.

PERIODIC TESTING AND REVIEW

The Annual Ethics Questionnaire was distributed in January 2017 to all directors, officers, senior management and members of select departments and functions and was available in 11 languages. All recipients who received the questionnaire completed it in a timely manner. This questionnaire will be distributed again in January 2018.

To further monitor the compliance program, Anixter distributes and analyzes a culture survey. This survey is issued every two years, and was conducted in 2017. The survey was distributed to a random selection of approximately 25% of active employees globally. Participation is voluntary and all responses are anonymous. The results of this survey were reported to the Audit and Executive Compliance committees.

The anti-corruption program is monitored by a combination of audits, reviews, risk assessments and internal investigations. The Internal Audit, Global Shared Services, Finance and Legal departments are engaged in these processes.



RELEVANT POLICIES



GLOBAL BUSINESS ETHICS AND CONDUCT POLICY

- Reflects current industry best practices, emphasizes zero tolerance of bribery and restates commitment to anti-retaliation
- Earliest version distributed in 1998; last revised in 2013
- Posted on intranet and external sites
- Available in 11 languages
- Distributed with training at least every two years to all employees.



GLOBAL ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

- Provides guidance on what bribery and corruption are and how to avoid them
- Revised in 2015; first adopted in 2012
- Posted on intranet sites
- Available in 11 languages
- Distributed with training at least every two years to all employees.



GOVERNMENT CONTRACTS POLICY

- Provides guidance for meeting ethical and legal obligations as a supplier to U.S. federal, state and local governments
- Adopted in 2011
- Posted on intranet sites
- Available in English
- Distributed with training to employees involved with U.S. government contracting in the U.S., United Arab Emirates, Japan and Germany.



GLOBAL TRAVEL AND ENTERTAINMENT

- Emphasizes prohibition of entertainment and gifts to government personnel
- Adopted in 1999; last revised in 2014
- Posted on intranet sites
- Available in three languages
- Distributed with training to all employees who travel and entertain on behalf of Anixter.



GLOBAL FRAUD POLICY

- Provides guidance on preventing, identifying and detecting fraud and instructions regarding appropriate action in cases of suspected violations
- Adopted in 2014
- Posted on intranet sites
- Available in English
- Distributed with targeted live training to members of the Finance organization.



GLOBAL CONFLICT OF INTEREST POLICY

- Identifies the most common types of activities that may result in a conflict of interest and the disclosure and approval process for each type of activity
- Adopted in 2014
- Posted on intranet sites
- Available in 11 languages
- Distributed to all employees globally with targeted live training.



FINANCIAL OVERVIEW

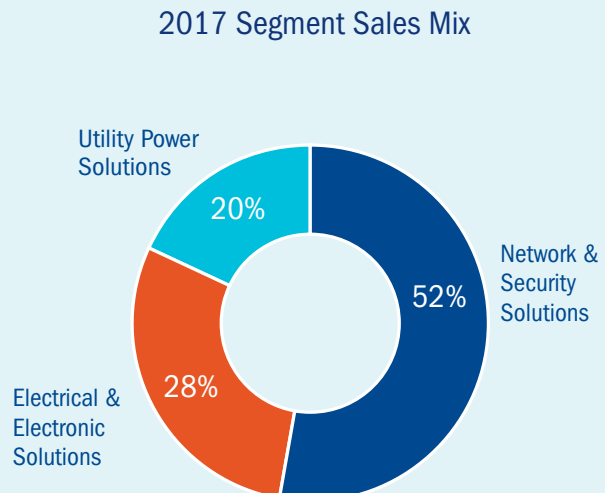
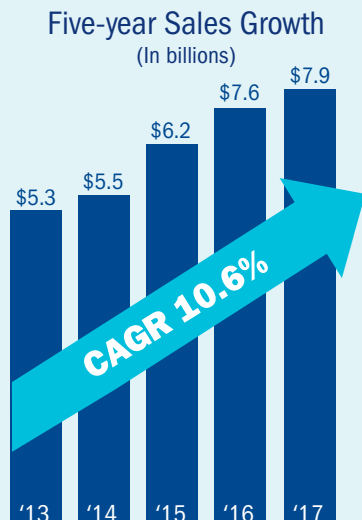
FINANCIAL OVERVIEW

Fiscal Year	2017	2016	2015	2014	2013
(In millions, except per share and percentage amounts)					
Net Sales	\$7,927.4	\$7,622.8	\$6,190.5	\$5,507.0	\$5,291.1
Operating Income	\$313.1	\$285.3	\$267.8	\$310.1	\$310.9
Operating Margin	3.9%	3.7%	4.3%	5.6%	5.9%
Net Income From Continuing Operations	\$109.0	\$121.1	\$96.9	\$163.4	\$175.0
Adjusted Diluted Income From Continuing Operations Per Share*	\$5.16	\$4.93	\$4.46	\$5.17	\$5.26
EBITDA	\$376.6	\$341.7	\$293.8	\$324.7	\$327.3
Adjusted EBITDA	\$403.5	\$395.0	\$367.1	\$360.5	\$348.5
Adjusted EBITDA Margin	5.1%	5.2%	5.9%	6.5%	6.6%
Cash Flow From Operations	\$183.8	\$279.1	\$92.5	\$110.0	\$336.1
Capital Expenditures	\$41.1	\$32.6	\$26.7	\$34.2	\$27.3
Working Capital	\$1,483.0	\$1,424.6	\$1,571.6	\$1,559.3	\$1,373.3
Total Assets	\$4,252.2	\$4,093.6	\$4,142.0	\$3,580.8	\$2,851.3
Total Debt	\$1,247.9	\$1,378.8	\$1,642.9	\$1,202.0	\$826.5
Stockholders' Equity	\$1,459.0	\$1,292.2	\$1,179.4	\$1,133.0	\$1,027.4
Adjusted ROTC**	25.2%	24.8%	25.6%	22.5%	22.2%
Debt-to-total Capital	46.1%	51.6%	58.2%	51.5%	44.6%
Special Dividends, Per Share	–	–	–	–	\$5.00
End-of-year Stock Price, Per Share	\$76.00	\$81.05	\$60.39	\$88.18	\$89.61
Total Shareholder Return	(6.2)%	34.2%	(31.5)%	(1.6)%	51.3%

This table includes certain financial measures computed using non-Generally Accepted Accounting Principles as defined by the SEC. We believe that by reporting such information, both management and investors are provided with meaningful supplemental information to understand and analyze our underlying trends and other aspects of financial performance. For further information, see Management Discussion & Analysis in the Company's Form 10-K incorporated herein.

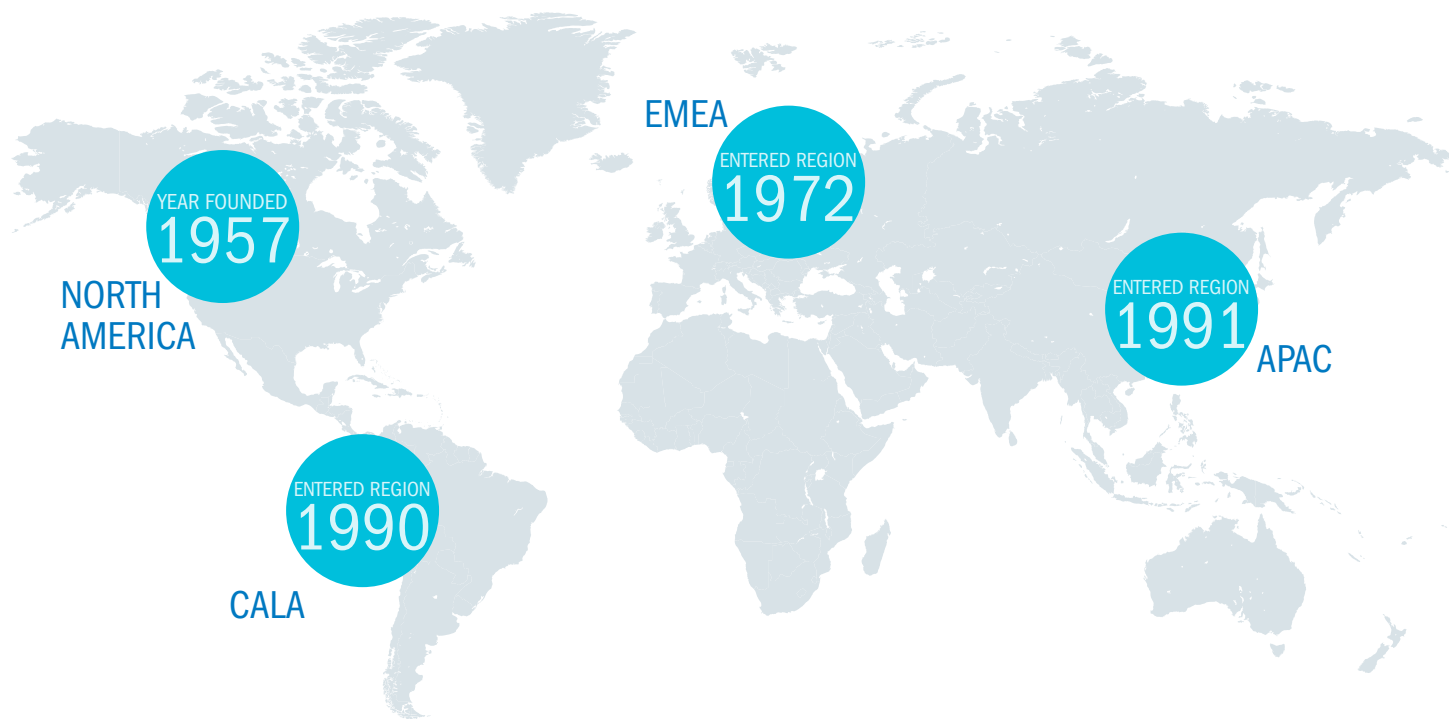
* Adjusted for items impacting comparability of results to include amortization of intangible assets.

** Adjusted return on tangible capital (ROTC) is defined as operating profits, excluding intangible amortization and items impacting comparability of results identified in our earnings releases, divided by average tangible capital.



ABOUT ANIXTER

CORPORATE SNAPSHOT



GLOBAL REACH. LOCAL ADVANTAGE.

With Anixter, you get a true local partner around the world. No other distributor of our kind can claim an in-country presence in approximately 50 countries and in over 300 cities.

We do business in more than 35 currencies and 30 languages, which means we are uniquely positioned to help facilitate your project in the local environment, reduce risks and keep costs down.



About Anixter: anixter.com/aboutus
Legal Statement: anixter.com/legalstatement

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