# DIRECTOR'S REMUNERATION REPORT

Approved by the Board of Computacenter plc
on 16 March 2023

# Directors' Remuneration report

### Key areas of focus during 2022

- Proposing a revised Directors' Remuneration Policy to shareholders for approval in 2023
- Remuneration matters related to the appointment of CFO-designate
- Assessment of variable remuneration outcomes for the Executive Directors including consideration of windfall gains

### Areas of focus for 2023

- Continue to review Annual Bonus and PSP measures and targets to ensure that they remain aligned with performance and strategy
- Ongoing consideration of sustainability measures

## ANNUAL STATEMENT FROM THE CHAIR OF THE REMUNERATION COMMITTEE

**Dear Shareholder,**

On behalf of the Board, I am pleased to present the Directors' Remuneration report for the year ended 31 December 2022.

The report that follows is split into three sections:

- this Annual Statement;
- the revised Directors' Remuneration Policy (the 'Policy') on pages 114 to 121, which will be subject to a binding vote by shareholders at the Company's AGM to be held on 17 May 2023; and
- the Annual Report on Remuneration on pages 122 to 133, which includes information concerning the amount paid to the Executive and Non-Executive Directors in respect of 2022, and details of how the Policy will be implemented in 2023. It will be subject to an advisory vote by shareholders at the Company's 2023 AGM.

### Our approach to remuneration

I would like to start by taking the opportunity to thank our shareholders for their ongoing support of the Committee in its work since the approval of the current Directors' Remuneration Policy in May 2020.

Our remuneration philosophy continues to be centred on the principle that the amount paid to the Executive Directors should be clearly linked to their levels of performance and the value delivered to shareholders. This principle has guided the Committee in its discussions and decision making during the year and the remuneration outcomes described in more detail on pages 122 to 132. The executive remuneration structure at Computacenter is heavily weighted towards variable pay, which rewards stretching financial and strategic targets delivered over the short and long-term. In being simple, straightforward and transparent, the Committee believes that it also reflects Computacenter's Winning Together Values, prioritising the long-term interests of the Group, as well as being easily understood by our stakeholders.

### Directors' Remuneration Policy

In line with the three-year lifecycle, the Directors' Remuneration Policy will be put before shareholders for approval at the Company's AGM in May 2023. The Committee undertook a comprehensive review of the existing Policy during the year, considering whether it remained fit for purpose taking into account the significant growth of the business and the development of the Company's strategy since the previous Policy vote in May 2020. As part of the process, we consulted with and considered feedback from our major shareholders, which helped to affirm and support the Committee's view that material changes to the Policy were not required. We are pleased that, subject to shareholder approval, our Remuneration Policy will provide continuity with a framework that is well understood by our shareholders and Executive Directors. The full revised Policy is set out on pages 114 to 121 of this report.

### Business context – the year under review

A very strong finish to the year saw the Group achieve a further year of adjusted[1] diluted earnings per share growth, following two years of outstanding profit growth in 2020 and 2021. The Board viewed this as a good in-year performance, given the headwinds faced by our Services business.

The Technology Sourcing performance was excellent across the Group. Our Services revenue performance was strong, whilst our Services margin performance was impacted by the unwinding of Covid-related benefits, and inflationary pressures.

Group adjusted[1] profit before tax for the year increased by 3.2 per cent, to £263.7 million. Adjusted[1] diluted EPS, our primary EPS measure, increased by 2.5 per cent to 169.7 pence per share (2021: 165.6 pence per share) and our proposed 2022 full-year dividend has increased by 2.4 per cent, to 67.9 pence per share (2021: 66.3 pence per share). Further detail on the Group's performance is set out earlier in the Annual Report on pages 24 to 37.

### Remuneration outcomes

The Committee reviewed performance against the conditions set for the annual bonus for 2022. Despite the robust performance over the year, as summarised above, the Group's result was towards the bottom end of the range of stretching financial targets set, and therefore levels of pay-out for the Executive Directors were lower than in previous years. The Group CEO received 27.85 per cent of the award at £271,538, and the Group FD received 25.85 per cent at £123,175, with 50 per cent deferred into Computacenter shares.

The Performance Share Plan (PSP) awards granted in March 2020 were based on the Company's adjusted[1] diluted EPS and Group Services revenue performance over the three financial years ended 31 December 2022. Over this period, the Company has seen significant growth, with an increase in adjusted[1] diluted EPS of 22.42 per cent per annum. The EPS and Group Services revenue targets were met in full, and therefore 100 per cent of the awards will vest and be subject to the two-year holding period.

In approving the levels of vesting under the PSP, in line with investor guidance, the Committee considered the issue of whether there had been excessive 'windfall gains' for the Executive Directors taking into account the market volatility in 2020. In undertaking this assessment, the Committee reviewed a range of factors including (i) the grant price used for the 2020 awards, and the number of shares awarded, which were within the range of previous grants (ii) the performance delivered over the period, and (iii) the wider shareholder experience. Following this analysis, the Committee agreed that no adjustment should be made to the level of awards vesting in March 2023 and that the value to be delivered was appropriate in the context of performance.

The Committee considered the bonus and PSP formulaic outturns in the context of the external environment, the performance of the business, wider Company and individual performance, the shareholder experience, the customer experience, and the treatment of employees throughout the rest of the Group. Taking all of the above into account, the Committee considered the bonus and PSP outcomes to be a fair reflection of performance, and no discretion was exercised to vary the amount.

**Finance Director transition**

For the first time since it became a public company, Computacenter announced during the year that there would be an upcoming change of Executive Director. Following his period of outstanding service with the Company, Tony Conophy will retire from his position as Group Finance Director (GFD) and an Executive Director of Computacenter plc. He will step down from the Board with effect from 1 June 2023, and remain with the Company for a further period of up to three months to ensure a comprehensive transition.

Tony Conophy's remuneration will be treated in accordance with the Company's approved Remuneration Policy and his service contract. Further detail is set out on pages 128 to 129.

The Board was pleased to appoint Christian Jehle as CFO, effective 1 June 2023. As disclosed at the time of his appointment, Christian's salary has been set at £450,000, with a pension allowance of five per cent of salary, in line with the wider Computacenter workforce in the UK. Christian will be eligible to participate in the Company's variable pay plans in line with our Remuneration Policy, with a maximum annual bonus opportunity of 150 per cent of salary and a PSP opportunity in 2023 of 175 per cent of salary. This remuneration package reflects the importance placed by the Board on recruiting the strongest possible candidate to replace Tony, with a specific skillset to further develop the finance function, as the business needs of Computacenter change, and ensure that it remains in a position to best support and enable the Group's continued growth.

The search process demonstrated the competitive landscape and recruitment market in which we operate, and provided direct insight into the level of packages required to attract high-quality candidates. The Committee was also mindful that the salary for the GFD role was not adjusted at the same time as the CEO's salary was last year to take into account the fact that the size and the complexity of the business has increased materially over recent years, including the expanded geographic footprint of the business as a result of strategic acquisitions, including Pivot Technology Solutions Inc. and BT Services France. The Committee also referenced market data both for the UK and against a global peer group. Taking all of this into account, the Committee considered that the remuneration package for the role was appropriate.

Christian will also receive a one-off buy-out award to compensate for remuneration arrangements forfeited on leaving his previous employer, taking into account shareholder expectations around the value, form of award, and time horizons. These are set out in more detail on page 129.

**Wider workforce considerations**

In line with the Committee's broader responsibilities, the Committee reviewed information on broader workforce policies and practices, as well as the Company's gender pay gap reporting. This information provided important context for the Committee's decisions taken during the year.

As part of this, the Committee was kept informed of Management's proposals and actions to ensure that decisions concerning the Group's wider workforce considered the ongoing impact of inflation within a number of our core countries, including the current cost of living crisis in the UK. In this context, an additional one per cent salary increase was awarded to all Computacenter employees (excluding the Executive Directors and Group Executive Committee) with effect from 1 April 2022, in addition to the scheduled salary review in the first quarter of 2022. For 2023, the average increase in salaries across the Group is 6.1 per cent, which the Committee and Board considered represents an appropriate balance between mitigation of the inflationary pressures being felt by many of our employees with ensuring a sustainable cost base for the business moving forward.

We continue to ensure that employees have an opportunity to share in our success through our Sharesave plan, which we have operated for several years. Following the launch of the most recent scheme in 2022, the employee participation rate in these schemes, where an employee is in at least one active savings scheme, is 55 per cent of all employees in the UK (2021: 55 per cent) and 23.9 per cent in Germany (2021: 21.8 per cent). This is the fourth year of operation in the US business, with an overall participation rate of 21.8 per cent of the US employees.

**2023 remuneration**

The salary for Mike Norris and Tony Conophy will be increased by 4.8 per cent, below the average wider workforce increase. The Committee considered it appropriate to award Tony a salary increase in line with the CEO as he will be working for more than six months of the financial year to ensure an effective handover with Christian.

The 2023 bonus opportunity and PSP award level for the CEO will remain unchanged, at 150 per cent and 200 per cent of salary respectively. The remuneration arrangements for the incoming CFO have been set out earlier in this letter. The performance measures and weightings will remain unchanged for both the annual bonus and the PSP. The CEO's annual bonus personal objectives have been developed further and now include an objective based on the environment, as well as diversity and inclusion. The Committee considers ESG to be an important area of focus for the Board and is aware of investor sentiment regarding the use of ESG performance measures in incentive plans. The Committee will continue to keep this area under review as our sustainability strategy continues to mature.

The Committee considers that the current PSP award levels remain appropriate as the share price (at the time of this report being finalised) is broadly in line with the share price at the time of the 2021 PSP award and materially higher than every PSP grant made prior to that date. The PSP award in 2022 was made close to an all-time high and the share price performance since then largely reflects a wider sell-off in the general market and technology sector. The Committee will review whether there have been excessive windfalls on vesting and take the necessary steps to mitigate if required.

**Committee performance**

During the year, a review of the Committee and its activities was completed by the independent external evaluator, Board Excellence. The Committee was pleased to note the findings of Board Excellence relating to its performance, and having reviewed these with the Board, is comfortable that it continues to be effective in its role. Its findings are set out in more detail on page 92. The previous review at the end of 2021 highlighted the Committee's intention to continue to consider the way in which ESG factors are taken into account for remuneration purposes. This has been discussed by the Committee in the year, with an environmental objective included as part of the CEO's annual bonus personal objectives for 2023.

The Committee's role is to ensure that the remuneration paid to the Executive Directors reflects the Group's performance. I hope that, having read this report, shareholders will be satisfied that the Committee has discharged its duties appropriately and in line with your interests. The Committee and I would welcome any comments that you have on its content.

**Ros Rivaz**
Chair of the Remuneration Committee
6 April 2023

# Directors' Remuneration report continued

### AT A GLANCE: IMPLEMENTATION OF THE NEW REMUNERATION POLICY FOR 2023 AND KEY DECISIONS IN 2022

The table below summarises how key elements of the Remuneration Policy will be implemented in 2023 and key decisions taken by the Committee for the year ended 31 December 2022.

| Element | Chief Executive Officer<br>Mike Norris | Chief Financial Officer*<br>Christian Jehle (from 1 June 2023) |
|---|---|---|
| **Base salary (from 1 January 2023)** | £681,200 (4.8 per cent increase, lower than the wider workforce increase of 6.1 per cent) | £450,000 (effective on appointment) |
| **Pension** | Five per cent (in line with UK employees) | Five per cent (in line with UK employees) |
| **Annual bonus opportunity** | Maximum: 150 per cent of salary | Maximum: 150 per cent of salary |
| **Annual bonus measures** | • The majority of the bonus will be based on financial measures and the remainder will be based on non-financial measures.<br>• For 2023, the financial measures are Group adjusted[1] profit before tax (50 per cent), Services contribution growth (10 per cent), cash balance (10 per cent), and costs (10 per cent).<br>• The remainder of the annual bonus (20 per cent) will be based on stretching personal objectives for the year.<br>• Performance measures will be disclosed in full retrospectively. | |
| **Annual Bonus deferral** | • 50 per cent of the annual bonus will be deferred into shares, with half the shares payable after one year and the remaining half after two years. | |
| **Performance Share Plan (PSP) opportunity** | Maximum: 200 per cent of salary | Maximum: 175 per cent of salary |
| **PSP measures** | • 2023 PSP awards will be based on the Group's adjusted[1] diluted earnings per share (70 per cent) and Services revenue growth (30 per cent).<br>• Performance will be measured over a three-year period.<br>• Targets are disclosed prospectively later in this report. | |
| **PSP holding requirement** | • PSP awards are subject to a two-year, post-vesting holding period. | |
| **Shareholding guideline** | • 200 per cent of salary in-employment shareholding guideline.<br>• Post-cessation shareholding requirements apply at the same level as the in-employment guideline (or actual shareholding, if lower) for two years after stepping down from the Board. | |
| **Malus and clawback** | • Malus and/or clawback provisions apply to annual bonus awards, including deferred awards for a period of two years, and to PSP awards up to the fifth anniversary of grant.<br>• The malus and clawback provisions are set out in the Remuneration Policy later on in this report. | |

### CEO Year-end outcomes:

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|---|---|
| **2022 Bonus outcome** | • 27.85 per cent of maximum pay-out. |
| **2020-22 PSP outcome** | • 100 per cent of maximum vesting. |

* As announced, Tony Conophy is retiring and will step down from the Board of the Company at the time that Christian is appointed. Details of Tony's leaving arrangements are set out in this report.

## ALIGNMENT OF OUR POLICY WITH THE UK CORPORATE GOVERNANCE CODE

The Committee considers that the current Remuneration Policy and its implementation appropriately address the following principles, as set out in the UK Corporate Governance Code.

| Principle | How the Committee has addressed this |
|---|---|
| Clarity | • The Committee is committed to providing open and transparent disclosures with regards to executive remuneration arrangements.<br>• As part of the review of the Remuneration Policy undertaken in 2022, we consulted with our major shareholders in order to allow their feedback to be considered by the Committee. This feedback assisted the Committee in deciding that material changes to the policy were not required. |
| Simplicity | • In determining the remuneration framework, the Committee was mindful of avoiding complexity and ensuring that arrangements are easy to understand. Feedback we have received from our shareholders indicates that our Executive Remuneration framework is well understood outside our organisation.<br>• Our remuneration arrangements are simple in nature, comprising three main elements – fixed pay (comprising of base salary, pension and benefits), variable short-term incentives (annual bonus), and variable long-term incentives (PSP awards). This framework is well understood by both participants and shareholders. |
| Risk | • The Committee believes that the structure of remuneration arrangements does not encourage excessive risk taking.<br>• The remuneration framework has a number of features which align remuneration outcomes with risk, including a two-year, post-vesting holding period applied to any PSP awards, a deferred annual bonus plan and personal shareholding guidelines applying both in-employment and post-employment.<br>• In addition, malus and clawback provisions apply to both the annual bonus and PSP awards. |
| Predictability | • The Remuneration Policy outlines the threshold, target and maximum levels of pay that Executive Directors can earn in any given year over the three-year life of the approved Remuneration Policy. Actual incentive outcomes vary depending upon the level of performance against various measures, with performance against targets normally disclosed in the Annual Report on Remuneration each year. Areas over which the Committee can exercise discretion are clearly outlined in the proposed Directors Remuneration Policy as set out from pages 114 to 121. |
| Proportionality | • The Committee is satisfied that the Remuneration Policy does not reward poor performance. Payment of the annual bonus and PSP is subject to the achievement of stretching performance targets, which are clearly linked to the Group's strategy.<br>• Both the Committee and Executive Directors are cognisant of the pay and conditions for the wider workforce, and this is taken into account when considering Executive remuneration. Feedback and related questions from our workforce are provided to the Workforce Engagement Director during her annual engagement process.<br>• Additionally, the Committee retains the discretion to adjust formulaic outcomes under the annual bonus and/or PSP should it consider that the outcome is not aligned to the underlying performance of the Company or individual. |
| Alignment to culture | • The performance measures that are used for the annual bonus and PSP are clearly linked to delivery of the Group's Strategic Priorities. In addition, 20 per cent of the annual bonus is based on achievement against non-financial strategic targets, which ensures both financial and non-financial strategic goals are considered. As set out in the Chair's letter on page 110, the Committee believes that the remuneration structure is simple, straightforward and transparent, reflecting Computacenter's Winning Together Values (especially 'Considering the Long-Term' and 'Understanding People Matter'). |

# Directors' Remuneration report continued

## COMPUTACENTER'S REMUNERATION POLICY

This section is the Group's Remuneration Policy (the Policy), as reviewed and approved by the Board. As required, it complies with Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended).

It is intended that the Policy will be put before shareholders for approval by way of a binding vote at the Company's AGM on 17 May 2023. If approved by shareholders, the Policy will have effect immediately thereafter. Until such approval, the Company's existing Remuneration Policy will continue to apply.

### Summary of decision-making process and changes to policy

In determining the new Remuneration Policy, the Committee followed a robust process which included discussions on the content of the Policy at three Remuneration Committee meetings. The Committee considered input from Management and our independent advisors, and sought the views of Computacenter's major shareholders. The Committee also assessed the Policy against the principles of clarity, simplicity, risk management, predictability, proportionality and alignment to culture. Further information on the Committee's decision-making process is set out in the Annual Remuneration report.

The Committee is of the view that the current remuneration framework has worked as intended, with strong alignment between pay and performance, and remains aligned to Computacenter's remuneration philosophy and business strategy, as well as best practice. As such, there are no substantive changes to the Policy. Minor changes have been made to the Policy to clarify its intentions.

### Policy table

| **Base salary** | |
|---|---|
| Purpose and link to strategy | Supports the recruitment and retention of Executives of the calibre required to deliver the Group's strategy. |
| Operation | Base salaries are paid in cash and reflect an individual's responsibilities, performance, skills and experience.<br><br>Normally reviewed annually with any changes typically effective on 1 January, taking into account the factors above and the level of pay settlements across Computacenter Group, the performance of the business and general market conditions. Salary levels at other organisations of a similar size, complexity and business orientation will be reviewed for guidance.<br><br>A review may not necessarily result in an increase in base salary.<br><br>An exceptional review may take place to reflect a change in the scale or scope of a Director's role, for example (but not limited to) a major acquisition.<br><br>Salaries in respect of the year under review (and for the following year) are disclosed in the Annual Report on Remuneration. |
| Maximum opportunity | There is no prescribed maximum base salary or maximum annual increase. Ordinarily any salary increase will not exceed our standard approach to increases for other employees in the Group. Higher increases may be considered in certain circumstances as required, for example, to reflect:<br>• an increase in scope of role or responsibility;<br>• performance in role; or<br>• an Executive Director being moved to appropriate market positioning over time. |
| Performance measures | Individual and business performance are taken into consideration when deciding salary levels. |

| **Annual bonus** | |
|---|---|
| Purpose and link to strategy | To incentivise the delivery of annual, short-term, stretching financial and normally also non-financial objectives. To align pay costs to affordability and the value delivered to shareholders. |
| Operation | Performance measures and targets are set at the beginning of each financial year. Performance is normally assessed over one financial year.<br><br>Normally, 50 per cent will be paid in cash and 50 per cent will be deferred into Computacenter shares, with half the shares payable after one year and the remaining half after two years, unless the Committee determines otherwise. Deferred awards will normally be granted under the Deferred Bonus Plan.<br><br>Deferred awards will usually include the right to receive dividend equivalents in respect of dividends paid, calculated on such basis as the Committee determines.<br><br>Malus and clawback provisions will apply, as set out in the notes to this table.<br><br>The Committee has discretion to vary bonus payments downwards or upwards in appropriate circumstances, including if it considers the outcome would not be a fair and complete reflection of performance. To the extent that this discretion is exercised, this will be disclosed in the relevant Directors' Remuneration report. |

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| Maximum opportunity | The maximum annual bonus opportunity in respect of any financial year is 150 per cent of base salary.<br>Bonus opportunities in respect of the year under review (and for the following year) are disclosed in the Annual Report on Remuneration. |
| Performance measures | Normally, the majority of the bonus will be based on financial measures and the remainder on non-financial measures.<br>Financial measures may include profitability, cost management, cash management and other appropriate measures.<br>Non-financial targets will be targets set by the Committee, including the delivery of our strategy and/or the Executive Directors' personal objectives for the year.<br>Targets are usually reviewed and approved annually by the Committee, to ensure that they are stretching and adequately reflect the strategic aims of the Group.<br>The Committee determines the threshold and target payout levels each year, taking into account the level of stretch in the targets set. The level of overall bonus award which is payable for threshold performance will not normally exceed 30 per cent of the maximum opportunity. |

| **Performance Share Plan (PSP)** | |
|---|---|
| Purpose and link to strategy | To align the interests of Executive Directors and shareholders. To incentivise the achievement of longer-term profitability and returns to shareholders, and growth of earnings in a stable and sustainable manner. |
| Operation | Awards of nil-cost options (or equivalent) which are granted on a discretionary basis and will normally vest subject to performance and continued employment at the end of a performance period which is usually at least three years.<br>PSP awards will normally be subject to a two-year holding period following vesting. The shares held during the holding period will include the right to receive dividend equivalents on the vested shares in respect of dividends paid over the period from the end of the performance period to the date on which the Executive Director is first able to acquire shares pursuant to the award, calculated on such basis as the Committee determines.<br>The Committee normally reviews the performance criteria, targets and weightings prior to each grant in line with business priorities, to ensure they are challenging and fair.<br>The Committee has discretion to vary the percentage of awards vesting downwards or upwards in appropriate circumstances, including if it considers that the outcome would otherwise not be a fair and complete reflection of performance over the performance period.<br>Awards are subject to malus and clawback provisions, as set out in the notes to this table. |
| Maximum opportunity | The maximum opportunity under the PSP in respect of any financial year is 200 per cent of annual base salary or 400 per cent of annual base salary in exceptional circumstances, in line with the current PSP Plan Rules as approved by shareholders.<br>The face value of awards in respect of the year under review (and for the following year) are disclosed in the Annual Report on Remuneration.<br>For achievement of a threshold performance level (which is the minimum level of performance that results in any part of an award vesting), no more than 25 per cent of the award will vest. |
| Performance measures | Earnings per share is currently the primary measure for our Performance Share Plan, but the Committee may exercise its discretion to introduce additional or alternative measures which are aligned to the delivery of the business strategy.<br>Details of the performance conditions applied to awards granted in the year under review and to be granted in the forthcoming year are set out in the Annual Remuneration report for the relevant year. |

# Directors' Remuneration report continued

**Retirement benefits**

| | |
|---|---|
| Purpose | To provide an income for retirement. |
| Operation | No special arrangements are made for Executive Directors, who are entitled to become members of the Group's defined contribution pension scheme, which is open to all UK employees, or the pension plan relevant to the country where they are employed if different.<br>If the Executive Director so chooses, he/she may take some or all of the pension contribution as a cash alternative, which will be the same percentage of salary as the pension contribution foregone. |
| Maximum opportunity | The maximum pension contribution or allowance for Executive Directors will be in line with that available to UK employees or to participants in the pension plan in the relevant country. For UK employees, this is currently five per cent of salary. |
| Performance measures | N/A |

**Other benefits**

| | |
|---|---|
| Purpose and link to strategy | To provide a competitive level of employment benefits. |
| Operation | No special arrangements are generally made for Executive Directors.<br>Benefits currently include (but are not limited to):<br>• a car benefit appropriate for the role performed;<br>• participation in the Company's private health and long-term sickness schemes;<br>• life insurance and income continuance schemes; and<br>• participation in all-employee share plans, on the same basis as other eligible employees.<br>If new benefits are introduced for a wider employee group, the Executive Directors shall be entitled to participate on the same basis as other eligible employees.<br>If, in the opinion of the Committee, a Director must relocate to undertake and properly fulfil his/her executive duties, relocation benefits may be provided, which may include a cash payment to cover reasonable expenses. Reimbursed expenses may include a gross-up to reflect any tax due in respect of the reimbursement. |
| Maximum opportunity | There is no maximum level of benefits provided to an individual Executive Director, as the cost of benefits is dependent upon costs in the relevant market. Benefits will be set at levels which are competitive, but not excessive.<br>Participation by Executive Directors in any all-employee share plan operated by the Company, is limited to the maximum award levels permitted by the plan rules from time to time and, in the case of any UK tax qualifying plan, the limits prescribed by the relevant tax legislation. |
| Performance measures | N/A |

| Chairman and Non-Executive Director fees | |
|---|---|
| Purpose and link to strategy | To ensure that the Group is able to attract and retain experienced and skilled Non-Executive Directors. |
| Operation | Fee levels are determined with reference to the scope of responsibilities and the amount of time that is expected to be devoted during the year and taking into account the fee levels paid by other companies of similar size and complexity. No individual is involved in the process of setting his/her own remuneration.<br><br>Fee levels may be reviewed annually. They may also be increased on an ongoing or temporary or ad hoc basis, to take into account changes in the working of the Board and/or changes in responsibilities.<br><br>The Chairman of the Board receives a fixed fee. Other Non-Executive Directors receive a basic fee and additional fees are payable for the Chairmanship of the Board's Committees and for the additional responsibility of being the Senior Independent Director and may also be paid to other Non-Executive Directors to reflect additional time commitments and responsibilities. Fees are normally paid in cash.<br><br>Travel expenses, hotel costs and other benefits related to the performance of the role, including any tax due, are also paid where necessary.<br><br>Fees in respect of the year under review (and for the following year) are disclosed in the Annual Report on Remuneration.<br><br>Non-Executive Directors do not participate in any of the Group's incentive arrangements or share schemes and are not eligible for pension or other benefits. |
| Maximum opportunity | Maximum in line with the Company's Articles of Association. |
| Performance measures | N/A |

| Share ownership guidelines for Executive Directors | |
|---|---|
| Purpose and link to strategy | To strengthen alignment between Executives and shareholders. |
| Operation | Levels are set in relation to annual base salary, and are normally required to be built over a five-year period. The Committee retains discretion to vary this period on an individual basis, if it believes that it is fair and reasonable to do so.<br><br>Options which have vested unconditionally, but are as yet unexercised, and shares subject to deferred bonus awards and PSP awards which are in the holding period but which are no longer subject to performance conditions, will be included on a net of tax basis, for the purposes of calculating shareholdings, as will shares held by an Executive's spouse or dependents.<br><br>Post-cessation of employment, Executive Directors are also expected to remain aligned with the interests of shareholders for an extended period after leaving the Company, other than in exceptional circumstances. Details of the application of this policy are set out in the Annual Report on Remuneration.<br><br>The Committee will regularly review the shareholding guidelines. It has discretion to disapply or reduce the share ownership guidelines in extenuating circumstances, for example in compassionate circumstances. |
| Maximum opportunity | There is no maximum, but minimum levels have been set at 200 per cent of base salary for both the current CEO and FD. Non-Executive Directors are not required to hold shares in the Company.<br><br>Executive Directors who have not yet met their shareholding requirement will normally be expected to retain at least 50 per cent of any deferred bonus awards and PSP awards which vest (net of tax) until such time as this level of holding is met. |
| Performance measures | N/A |

# Directors' Remuneration report continued

### Malus and clawback

Malus and clawback provisions apply to the annual bonus and Performance Share Plan. For awards paid or granted in respect of 2020 onwards, the provisions are set out below.

Malus and/or clawback may apply to annual bonus awards, including deferred awards for a period of two years and to Performance Share Plan awards in the period up to the fifth anniversary of grant, in the event of:

- a material misstatement of results;
- gross or serious misconduct;
- an error or misstatement which has resulted in a material overpayment to the participants;
- a significant failure of risk management within the Company or any Group Member;
- significant reputational damage to the Company or any Group Member;
- the participant leaving in circumstances which, had all the facts been known, would have resulted in the award lapsing; or
- any other circumstances that the Committee, in its discretion, considers to be similar in nature or effect to those above.

The malus and clawback provisions that apply to awards prior to the dates set out above are in line with the relevant policy in force at the time the awards were made.

### Explanation of performance measures

The performance measures in respect of variable remuneration included in the Policy are based on a combination of financial and strategic measures, with an emphasis on the financial performance of the Group, and therefore to the value that the business delivers to its shareholders. The Company is committed to long-term earnings per share growth through increased profitability and prudent use of cash generation, with a Services-led strategy. This commitment is reflected in the current measures used to motivate and incentivise our management team through the annual bonus and PSP. The Committee may make changes to the performance measures in future years to align them with the business strategy at that time.

The Committee usually reviews potential performance criteria and targets for the annual bonus and PSP annually, with further detail set out in the Annual Report on Remuneration.

Performance conditions applying to any award may be amended or substituted by the Committee if an event occurs which causes the Committee to determine an amended or substituted performance condition would be more appropriate and not materially less difficult to satisfy.

### Remuneration arrangements across the Group

When setting Executive remuneration, consideration is given to pay policies and employment conditions of employees of the Company and elsewhere in the Group.

The remuneration of employees across the Group is based on three fundamental principles. First, that it allows the Group to retain the level of talent necessary to implement the strategy as set by the CEO and Board. Second, that levels of remuneration should be sufficient to achieve this aim, but should never be higher than is necessary to do so. Finally, with limited exceptions, the more significant the ability of an employee to influence the Company's financial results through their individual performance, the higher the proportion of their remuneration should be performance based.

The level and design of variable pay takes into account the need to avoid incentivising the Group's employees to act in a manner that is inconsistent with the Group's risk appetite, as set by the Board.

Consistent with the policy for Executive Directors, where annual bonuses are in place across the Group, they are currently linked to business performance with a focus on underlying Group or divisional profit and other relevant metrics.

Whilst only Executive Directors and senior executives participate in the PSP, other employees can participate in the Company's all-employee share schemes which are designed to incentivise participants to build a shareholding in the Company, thus aligning their interests with those of the Group's shareholders. This plan is not subject to performance conditions, but requires the employee to remain employed at the end of the term of the scheme which they have joined.

In line with local country practices, all employees are encouraged to contribute appropriate savings toward their retirement. In the UK, the Company operates pension arrangements within the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010.

Whilst the Company does not feel it appropriate to consult directly with employees when drawing up the Directors' Remuneration Policy, the Committee has considered any feedback received via employee engagement surveys and from the regular meetings the CEO and Chief People Officer conduct with employee representative bodies in each of our major geographies.

The Remuneration Committee Chair, Ros Rivaz, was appointed as the Designated Non-Executive Director on 9 November 2017 to facilitate engagement with the wider workforce, to assist the Board in understanding the views of Computacenter's employees. This involves attending Works Council meetings and other employee events, and feeding back the views raised by employees to the Board. These events have provided a valuable opportunity for employees to share their views freely on a range of topics and Ros welcomed questions on a broad range of topics including remuneration. Further information on the role and the activities of the Designated Non-Executive Director is on page 71.

### Statement of consideration of shareholders' views

The Remuneration Committee takes the views of shareholders seriously when making any changes to Executive remuneration arrangements. It continues to welcome shareholders' views on Executive remuneration.

The Group consulted with its major shareholders during the second half of 2022 on the proposed Policy and welcomed the feedback received, which was supportive of the Committee's approach to this Policy.

### Approach to recruitment remuneration

When hiring a new Executive Director or promoting to the Board from within the Group, the Committee will offer a package that is sufficient to attract, retain and motivate the right talent, whilst at all times aiming to pay no more than is necessary.

Each component will be subject to the limits as specified in the Policy table above, save for amounts payable in respect of elements forfeited on cessation with the Executive Director's former employer (set out below).

In determining an appropriate remuneration package, the Committee will take into consideration all relevant factors including, but not limited to, the candidate's location, skills and experience, external market influences and internal pay relativities.

Salary would be provided at such a level as required to attract the most appropriate candidate and may be set initially at below market level, on the basis that it may progress towards the market level once expertise and performance have been proven and sustained.

In order to facilitate recruitment, the Committee may offer additional cash and/or share-based elements in respect of any incentive or deferred pay awards forfeited by an Executive Director as a result of the termination of their former position, including utilising Listing Rule 9.4.2 if necessary. The Committee would seek to ensure, where possible, that these awards would be consistent with awards forfeited in terms of form of award, time horizons, value and performance conditions. For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms. In addition, any other ongoing remuneration obligations existing prior to appointment may continue. For external and internal appointments, the Committee may agree that certain incidental expenses will be met as appropriate.

Where a newly appointed Executive Director is required to relocate, the Group may pay the costs of relocation including, but not limited to, housing, travel, taxation advice, shipping costs and education for dependents. Additionally, any Executive Director based outside of the UK will be eligible to participate in insurance and other benefits, in line with local practice. Other elements may be included in the following circumstances: (i) an interim appointment being made to fill an Executive Director role on a short-term basis; and (ii) if exceptional circumstances require that the Chair or a Non-Executive Director takes on an executive function on a short-term basis.

Any awards made on recruitment may be subject to such malus and clawback provisions that the Remuneration Committee deems to be appropriate.

### Service contracts

The Directors' service contracts and letters of appointment are available for inspection at our registered office during normal hours of business and will also be available at our AGM to be held on 17 May 2023. Details of the duration of the Directors' service contracts are set out on page 130.

### Executive Directors

The current Executive Directors each have a service contract with the Company which provides for a notice period of up to 12 months from either party. It is intended that this policy would also apply to new appointments of Executive Directors.

With the consent of the Board, where an appointment can enhance an individual Executive Director's experience and add value to the Company, Executive Directors are able to accept non-executive appointments outside the Company. Retention of any fees received by the Executive Director is at the discretion of the Committee.

### Non-Executive Directors

Non-Executive Directors are appointed pursuant to a letter of appointment for an initial period which is normally three years, which may be subject to renewal thereafter. Appointments may be terminated by either the Company or the Non-Executive Director usually giving three months' notice. Save in respect of retirement by rotation, a Non-Executive Director being removed from office may receive an amount equal to the fee during any remaining notice period.

### Loss of office payments

We are committed to ensuring a consistent approach, so that we do not pay more than is necessary in circumstances of loss of office. In the event of an early termination of a contract, the aim is to seek to minimise any liability. If an Executive Director's employment is terminated, any compensation arrangements will not normally exceed those set out in their service contract and the rules of the relevant incentive plans.

When managing such situations, the Committee takes a range of factors into account including, but not limited to, contractual obligations, shareholder interests, organisational stability and the need to ensure an effective handover.

In the normal course of events, an Executive Director will work their contractual notice period and receive usual salary payments and benefits during this time. In the event of a termination where Computacenter requests that the Executive Director ceases work immediately, a payment in lieu of notice may be made that is equal to fixed pay, pension entitlements and other benefits. Payments may be made on a phased basis and may be subject to mitigation. Alternatively, an Executive Director may be placed on garden leave for the duration of some or all of their notice period. Where an Executive Director leaves during a financial year, an annual bonus may be payable with respect to the period of the financial year worked to the extent that they are determined to be a good leaver by the Committee, although it will be pro-rated for time and normally paid at the normal payment date(s).

In the event of termination for cause (e.g. gross misconduct or negligence), neither notice nor a payment in lieu of notice would be given and the Executive Director would cease to perform services immediately.

Any share-based entitlements granted to an Executive Director under our share plans will be determined based on the relevant plan rules. The default treatment is that any unvested awards lapse on cessation of employment during the relevant performance or deferral period. However, in certain prescribed circumstances, such as ill-health, injury, disability, redundancy, retirement (for all Deferred Bonus Plan (DBP) awards and for PSP awards made prior to March 2019), sale of the employing company or business outside the Group, or any other circumstances at the discretion of the Committee, 'good leaver' status may be applied. For good leavers, awards will normally vest on their normal vesting date, and for awards made under the PSP be subject to the satisfaction of the relevant performance conditions at that time and reduced pro-rata to reflect the proportion of the performance period actually served. The Committee may allow awards to vest at the time of cessation on the basis outlined above. PSP awards will typically remain subject to the holding period and will be released at the end of it, although the Committee has discretion to release the awards at the date of cessation or at some other time after cessation but before the end of the holding period.

PSP awards which are subject only to the holding period following vesting will lapse in the event of cessation of employment for cause (e.g. gross misconduct or negligence).

In the event of the death of an Executive Director, awards vest at cessation with no performance assessment. In such circumstances, unless the Committee determines otherwise, awards will be reduced pro-rata to reflect the proportion of the performance period actually served.

In the event of a takeover or winding-up of Computacenter which is not part of an internal reorganisation of the Group, awards may also vest to the extent determined by the Committee, taking into account the period that has elapsed since the awards were granted, and the performance achieved against any applicable performance targets. Early vesting may also be permitted on the same basis in the event of a demerger or other transaction which, in the Committee's opinion, would affect the value of awards. Share plan awards may be adjusted in the event of any variation of the Company's share capital or any demerger, delisting, special dividend or other event that may affect the Company's share price.

# Directors' Remuneration report continued

Where the Executive Director participates in one or more of the Company's all-employee share schemes, awards may vest upon termination or in the event of a takeover or other relevant event, in accordance with applicable scheme rules.

As is consistent with market practice, we may pay a sum equivalent to any unused annual leave and a contribution towards an Executive Director's legal fees for entering into a statutory agreement and may pay a contribution towards fees for outplacement services or repatriation, as part of a negotiated settlement.

There are no agreements currently in place between the Company and any of its Directors providing for additional compensation for loss of office or employment, other than as disclosed in this report.

In any event, the Committee will not sanction rewards for failure and will seek to mitigate any termination payments where possible.

### Exceptions to the Policy

The Policy, as set out in this report, comprises the full suite of possible components for the remuneration of Directors at Computacenter.

Notwithstanding the restrictions laid out in the Policy, where the Company has made a commitment to a Director which:

- was in accordance with the prevailing remuneration policy at the time that the commitment was made; and/or
- was made before the Director became a Director and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of Computacenter

the Company will continue to give effect to it, even if it is inconsistent with the Remuneration Policy of the Company which is in effect at that time.

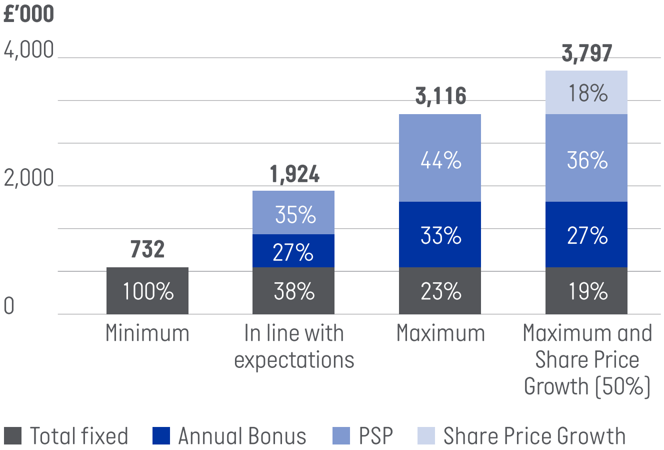
Earlier remuneration policies of the Company will continue to apply in relation to awards granted under any company PSP and options granted under the Company's all-employee Sharesave Scheme, prior to the approval of the Policy, as these may be granted under one policy and vest or be exercised under a later one. Details of these previous commitments are included within previous Computacenter Annual Reports which are available at investors.computacenter.com

The Committee may make minor amendments to the Policy set out above for regulatory, exchange control, tax or administrative purposes, or to take account of a change in legislation, without obtaining shareholder approval for such amendments.

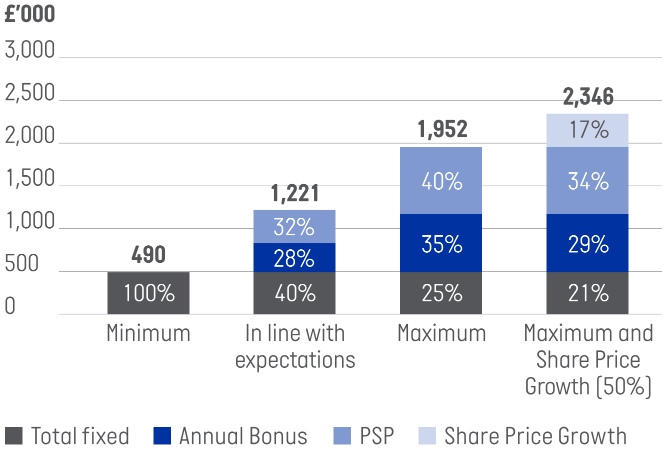
The charts on page 121 show the level of remuneration that is projected to be received by the Directors in accordance with the Policy in 2023. The charts opposite show four outcome scenarios: (a) Minimum receivable pay; (b) Remuneration for performance in line with expectations; (c) Maximum remuneration achievable; and (d) Maximum remuneration achievable with, in the case of the PSP, the additional impact of share price appreciation of 50 per cent over the three-year performance period.

## Executive Director remuneration scenarios

**CEO – Mike Norris**
**Total remuneration (£)**




**Incoming CFO – Christian Jehle**
**Total remuneration (£)**




In developing the scenarios, the following assumptions have been made:

**Minimum pay receivable**

- Only total fixed pay is received (i.e. base salary, benefits and pension), and there is no vesting of any of Computacenter's variable pay schemes;
- Salary is the salary that applies in 2023;
- Benefits reflect the actual 2022 benefits received by the Chief Executive Officer and Group Finance Director roles; and
- Pension is measured by applying a cash in lieu rate against salary in 2023.

**In line with expectations**

This is based on what an Executive Director would receive if performance was in line with the Company's expectations, which would result in the following scenario:

- Fixed pay is received;
- Annual bonus pays out at 50 per cent of total potential bonus award; and
- PSP award pays out at 50 per cent of maximum.

**Maximum**

This is based on what an Executive Director would receive assuming that the variable pay awards set out above pay out in full (i.e. a bonus of 150 per cent of base salary and a PSP award with a face value of 200 per cent of base salary for the CEO; and a bonus of 150 per cent of base salary and a PSP award with a face value of 175 per cent of base salary for the incoming CFO).

**Maximum with additional share price appreciation impact**

This is based on the same assumptions as the 'Maximum' scenario, with the additional impact of share price appreciation of 50 per cent over the three-year performance period applied to the PSP awards.

The impact of share price appreciation has not been taken into account in any of the other three scenarios.

# Directors' Remuneration report continued

## ANNUAL REPORT ON REMUNERATION

### Responsibilities of the Remuneration Committee

The key responsibilities of the Remuneration Committee are to determine on behalf of the Board:

- the Company's general policy on Executive remuneration; and
- the specific remuneration packages of the Executive Directors, the Chair of the Board and senior Executives of the Group including, but not limited to, base salary, pension, annual performance-related bonuses and PSP awards.

The fees of the Non-Executive Directors are determined by the Chair and the Executive Directors. All Directors are subject to the overriding principle that no person shall be involved in the process of determining his or her own remuneration.

The full responsibilities of the Committee are contained within its Terms of Reference, which are available on our website at investors.computacenter.com.

| Current members | Role | Attendance record |
|---|---|---|
| 1. Ros Rivaz | Senior Independent Director | 6/6 |
| 2. Peter Ryan | Non-Executive Chair of the Board | 6/6 |
| 3. Pauline Campbell | Non-Executive Director | 6/6 |
| 4. René Carayol* | Non-Executive Director | 1/1 |
| 5. Ljiljana Mitic | Non-Executive Director | 6/6 |
| **Former member** | | |
| 6. Rene Haas** | Non-Executive Director | 2/5 |

* René Carayol was appointed to the Board and the Committee on 1 November 2022.

** Rene Haas stepped down as a Non-Executive Director of the Company on 1 December 2022.

### Membership and attendance

The Remuneration Committee is made up of independent Non-Executive Directors and the Chair of the Board, who was considered to be independent on appointment. Details of the membership of the Committee and attendance of the members at Committee meetings during the year, are provided above.

The CEO attends meetings by invitation, as does the Chief People Officer. The Company Secretary is the secretary to the Committee.

The principal advisor to the Committee is Deloitte LLP (Deloitte), which was selected by the Committee in September 2016 by way of a tender process.

The total fees paid to Deloitte in relation to advice to the Committee in 2022 were £134,450. The Committee considers the advice that it receives from Deloitte LLP to be independent. During the year, Deloitte also provided consulting, tax and share plan advice to the Company. Deloitte is a founding member of the Remuneration Consultants Group and, as such, voluntarily adheres to its Code of Conduct.

### Directors' information

The following pages illustrate how we have applied our Remuneration Policy during 2022, and describes all elements of remuneration received by our Directors.

### Audited information

The audited tables and related notes are identified within this report, using A key.

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### Single figure of total remuneration

The total amount paid by the Company to each of the Directors, in respect of the financial years ended 31 December 2022 and 2021, is set out in the tables that follow.

### Year ended 31 December 2022

| | Salary or fees £'000 | Benefits £'000 | Pension £'000 | Total fixed pay £'000 | Annual bonus £'000 | PSP awards £'000 | Total variable pay £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **Executive** | | | | | | | | |
| Mike Norris | 650.0 | 16.5[1] | 28.4 | 694.9 | 271.5 | 2,155.2[2] | 2,426.7 | 3,121.6 |
| Tony Conophy | 381.2 | 17.0[1] | 16.6 | 414.8 | 123.2 | 1,221.8[2] | 1,345.0 | 1,759.8 |
| **Non-Executive** | | | | | | | | |
| Peter Ryan | 220.0 | – | – | 220.0 | – | – | – | 220.0 |
| Pauline Campbell | 76.4 | – | – | 76.4 | – | – | – | 76.4 |
| René Carayol[4] | 9.6 | – | – | 9.6 | – | – | – | 9.6 |
| Rene Haas[5] | 52.8 | – | – | 52.8 | – | – | – | 52.8 |
| Philip Hulme | 52.4 | – | – | 52.4 | – | – | – | 52.4 |
| Ljiljana Mitic | 57.6 | – | – | 57.6 | – | – | – | 57.6 |
| Peter Ogden | 52.4 | – | – | 52.4 | – | – | – | 52.4 |
| Ros Rivaz | 76.4 | – | – | 76.4 | – | – | – | 76.4 |
| **Total (£'000)** | 1,628.8 | 33.5 | 45.0 | 1,707.3 | 394.7 | 3,377.0 | 3,771.7 | 5,479.0 |

### Year ended 31 December 2021

| | Salary or fees £'000 | Benefits £'000 | Pension £'000 | Total fixed pay £'000 | Annual bonus £'000 | PSP awards £'000 | Total variable pay £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **Executive** | | | | | | | | |
| Mike Norris | 573.0 | 8.1[1] | 25.2 | 606.3 | 825.1 | 2,653.1[6] | 3,478.2 | 4,084.5 |
| Tony Conophy | 371.2 | 16.2[1] | 16.3 | 403.7 | 441.7 | 1,504.6[6] | 1,946.3 | 2,350.0 |
| **Non-Executive** | | | | | | | | |
| Peter Ryan | 214.2 | – | – | 214.2 | – | – | – | 214.2 |
| Pauline Campbell[3] | 25.8 | – | – | 25.8 | – | – | – | 25.8 |
| Rene Haas | 56.1 | – | – | 56.1 | – | – | – | 56.1 |
| Philip Hulme | 51.0 | – | – | 51.0 | – | – | – | 51.0 |
| Ljiljana Mitic | 56.1 | – | – | 56.1 | – | – | – | 56.1 |
| Peter Ogden | 51.0 | – | – | 51.0 | – | – | – | 51.0 |
| Minnow Powell[7] | 55.8 | – | – | 55.8 | – | – | – | 55.8 |
| Ros Rivaz | 74.5 | – | – | 74.5 | – | – | – | 74.5 |
| **Total (£'000)** | 1,528.7 | 24.3 | 41.5 | 1,594.5 | 1,266.8 | 4,157.7 | 5,424.5 | 7,019.0 |

1 The benefits figure represents the taxable benefit arising from cash allowances paid in lieu of the provision of company car and other travel-related benefits.

2. This relates to the 2020 PSP awards that vested in March 2023 and which had a performance period of 1 January 2020 to 31 December 2022. The relevant performance criteria were fully achieved and therefore 100 per cent of the award vested for each of the Executive Directors. This calculation is based upon the average value of a Computacenter plc share over the last quarter of 2022 being £19.42. The PSP value attributable to share price growth since the awards were granted is £1,053,000 and £597,000 for the CEO and FD respectively. The Committee did not exercise its discretion to change the value of awards vesting based on the share price appreciation or depreciation during the period.

3. Pauline Campbell was appointed to the Board on 16 August 2021, and assumed the Chair of the Audit Committee on 30 September 2021.

4. René Carayol was appointed to the Board on 1 November 2022.

5. Rene Haas stepped down from the Board on 1 December 2022.

6. The value of the 2019 PSP awards has been updated to reflect the actual share price at vesting on 21 March 2022 of £29.28.

7. Minnow Powell stepped down from the Board on 30 September 2021.

## REMUNERATION PAID IN 2022: EXECUTIVE DIRECTORS

### 2022 base salary

The Company provides competitive salaries to reflect individual responsibilities, performance, skills and experience which supports the recruitment and retention of executives of the calibre required to deliver the Group's strategy. Following a consultation exercise with shareholders, and as highlighted in last year's Annual Report on Remuneration, the annual salary of the CEO was increased in 2022 to £650,000, effective 1 January 2022. The salary of the FD was increased by 2.6 per cent to £381,200.

### 2022 annual bonus

The annual bonus incentivises the delivery of annual, short-term, stretching financial and non-financial objectives. The maximum bonus opportunity in 2022 was 150 per cent of base salary for the CEO and 125 per cent of base salary for the FD. Half of the bonus will be deferred into Computacenter shares, with half payable after one year and half payable after two years.

The 2022 annual bonus opportunity was driven by the financial performance of the business and individual targets for each Director. For the year ended 31 December 2022, 80 per cent of this award was conditional on the achievement of criteria linked to the financial performance of the Group. These targets were set by the Committee with reference to the Group's strategic and financial plans, as approved by the Board. The non-financial personal objectives set for the Executive Directors were based principally on delivery against the Group's strategic priorities, integration of acquisitions and certain people-related objectives, including progress on diversity and inclusion. The Committee is comfortable with the level of pay-out under the personal objectives given the very strong individual and strategic performance during the year, further detail of which is set out in the following table, and the fact that the profit threshold was exceeded in the year.

Supporting context for the 2022 annual bonus outcomes is provided in the Remuneration Committee Chair's letter on page 110.

# Directors' Remuneration report continued

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The table below sets out details of the annual bonus criteria which applied for the Executive Directors for 2022 and the performance delivered:

| Measure | As a percentage of maximum bonus opportunity | Performance required: Threshold | Target | Stretch | Maximum | Actual % achieved: CEO | FD | Payout £'000: CEO | FD |
|---|---|---|---|---|---|---|---|---|---|
| **Financial criteria** | | | | | | | | | |
| Profit before tax (£m) | **50%** | 251.7 | 259.6 | 267.5 | 280.9 | 253.2[1] | | 115.5 | 56.5 |
| Percentage payout | | 10% | 20% | 35% | 50% | 11.85% | | | |
| Services contribution growth (£m) | **10%** | 324.3 | 342.3 | 360.3 | 360.3 | 315.9 | | 0.0 | 0.0 |
| Percentage payout | | 5% | 7.5% | 10% | 10% | 0% | | | |
| Cash balance (£m) | **10%** | 183.2 | 213.7 | 244.2 | 244.2 | 115.4 | | 0.0 | 0.0 |
| Percentage payout | | 5% | 7.5% | 10% | 10% | 0% | | | |
| Costs 2022 (%) | **5%** | 36.5% | 36.9% | 37.2% | 37.2% | 35.1%[2] | | 0.0 | 0.0 |
| Percentage payout | | 3% | 4% | 5% | 5% | 0% | | | |
| Costs 2023 (%) | **5%** | 37.0% | 37.4% | 37.8% | 37.8% | 34.1%[3] | | 0.0 | 0.0 |
| Percentage payout | | 3% | 4% | 5% | 5% | 0% | | | |
| **Non-financial criteria** | | | | | | | | | |
| Personal objectives | **20%** | 0% | 7.5% | 15% | 20% | 16% | 14% | 156.0 | 66.7 |
| Total | **100%** | 26% | 50.5% | 80% | 100% | 27.85% | 25.85% | 271.5 | 123.2 |

1. Profit before tax represents Group adjusted[1] profit before tax on a currency adjusted basis excluding the results of the entities acquired during the year which were not included in the targets.
2. The measure represents the actual percentage of gross profit retained as adjusted[1] operating profit, after costs, within the core UK, German and French geographies for 2022.
3. The measure represents the targeted percentage of gross profit to be retained as adjusted[1] operating profit, after costs, within the core UK, German and French geographies for 2023, in accordance with longer-term cost reduction and margin improvement objectives.

The personal objectives for the Executive Directors are subject to a profit performance underpin and are related to the following:

| Objectives | Progress in the year |
|---|---|
| **CEO** | |
| Continue to drive the agenda for a diverse and inclusive workforce | Female representation in Group leadership has increased by 8.7 per cent since 2020. Over 37 per cent of all external hires for manager roles and 57 per cent of our most senior leadership hires in 2022 have been female. We are on track to meet our corporate objective of a 25 per cent female mix for our senior leadership job levels across the Group and 30 per cent for our whole employee base.<br>We continue to implement other programmes which underpin our commitment to inclusion and diversity across the Group, driven through our Employee Impact Groups and focusing on engagement, education, career development and social outreach. |
| Drive the next phase of integration of recent acquisitions in North America, and ensure that performance is in line with Group expectations for the region | Computacenter has made good progress in implementing Group standards, policies and processes including across HR, Finance and administration, and in creating a single strong North America organisation from our recent acquisitions there. Progress against both objectives has been underpinned by the development and delivery of supporting Information systems. Ongoing programmes are in place to drive cultural alignment and embed Computacenter values. The 2022 financial performance for North America was in line with Group expectations. |
| Increasing our competitiveness in Services | The Group has continued its drive for competitive offerings to take to market that are relevant and offer value to our customers, leveraging Professional Services engagements. The success rate for wins and renewals improved year-on-year, and we continued to grow the percentage of services delivered from offshore locations. There has been progress in the drive for service productivity using systems and automation to improve service revenue per head. |
| Effective execution of the Information Systems roadmap | Significant progress has been made against the systems roadmap for upgrades and changes to core systems in 2022. These changes ensure that our systems and tools align to offer simplicity of use, enhanced productivity and better customer outcomes in terms of effectiveness for technology delivery, which will be key to our competitiveness over the next five years. |
| Succession planning and organisational design | 2022 was a year of material progress for the planning and execution of the succession plans for the senior team, including the successful CFO appointment.<br>There has been continuing assessment of and adjustments to organisational design to optimise the operating structure, utilising executive skills and capitalising on growth opportunities. |

| Objectives | Progress in the year |
|---|---|
| **FD** | |
| Continue to drive the agenda for a diverse and inclusive workforce | Female representation in Group leadership has increased by 8.7 per cent since 2020. Over 37 per cent of all external hires for manager roles and 57 per cent of our most senior leadership hires in 2022 have been female. We are on track to meet our corporate objective of a 25 per cent female mix for our senior leadership job levels across the Group and 30 per cent for our whole employee base.<br><br>We continue to implement other programmes which underpin our commitment to inclusion and diversity across the Group, driven through our Employee Impact Groups and focusing on engagement, education, career development and social outreach. |
| Drive the next phase of Group ERP systems in North America | Further progress has been made in implementing Group ERP systems across the North America business, despite some delays caused by functionality and necessary enhancements identified during the year. The North America systems roadmap continues to evolve and be delivered, to align to Group systems. |
| Further develop climate change impact initiatives and reporting, including environmental impact for our operations, facilities and vehicles | Submission to SBTi made for Scope 1,2 and 3 emissions. Improvement in the Group CDP score for 2022 against those achieved for 2021 and 2020. Computacenter became carbon neutral for Scope 1 and 2 emissions in 2022, and saw a further significant reduction in those emissions during the year. Further detail can be found on pages 46 to 49. |
| Ensure a focus on cash | Analysis has been undertaken to assess distributable reserves in all material entities. However, this has been a challenging year due to inventory and debtor challenges. |
| Continue to optimise property space, costs and improve utility in the world of hybrid working | Ongoing review of physical office space requirements which has resulted in office closures or space reductions in a number of locations in the UK, US, Germany and France, in line with our location strategy. |
| Succession planning, investor relations strategy and organisational design | Individual committee responsibilities and other responsibilities were effectively transitioned to other Group Executive members.<br><br>Assistance in the successful appointment of the new CFO.<br><br>There has been an increase in reporting and information provision to the Group Executive members has expanded, although this continues to be an area of focus.<br><br>Proposed new Group Auditor to be put forward for shareholder approval at the Company's 2023 AGM, following a comprehensive formal tender process. |

### PSP

PSP awards incentivise the achievement of long-term profitability and returns to shareholders, and growth of earnings in a suitable and sustainable manner. The PSP awards granted to Executive Directors with a performance period ending on 31 December 2022 vested at 100 per cent, pursuant to the 2020 PSP Scheme, as the relevant performance criteria were fully achieved. The vested awards are subject to a two-year holding period before release to the Executive Directors.

Vesting of these awards to each Executive Director was dependent upon the achievement of the following performance measures over a three-year period:

| The compound annual growth rate of the Group's adjusted[1] diluted earnings per share (EPS) – 70 per cent weighting | |
|---|---|
| **Performance level*** | **Adjusted[1] diluted EPS growth CAGR** |
| Maximum (100 per cent vesting) | 12.50% |
| In line with expectations (50 per cent vesting) | 8.33% |
| Threshold (10 per cent vesting) | 5.00% |

* Vesting occurs on a straight-line basis in between these thresholds.

The EPS number used for the base year of this award (i.e. EPS in 2019) is consistent with the EPS number that was used to calculate the vesting of the 2017–2019 PSP. On this basis, the growth in adjusted[1] diluted EPS during the period 1 January 2020 to 31 December 2022 was 22.42 per cent per annum. This resulted in 100 per cent of this element vesting.

| Services revenue growth – 30 per cent weighting (measured on a constant currency[2] basis) | |
|---|---|
| **Performance level*** | **Services revenue growth CAGR** |
| Maximum (100 per cent vesting) | 7.5% |
| In line with expectations (50 per cent vesting) | 5.5% |
| Threshold (10 per cent vesting) | 3.5% |

* Vesting occurs on a straight-line basis in between these thresholds.

The Services revenue growth during the period 1 January 2020 to 31 December 2022 was 9.07 per cent per annum. This resulted in 100 per cent of this element vesting. As set out in the Annual Statement from the Chair of the Remuneration Committee on page 110, the Committee considered the PSP formulaic outturn in the context of wider Company performance and the wider stakeholder experience, and considers that the outcome is a fair reflection of performance over the performance period.

# Directors' Remuneration report continued

## REMUNERATION AWARDS GRANTED IN 2022: EXECUTIVE DIRECTORS

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### Share scheme interests awarded during the year

The table below details awards made during 2022 under the PSP scheme. The performance conditions for these awards are set out in more detail below. Any awards that vest will be subject to a two-year holding period.

| | Scheme/type of award | Number of shares | Face value at time of grant | Performance conditions applied | Amount vesting related to threshold of performance | | Performance period set |
|---|---|---|---|---|---|---|---|
| | | | | | Threshold performance (% of face value) | Maximum performance (% of face value) | |
| CEO | PSP – nil cost option | 39,368 | £1,146,000[1] | Compound growth of Company EPS (70%) | 10% | 100% | Three financial years from 1 January 2022 |
| | | | | Compound growth of Services revenue (30%) | 25% | 100% | |
| FD | PSP – nil cost option | 22,315 | £649,600[1] | Compound growth of Company EPS (70%) | 10% | 100% | Three financial years from 1 January 2022 |
| | | | | Compound growth of Services revenue (30%) | 25% | 100% | |

1. This is based on the average mid-market share price of Computacenter plc on the three immediately preceding business days from grant, being £29.11.

Vesting of these awards to each Executive Director will be dependent upon achieving the performance measures over a three-year period, as follows:

| The compound annual growth rate of the Group's adjusted[1] diluted earnings per share (EPS) – 70 per cent weighting | |
|---|---|
| **Performance level*** | **Adjusted[1] diluted EPS growth CAGR** |
| Maximum (100 per cent vesting) | 12.5% |
| In line with expectations (50 per cent vesting) | 8.33% |
| Threshold (10 per cent vesting) | 5.0% |

* Vesting occurs on a straight-line basis in between these thresholds. As disclosed last year, the base year of this award (i.e. EPS in 2021) will be consistent with the EPS number that was used to calculate the vesting of PSP awards granted for the performance period 2019 – 2021. As disclosed in the 2021 Annual Report and Accounts, the Committee considered the impact of one-off tax items and agreed that the disclosed unrepeatable nature of the tax benefit within the adjusted profit for the year had materially increased the adjusted diluted EPS in 2021, and should therefore be excluded from the assessment of performance. The 2021 adjusted diluted EPS figure used as the base to measure growth for these awards was 160.9 pence per share.

| The compound annual growth rate of the Group's Services Revenue (GSR) (30 per cent weighting) measured on a constant currency[2] basis | |
|---|---|
| **Performance level*** | **Services revenue growth CAGR** |
| Maximum (100 per cent vesting) | 7.5% |
| In line with expectations (50 per cent vesting) | 5.5% |
| Threshold (10 per cent vesting) | 3.5% |

* Vesting occurs on a straight-line basis in between these thresholds.

The table below details awards made during 2022 under the deferred bonus plan.

| | Scheme/type of award | Number of shares | Face value | Vesting date |
|---|---|---|---|---|
| CEO | DBP[2] – Conditional Share | 14,172 | £412,560[1] | 50% – 21 March 2023<br>50% – 21 March 2024 |
| FD | DBP[2] – Conditional Share | 7,587 | £220,864[1] | 50% – 21 March 2023<br>50% – 21 March 2024 |

1. This is based on the average mid-market share price of Computacenter plc on the three immediately preceding business days from grant, being £29.11.
2. These are not subject to any other performance conditions.

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## Executive Director outstanding share awards as at 31 December 2022

Directors' interests in share schemes

| | Schemes | Note | Exercise/share price | Exercise period | At 1 January 2022 | Granted during the year | Exercised during the year | Lapsed during the year | At 31 December 2022 |
|---|---|---|---|---|---|---|---|---|---|
| **Mike Norris** | Sharesave* | 1 | 1011.0p | 01/12/24 – 31/05/25 | 2,967 | – | – | – | 2,967 |
| | PSP | 3 | Nil | 21/03/23 – 20/03/28 | 62,147 | – | – | – | 62,147 |
| | PSP | 2,3 | Nil | 21/03/24 – 20/03/29 | 90,604 | – | – | – | 90,604 |
| | PSP | 3 | Nil | 23/03/25 – 22/03/30 | 110,977 | – | – | – | 110,977 |
| | PSP | 3 | Nil | 22/03/26 – 21/03/31 | 51,678 | – | – | – | 51,678 |
| | PSP | 3 | Nil | 22/03/27 – 22/03/32 | 0 | 39,368 | – | – | 39,368 |
| | DBP | 4 | Nil | 21/02/2022 | 23,785 | – | 23,785 | – | – |
| | DBP | 4 | Nil | 21/03/2023 | 7,752 | – | – | – | 7,752 |
| | DBP | 4 | Nil | 21/03/2023 | – | 7,086 | | – | 7,086 |
| | DBP | 4 | Nil | 21/03/2024 | – | 7,086 | – | – | 7,086 |
| **Tony Conophy** | Sharesave* | 1 | 1054.0p | 01/12/23 – 31/05/24 | 2,846 | – | – | – | 2,846 |
| | PSP | 3 | Nil | 22/03/20 – 21/03/27 | 65,260 | – | – | – | 65,260 |
| | PSP | 3 | Nil | 21/03/23 – 20/03/28 | 35,217 | – | – | – | 35,217 |
| | PSP | 2,3 | Nil | 21/03/24 – 20/03/29 | 51,384 | – | – | – | 51,384 |
| | PSP | 3 | Nil | 23/03/25 – 22/03/30 | 62,915 | – | – | – | 62,915 |
| | PSP | 3 | Nil | 22/03/26 – 21/03/31 | 29,287 | – | – | – | 29,287 |
| | PSP | 3 | Nil | 22/03/27 – 22/03/32 | – | 22,315 | – | – | 22,315 |
| | DBP | 4 | Nil | 21/03/2022 | 12,202 | – | 12,202 | – | – |
| | DBP | 4 | Nil | 21/03/2023 | 3,933 | – | – | – | 3,933 |
| | DBP | 4 | Nil | 21/03/2023 | – | 3,793 | – | – | 3,793 |
| | DBP | 4 | Nil | 21/03/2024 | – | 3,794 | – | – | 3,794 |

1. Issued under the rules of the Computacenter 2018 Sharesave Plan, which is available to employees and full-time Executive Directors of the Computacenter Group. Eligible employees can save between £5 and £500 a month to purchase options in shares in Computacenter plc at a price fixed at the beginning of the scheme term. There are no conditions relating to the performance of the Company for this scheme.
2. These awards vested during the year at 100 per cent, with 0 per cent of the shares under award lapsing.
3. Issued under the terms of the Computacenter Performance Share Plan 2005, as amended at the AGMs held on 19 May 2015,18 May 2018 and 19 May 2022.

   (a) In respect of 70 per cent of the total award: 10 per cent of this portion of the award will vest if the compound annual EPS growth over the Performance Period equals five per cent per annum. If the compound annual EPS growth rate over the Performance Period is between five per cent and 8.33 per cent, this portion of the award will vest on a straight-line basis up to one-half. This portion of the award will vest in full if the compound annual EPS growth equals or exceeds 12.5 per cent per annum, with straight-line vesting between 50 per cent and 100 per cent.

   (b) In respect of 30 per cent of the total award: the award will start to vest if the compound annual Services revenue growth rate over the Performance Period equals 3.5 per cent. If the compound annual Services revenue growth rate over the Performance Period is 7.5 per cent, this portion of the award will vest in full. If the compound annual Services revenue growth rate over the period is between 3.5 per cent and 7.5 per cent, then this portion of the award will vest on a straight-line basis between 25 per cent and 100 per cent.

   PSP awards from 2018 onwards are subject to the two-year holding period.
4. Conditional shares issued under the terms of the Computacenter 2017 Deferred Bonus Plan. Awards vest in equal tranches on the first and second anniversary of the grant date.

* The Sharesave scheme only requires that an employee remains employed by the Group at the end of the term of the scheme. There are no performance conditions attached.

## Director gains

### PSP

| Director | Date of vesting | Scheme | Number of shares | Exercise price | Market price at vesting | Notional gain made |
|---|---|---|---|---|---|---|
| **Mike Norris** | 21/03/2022 | PSP | 90,604 | Nil | £29.282 | £2,653,094 |
| **Tony Conophy** | 21/03/2022 | PSP | 51,384 | Nil | £29.282 | £1,504,642 |

The closing market price of ordinary shares at 31 December 2022 (being the last trading day of 2022) was £19.11 (31 December 2021: £29.10).

The highest price during the year was £29.78 and the lowest was £18.10.

## Minimum shareholding requirements

In accordance with the Group's minimum shareholding guidelines, the Executive Directors are each required to build up a shareholding that is equal to 200 per cent of their gross salary. It is also expected that the Executive Director will achieve these levels within five years of appointment. For the purposes of these requirements, deferred bonuses, shares subjected to the holding period and options which have vested unconditionally, but are as yet unexercised, will be included on a net basis, for the purposes of calculating shareholdings, as will shares held by an Executive's spouse or dependents. There is no requirement for the Non-Executive Directors of the Company to hold shares.

In addition, when an Executive Director steps down from the Board they will be expected to retain an interest in Computacenter shares based on their in-employment share ownership guideline (or actual shareholding at the date of stepping down from the Board if lower) for a period of two years. This policy will be supported by the use of nominee accounts.

The Committee has the discretion to disapply or reduce this requirement in extenuating circumstances, for example in compassionate circumstances.

Both Mike Norris and Tony Conophy substantially exceed their shareholding requirement.

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## Directors' shareholdings

The beneficial interest of each of the Directors in the shares of the Company, as at 31 December 2022, is as follows:

| | | | Interests in shares | | | |
|---|---|---|---|---|---|---|
| Current Directors | Number of shares in the Company as at 31 December 2022 | Percentage of requirement achieved | SAYE | PSP | DBP | Total |
| Mike Norris | 1,134,214 | 1,667%[3] | 2,967[1] | 354,774[2] | 21,924[1] | 1,513,879 |
| Tony Conophy | 1,873,556 | 4,696%[3] | 2,846[1] | 266,378[4] | 11,520[1] | 2,154,300 |
| Peter Ryan | 3,100 | n/a | – | – | – | 3,100 |
| Pauline Campbell | – | n/a | – | – | – | – |
| René Carayol | – | n/a | – | – | – | – |
| Rene Haas | – | n/a | – | – | – | – |
| Philip Hulme | 8,896,695 | n/a | – | – | – | 8,896,695 |
| Ljiljana Mitic | – | n/a | – | – | – | – |
| Peter Ogden | 18,699,389 | n/a | – | – | – | 18,699,389 |
| Ros Rivaz | 2,181 | n/a | – | – | – | 2,181 |

Note: There has been no grant of, or trading in, shares of the Company between 1 January 2023 and 19 March 2023.

1. There are no conditions relating to the performance of the Company or individual for the vesting of this scheme.
2. There are performance conditions for this scheme as set out within the table on page 127.
3. Based on the Company's closing share price as at 31 December 2022, being £19.11, and the approved 2022 base salaries.
4. Includes 65,260 options that have vested but remain unexercised at 31 December 2022.

## Dilution limits

Computacenter uses a mixture of both new issue and market purchase shares to satisfy the vesting of awards made under its PSP, DBP and Sharesave schemes. In line with best practice, the use of new or treasury shares to satisfy awards made under all share schemes is restricted to 10 per cent in any 10-year rolling period, with a further restriction for discretionary schemes of five per cent in the same period. The Company's current position against its dilution limit is under each of these thresholds. The Company regularly reviews its position against the dilution guidelines and, should there be insufficient headroom within which to grant new awards which could be satisfied by issuing new shares, the Company intends to continue its current practice of satisfying new awards with shares purchased on the market.

## Payments to past Directors and payments for loss of office

There were no payments made to past Directors and no payments made for loss of office during the period.

## Finance Director transition

### Remuneration arrangements for the outgoing Finance Director

As previously announced and set out in the Remuneration Committee Chair's letter, Tony Conophy will retire from his position as Group Finance Director and as an Executive Director of Computacenter plc during 2023. He will step down from the Board with effect from 1 June 2023, and remain with the Company for a further period of up to three months to ensure a comprehensive transition. Tony Conophy's remuneration arrangements will be treated in accordance with the Company's approved Remuneration Policy and his service contract.

As a good leaver, Tony will be entitled to participate in the annual bonus in respect of the 2023 financial year of up to 125 per cent of salary, pro-rated for time up to his retirement date and subject to deferral. As he will only be employed for part of the year, his bonus will be based on PBT, on the same basis as the CEO, and personal objectives only. Retrospective disclosure will be provided in the 2023 Directors' Remuneration Report.

Tony will be treated as a good leaver for the purposes of his outstanding share awards. All deferred bonus shares will continue on their original terms and be released on the normal vesting dates. All outstanding PSP awards in the holding period will continue on their original terms and time horizons. All outstanding PSP awards (51,602 shares) in the performance period will be subject to the original performance conditions, will vest on their normal vesting dates including any holding period and will be reduced pro-rata based on the period to when he retires from the Company. Tony will not be granted a further PSP award in 2023.

Tony's options held in the Company's Sharesave scheme will be exercisable given that he will be automatically deemed to be a good leaver under the terms of the scheme.

In line with our Policy, a post-employment shareholding guideline will apply for a period of two years from stepping down from the Board.

**Remuneration arrangements for the incoming Chief Financial Officer**

The Board was delighted to appoint Christian Jehle as CFO, effective 1 June 2023. Details of his remuneration package, which is in line with the Directors' Remuneration Policy, are set out below. Further context is provided in the Remuneration Committee Chair's letter.

**Salary and benefits**

Christian's salary has been set at £450,000, with a pension allowance of five per cent of salary, in line with the wider Computacenter workforce in the UK. He will be eligible to receive benefits in line with our Policy, those of other employees, and will receive a company car allowance.

**Annual bonus and PSP awards**

Christian will be eligible to participate in the Company's variable pay plans in line with our Remuneration Policy, with a maximum annual bonus opportunity of 150 per cent of salary, half of which will be subject to deferral in line with our Policy. For 2023, the bonus opportunity will be pro-rated for time in role during the year.

Christian will be eligible to participate in the PSP with awards being made at 175 per cent of salary. The first award to him will be made as soon as practicable following appointment.

**Share ownership**

His share ownership requirement will be in line with the Company's existing policy, requiring that he build up ownership of a shareholding that is equal to 200 per cent of his salary. There will be a formal post-employment shareholding requirement for two years after stepping down from the Board.

**Replacement awards**

As soon as practicable following appointment, Christian will be made cash and share awards to replace unvested awards which will be forfeited as a consequence of his leaving his former employer (Experian) to join Computacenter. In determining the structure of these replacement awards, the Committee took into account the form of award, time horizons and extent to which performance conditions applied to the original awards. In summary, the replacement awards will comprise:

- An award to replace restricted shares which were granted by his former employer which were due to vest in June 2023. Taking into account Christian's start date, the Committee agreed to extend the time horizon of this award, with 50 per cent delivered in cash following his joining in June, based on the value on the forfeited shares at that point, and 50 per cent converted into Computacenter shares which will remain subject to a two-year holding period from 1 June 2023.
- An award to replace a 2022 performance share award which will also be forfeited. To ensure that Christian is incentivised against Computacenter performance from joining, this award will be replaced by a PSP award which will be subject to the same Computacenter performance measures and targets as apply to the 2022 award made to the CEO and will be released in June 2025, in line with the time horizon of the forfeited award. The face value of the award will be equivalent to the value of the forfeited award, as measured at joining.

The Company will also compensate Christian for the annual bonus which would have been made by his former employer for the financial year ending 31 March 2023. This will mirror the form of the forfeited award and be delivered in cash with a value of £262,500, which will be reduced by any amount paid to the individual by his former employer. The value of this award takes into account current estimates of performance and is lower than the bonus outturn in the prior two years.

Full details of his replacement awards will be set out in the 2023 Directors' Remuneration report.

## Executive service contracts

A summary of the Executive Directors' contracts of employment is given in the table below:

| Director | Start date | Expiry date | Unexpired term | Notice period (months) |
|---|---|---|---|---|
| **Mike Norris** | 23/04/1998 | n/a | None specified | 12 |
| **Tony Conophy** | 23/04/1998 | n/a | None specified | 12 |

All Executive Directors have a rolling 12-month service contract with the Company, which is subject to 12 months' written notice by either the Company or the Director.

# Directors' Remuneration report continued

### External appointments for Executive Directors

Executive Directors are permitted to hold outside directorships, subject to approval by the Chair of the Board, and any such Executive Director is permitted to retain any fees paid for such services. During 2022, neither Executive Director held any outside fee-paying directorships.

### Non-Executive Directors' letters of appointment

The Non-Executive Directors have not entered into service contracts with the Company. They each operate under a letter of appointment which sets out their terms, duties and responsibilities. Non-Executive Directors are appointed for an initial term, which runs to the conclusion of the third AGM following their appointment, and which may be renewed at that point. The letters of appointment provide that should a Non-Executive Director not be re-elected at an AGM before he or she is due to retire, then his or her appointment will terminate. The Board has agreed that all Directors will be subject to re-election at the AGM on 17 May 2023.

The terms and conditions of appointment of the Non-Executive Directors are available for inspection by shareholders at the Company's registered office. The appointments continue until the expiry dates set out below, unless terminated for cause or on the period of notice stated below:

| Director | Date of latest letter of appointment | Expiry date | Notice period |
|---|---|---|---|
| **Peter Ryan** | 16 May 2022 | Close of the Company's Annual General Meeting in 2025 | 3 months |
| **Pauline Campbell** | 9 March 2021 | Close of the Company's Annual General Meeting in 2024 | 3 months |
| **René Carayol** | 1 November 2022 | Close of the Company's Annual General Meeting in 2025 | 3 months |
| **Philip Hulme** | 4 May 2022 | Close of the Company's Annual General Meeting in 2025 | 3 months |
| **Ljiljana Mitic** | 16 May 2022 | Close of the Company's Annual General Meeting in 2025 | 3 months |
| **Peter Ogden** | 4 May 2022 | Close of the Company's Annual General Meeting in 2025 | 3 months |
| **Ros Rivaz** | 11 November 2022 | Close of the Company's Annual General Meeting in 2025 | 3 months |

In 2023, the Chair will be paid a single consolidated fee of £230,600, an increase of 4.8 per cent on 2022 (below the average increase for the wider workforce). The Non-Executive Directors are paid a basic fee, plus additional fees for chairing Board Committees or Senior Independent Director duties.

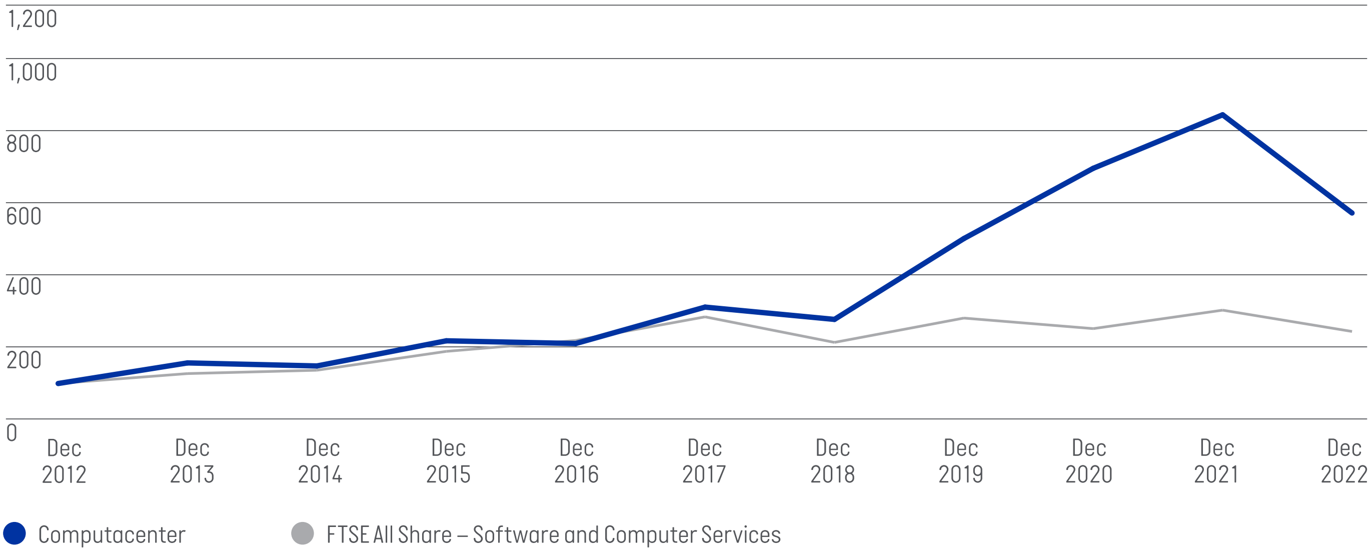
In 2023, Non-Executive Directors' annual fees will increase by 4.8 per cent on 2022:

| Position | 2022 Annual fees (£) | 2023 Annual fees (£) |
|---|---|---|
| Independent Non-Executive Directors | 57,600 | 60,350 |
| Founder Non-Executive Directors | 52,370 | 54,900 |
| Additional fee for the Chairing the Audit Committee | 18,850 | 19,800 |
| Additional fee for the Chairing the Remuneration Committee | 10,480 | 11,000 |
| Additional fee for the position of Senior Independent Director | 8,370 | 8,800 |

### Performance of the Company

### Total shareholder return performance

(Computacenter versus FTSE Software and Computer Services sector)




In this graph, TSR performance shows the value, in December 2022, of £100 invested in the Company's shares in December 2012, assuming that all dividends received between December 2012 and December 2022 were reinvested in the Company's shares (source: Datastream).

## CEO pay history

The table below shows the total remuneration figure for the CEO over the previous 10 financial years. The total remuneration figure includes the annual bonus and PSP awards which vested based on performance in those years. The annual bonus and PSP percentages show the payout for each year as a percentage of the maximum.

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| CEO single figure of remuneration (£) | 937,300 | 1,506,300 | 2,763,900 | 1,807,600 | 2,291,500 | 2,081,700 | 2,391,409 | 2,538,817 | 4,084,506 | **3,121,548** |
| Annual bonus payout (as a % of maximum opportunity) | 61.2% | 69.39% | 84.54% | 49.12% | 92.35% | 82.63% | 92.5% | 96.0% | 96.0% | **27.85%** |
| Annual bonus (£) | 367,000 | 451,035 | 803,200 | 319,280 | 606,047 | 557,753 | 636,863 | 674,400 | 825,120 | **271,538** |
| PSP vesting (as a % of maximum opportunity) | 0% | 35.34% | 71.5% | 85.13% | 68.01% | 65.68% | 80.78% | 70.00% | 100% | **100%** |
| PSP vesting (£) | – | 478,679 | 1,384,500 | 891,800 | 1,101,400 | 923,699 | 1,150,120 | 1,398,898 | 2,653,094 | **2,155,173** |

## Percentage change in remuneration of Board Directors and employees

The table below sets out the percentage change in the salary, benefits and annual bonus of all Executive and Non-Executive Directors compared to the average amount paid to Computacenter employees in the UK, between the years ended 31 December 2020, 2021 and 2022.

| | % change in remuneration between 2019 and 2020 | | | % change in remuneration between 2020 and 2021 | | | % change in remuneration between 2021 and 2022 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Salary/Fee | Benefits | Annual bonus | Salary/Fee | Benefits | Annual bonus | Salary/Fee | Benefits | Annual bonus |
| **Executive** | | | | | | | | | |
| Mike Norris | (23.47)%[1] | (34.35)% | 5.89% | 35.94%[1] | (24.32)%[11] | 22.35% | **13.44%[2]** | **103.70%[11]** | **(67.09)%** |
| Tony Conophy | (23.53)%[1] | (5.99)% | 4.20% | 35.97%[1] | 2.52% | 27.73% | **2.69%** | **4.94%** | **(72.11)%** |
| **Non-Executive** | | | | | | | | | |
| Peter Ryan | 39.72%[3] | – | – | 2.0% | – | – | **2.71%** | – | – |
| Pauline Campbell | n/a[4] | – | – | n/a[4] | – | – | **195.89%[4]** | – | – |
| René Carayol | n/a[5] | – | – | n/a[5] | – | – | **n/a[5]** | – | – |
| Rene Haas | 172.28%[6] | – | – | 2.0%[6] | – | – | **(5.88)%[7]** | – | – |
| Philip Hulme | (75.0)%[8] | – | – | 308.0%[8] | – | – | **2.69%** | – | – |
| Ljiljana Mitic | 59.42%[9] | – | – | 2.0% | – | – | **2.67%** | – | – |
| Peter Ogden | (75.0)%[8] | – | – | 308.0%[8] | – | – | **2.69%** | – | – |
| Minnow Powell | 3.69% | – | – | (23.56)%[10] | – | – | **n/a** | – | – |
| Ros Rivaz | 3.69% | – | – | 2.05% | – | – | **2.69%** | – | – |
| **Employees** | | | | | | | | | |
| Computacenter UK-based employees[11] | 3.26% | (10.39)% | (3.48)% | 4.19% | (4.49)%[13] | (0.69)%[13] | **5.81%[12]** | **(5.60)%** | **1.29%** |

1. The significant percentage increase for the CEO and Group FD reflects the voluntary temporary reduction in base salary for the period 1 April 2020 to 30 June 2020.
2. As disclosed last year, following shareholder consultation, the CEO salary was increased by 13.4 per cent.
3. Peter Ryan was appointed to the role of Chair on 16 May 2019. The increase reflects that he was only paid the Chair's fee for part of the prior year.
4. Pauline Campbell was appointed to the Board on 16 August 2021 and assumed the role of Chair of the Audit Committee on 30 September 2021.
5. René Carayol was appointed to the Board on 1 November 2022.
6. Rene Haas was appointed to the Board on 20 August 2019.
7. Rene Haas stepped down from the Board on 1 December 2022.
8. The significant percentage increase for Philip Hulme and Peter Ogden reflects their decision to wave basic fees due to them as founder Non-Executive Directors from 1 April 2020 until 31 December 2020, as announced by the Company on 6 April 2020.
9. Ljiljana Mitic was appointed to the Board on 16 May 2019.
10. Minnow Powell stepped down from the Board on 30 September 2021.
11. The reduction in benefits in 2021 for the CEO was due to his election not to have a car and driver provided from the middle of 2021 onwards. The rise in his benefits in 2022 represents an uplift through a car allowance, to offset his loss of car and driver, in line with that given to the Group Finance Director, for the whole of the year.
12. The average change in salary for UK-based employees takes account of promotions, pay reviews, changes in terms and conditions, and benchmark increases across the year, excluding Executive and Non-Executive Directors who have been reported separately above. The increase also reflects an upwards adjustment considering the inflationary environment in the UK in 2022.
13. The Computacenter UK-based employee benefits and annual bonus figures for last year have been updated from (4.71) per cent to (4.49) per cent for benefits and (0.70) per cent to (0.69 per cent) for the annual percentage change in remuneration between 2020 and 2021.

On the basis that Computacenter plc (the Parent Company) does not employ any employees, the comparator group of Computacenter UK-based employees was chosen on a voluntary basis as the Committee believes it provides a sufficiently large comparator group based on a similar incentive structure to the CEO and reduces any distortion arising from currency and cost of living differences in other geographies in which the Group operates.

# Directors' Remuneration report continued

## CEO pay ratio

The CEO pay ratio table shows the ratio of pay between the CEO of Computacenter and Computacenter's UK employees. The ratio compares the total remuneration of the CEO against the total remuneration of the median UK employee and those who sit at the 25th and 75th percentiles (lower and upper quartiles).

Computacenter's CEO pay ratios have been calculated using Option B, a continuation of approach from the previous two years and based on the availability of data at the time the Annual Report and Accounts is published. This uses the most recent gender pay data to identify the three employees that represent our 25th, 50th and 75th percentile employees. As an additional sense check, the salary and total pay and benefits of a number of employees either side of these 25th, 50th and 75th employees were also reviewed with an adjustment made to ensure that the figures used were representative of an employee at these positions, including to exclude elements of pay which are not representative of employees at the relevant level.

The total remuneration for these individuals has been calculated based on all components of pay for 2022, including base salary, performance-based pay, pension and benefits. The Committee considers that this provides an outcome that is representative of the employees at these pay levels.

Where an identified employee received a pro-rated component of pay, their figures have been converted to a full-year equivalent. No other adjustments were necessary other than the adjustments already set out above.

The day by reference to which the Company determined the 25th, 50th and 75th percentile employees was 31 December 2022.

The Committee believes that the median pay ratio is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole. Computacenter's employer pension contributions, Company-paid benefits and voluntary benefit scheme options are consistent for all UK employees, including the CEO. In addition, the CEO is eligible to participate in the Company's annual bonus and Performance Share Plan, in line with other members of the senior Management team. The value of these variable pay awards is affected by performance delivered and, in the case of the Performance Share Plan, share price movement over three years.

The 2022 CEO pay ratio is lower when compared to 2021. This is primarily a result of the CEO's remuneration being heavily performance linked. As set out earlier in the report, due to a lower bonus award in respect of 2022 and share price performance, the CEO's 2022 total remuneration is lower than the previous year.

| Year | Method | 25th percentile pay ratio | Median pay ratio | 75th percentile pay ratio |
|---|---|---|---|---|
| 2022 | Option B | 92:1 | 63:1 | 42:1 |
| 2021[1] | Option B | 114:1 | 83:1 | 55:1 |
| 2020 | Option B | 69:1 | 57:1 | 34:1 |
| 2019 | Option B | 76:1 | 51:1 | 36:1 |

1. The 2021 ratios have been updated to reflect the actual CEO's 2021 single figure total using the share price on the date of vesting, further detail of which is set out in the notes to the single figure table on page 123.

### 2022 salary and total pay and benefits – all employee figures

| Employees | 25th percentile | Median | 75th percentile |
|---|---|---|---|
| **Total pay and benefits** | £33,965 | £49,270 | £75,077 |
| **Salary** | £32,502 | £46,924 | £66,816 |

## Relative importance of spend on pay

The charts below show the relative expenditure of the Group on the pay of its employees, against certain other key financial indicators of the Group:

### Expenditure on Group employees' pay


### Shareholder distributions


### Group adjusted[1] profit before tax*


* As well as information prescribed by current remuneration reporting regulations, Group adjusted[1] profit before tax has also been included as this is deemed to be a key performance indicator of the Group which is linked to the delivery of value to our shareholders.

## Statement of implementation of Remuneration Policy in the following financial year

Executive Director Remuneration for 2023 will be in accordance with the terms of our Directors' Remuneration Policy, as set out on pages 114 to 121 of this report.

### 2023 base salaries

The base salary of the CEO and the outgoing FD, Tony Conophy, will increase by around 4.8 per cent to £681,200 and £399,500 respectively from 1 January 2023. The rationale for the increase in base salary is described on page 111. As noted on page 129, the salary of the incoming CFO, Christian Jehle, will be £450,000 effective from his appointment from 1 June 2023.

### 2023 annual bonus

The performance measures and weightings for the 2023 annual bonus will be as follows:

**Mike Norris – CEO and Christian Jehle – CFO**
**(2023)**


**1.** Group adjusted[1] profit before tax (up to 50%)
**2.** Services contribution growth (up to 10%)
**3.** Cash balance (up to 10%)
**4.** Cost savings (up to 10%)
**5.** Personal objectives (up to 20%)

As Tony Conophy will only be employed for part of the year, his bonus will be based on PBT (up to 80 per cent of the award) and personal objectives only (up to 20 per cent of the award).

The measures for 2023 have been set to be challenging relative to our 2023 business plan. The targets themselves, as they relate to the 2023 financial year, are deemed by the Committee to be commercially sensitive and therefore have not been disclosed. They will be disclosed at such time as the Committee no longer deems them to be commercially sensitive, and it currently anticipates including these in the Company's 2023 Annual Report and Accounts.

The maximum bonus opportunity for the Executive Directors in 2023 will be 150 per cent of base salary for the CEO and for the incoming CFO (pro-rated for time). For the outgoing FD, the maximum bonus opportunity will be 125 per cent of base salary (pro-rated for time). These awards will be subject to deferral in line with our Policy on page 115.

### 2023 PSP

The award levels for the Executive Directors in the 2023 financial year are 200 per cent of salary for the CEO and 175 per cent of salary for the incoming CFO. The outgoing FD will not receive an award under the 2023 PSP.

The 2023 PSP awards will be subject to the same performance measures and targets as for the 2022 PSP awards as set out above. Awards will be subject to a two-year holding period.

### Statement of voting

The results of voting on the Directors' Remuneration report at the Company's 2022 AGM are outlined in the table below:

| Votes cast in favour/discretionary | | Votes cast against | | Total votes cast | Votes withheld/abstentions |
|---|---|---|---|---|---|
| 97,654,952 | 98.68% | 1,310,649 | 1.32% | 98,965,601 | 70,207 |

The results of voting on the Directors' Remuneration Policy at the Company's 2020 AGM are outlined in the table below:

| Votes cast in favour/discretionary | | Votes cast against | | Total votes cast | Votes withheld/abstentions |
|---|---|---|---|---|---|
| 97,606,813 | 98.65% | 1,339,845 | 1.35% | 98,946,658 | 2,153 |

The Committee is grateful for the continuing support of shareholders. To ensure that this continues, the Committee will consult with shareholders on major issues where it is appropriate to do so. It will also continue to adhere to its underlying principle of decision making that Executive Directors' pay must be linked to performance and the sustainable delivery of value to our shareholders.

This Annual Report on Remuneration has been approved by the Board of Directors and signed on its behalf by:

**Ros Rivaz**
Chair of the Remuneration Committee
6 April 2023

Computacenter is a leading independent technology and services provider, trusted by large corporate and public sector organisations. We are a responsible business that believes in winning together for our people and our planet. We help our customers to Source, Transform and Manage their technology infrastructure to deliver digital transformation, enabling people and their business. Computacenter is a public company quoted on the London FTSE 250 (CCC.L) and employs over 20,000 people worldwide.

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