

Directors' remuneration report

This report has been prepared by the Remuneration Committee ('the Committee') and approved by the Board. This report complies with the Companies Act 1985 as amended by the Directors' Remuneration Report Regulations 2002.

Remuneration Committee and advisors

All of the independent Non-Executive Directors were members of the Committee throughout 2007, and the attendance of Cliff Preddy (Chairman), Ian Lewis and John Ormerod at Committee meetings can be found in the Corporate Governance statement on page 32. Ron Sandler became a member of the Committee on 10 July 2007 and subsequent to the year-end resigned, effective from 18 February 2008. The Committee's terms of reference are available for public inspection. Directors and employees of the Group who provided material advice or services to the Committee during the year were:

Ron Sandler	Non-Executive Chairman
Mike Norris	CEO
Stephen Benadé	Group Company Secretary

The Committee considers comparative practice in the European technology sector, FTSE techMARK 100 companies and FTSE SmallCap.

Remuneration policy

The Committee reviews and determines, on behalf of the Board, the overall remuneration policy of the Executive Directors, the Chairman and with advice from the Chief Executive Officer, the senior executives. No individual is involved in deciding his own remuneration. The Executive Directors determine the fees for Non-Executive Directors that reflect the time, commitment and responsibilities of their roles.

The Company's remuneration policy is designed to reward Executive Directors with remuneration arrangements that are competitive, but not excessive and which further align the interests of the Directors and shareholders. The policy is designed to ensure that a significant proportion of the total remuneration is dependent upon personal and Group performance, over the fiscal year as well as over extended periods. This is achieved through a combination of base salary and benefits, performance related bonuses, a defined contribution pension scheme and share incentive schemes.

The main elements of Executive Directors' Remuneration are shown below:

Element:	Fixed		Performance based	
	Basic salary		Bonus	Performance Share Plan
Maximum Award:			75% of base salary	100% of base salary
Purpose:	Reflects competitive salary levels and takes account of personal contribution and performance	Rewards the delivery of Group operational performance and achievement of personal objectives		Improved motivation for senior executives to contribute to growth and profitability and better align the Company's incentive arrangements with shareholders' interests
Performance Standard:	Individual contribution		Specific individual targets approved by the Remuneration Committee each year	EPS growth, relative to RPI

Basic salary and benefits

Each Director's salary is reviewed annually in order to ensure that the basic salary and benefits remain appropriate. During the review, the Committee considers various factors including performance and relevant market practices on pay and conditions affecting the Group generally. For 2007, the Board Chairman made recommendations to the Committee in respect of the Executive Directors, with reference to the above information and by providing an assessment of both their individual performance against specific financial and non-financial goals, and the performance of the Group as a whole. Cliff Preddy, as Committee Chairman, was responsible for an equivalent process in respect of the Chairman's remuneration.

The Executive Directors receive benefits in line with those offered to employees throughout the Group, including the provision of a car allowance, life insurance, permanent health insurance, personal accident insurance and the opportunity to participate in the Group's Save as You Earn scheme (SAYE) and flexible benefits scheme (Benefits Choice).

Performance-related bonus scheme

The Executive Directors participate in an annual performance-related bonus scheme which has a maximum threshold of 75% of base salary. This has been reviewed by the Committee and it was agreed that the maximum would remain at 75% of base salary. Any bonus payable is dependent on the achievement of specific objectives that are designed to be challenging, in order to enhance shareholder value. Of the award for 2007, 40% was linked to the financial performance of the Group against a pre-agreed target, with the balance related to the achievement of specific personal objectives agreed with each Director, for the year, by the Chairman and approved by the Committee. For 2007, Mike Norris earned £235,000 (2006: £144,900) representing 66% of the maximum and Tony Conophy earned £142,000 (2006: £97,875) representing 63% of the maximum.

Pension

The Executive Directors participate in the Computacenter Pension Scheme, a defined contribution salary sacrifice scheme, under which a maximum annual Company contribution of £5,400 per employee is payable, based on basic salary. The scheme also allows employees to make additional salary sacrifices, which the Company may contribute to the scheme on their behalf.

Share incentive schemes

Share incentive schemes are considered to be an important part of the executive remuneration policy, designed to support management retention and motivation, whilst aligning senior management's interests with those of shareholders.

The details of the historical grants and associated performance conditions are set out in the table of Directors' interests in share options on pages 38 to 39.

Performance Share Plan

The Performance Share Plan 2005 (PSP) is the Company's primary long term incentive scheme for senior employees. The Committee makes grants under this scheme once a year, although further grants may be made in appropriate circumstances.

The maximum value of shares that are normally awarded under the plan to an employee in a financial year, is 1x base salary. This limit can be exceeded in exceptional circumstances, up to an absolute maximum of 2x base salary. The Committee have agreed that awards made to the Executive Directors will be in the range of 0.75 to 1x base salary.

All awards under this plan are subject to performance conditions, as detailed below:

For 2007, the PSP performance target was based on the Group's annual adjusted earning per share (EPS) growth in relation to the retail price index (RPI) and measured over a three-year period, except in France, where a two-year measurement period applies, with a further condition that the shares are held for an additional two-year holding period, in order to gain favourable tax treatment. No shares subject to awards will vest if cumulative annual growth is less than RPI plus 3%. One quarter of the shares will vest at RPI plus 3%. Awards will vest in full if the Group's cumulative annual growth is at or above RPI plus 7.5%. If the Group's EPS growth over the period is between 3% and 7.5% above RPI, awards will vest on a straight-line basis. There will be no retesting of the performance target.

EPS has been chosen as a performance measure that is widely used and is considered a transparent yardstick. EPS is calculated on a pre-exceptional, diluted basis.

The Committee has reviewed the performance criteria in order to ensure that these are sufficiently challenging, in light of market expectations and in comparison to market practice. It has been agreed that the performance conditions for PSPs granted in 2008 will remain the same.

Share options

At the 2007 Annual General Meeting, shareholders approved the Computacenter Employee Share Option Scheme 2007 ('the Scheme'). As the PSP is the primary long-term incentive scheme, the Committee intends that the scheme be used in select circumstances only. During 2007 one participant received a grant of options under this scheme and a grant of options under the previous option scheme (the Computacenter Employee Share Option Scheme 1998) was also made, to a total of five participants. No such options were granted to the Executive Directors in 2007; however the Executive Directors have historically been awarded share options under the Company's previous share option schemes and details of these grants can be found in the table of Directors' interests in share options on pages 38 to 39.

The maximum number of options that can be awarded under the scheme will remain 3x base salary, although this can be exceeded in exceptional circumstances. Should grants be made to Executive Directors, a maximum of 1.25x base salary will remain the Company guideline.

Should further grants be made under the scheme in 2008, any applicable performance conditions will be subject to review by the Committee, bearing in mind prevailing conditions, plans and objectives.

Dilution limits

The Company uses a mixture of both new issue and market purchase shares to satisfy awards under both the option and PSP schemes, with the SAYE scheme currently being satisfied by new issue shares. In line with best practice, the use of new issue or treasury shares to satisfy awards made under all share schemes is restricted to 10% in any 10 year rolling period, with a further restriction for discretionary schemes of 5% in the same period. As at the year-end, the potential dilution from awards under all share plans was approximately 6.87% and the potential dilution from awards under the discretionary schemes was approximately 2.96%.

Corporate governance

Directors' remuneration report continued

Directors' contracts

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

No contractual arrangements are in place that guarantee additional payments upon termination of employment by the Company. All service contracts provide for summary termination in the event of gross misconduct.

The Non-Executive Directors do not have service contracts with the Company. They each operate under a letter of appointment that sets out their terms, duties and responsibilities. Non-Executive Directors are appointed for an initial term, which runs to the conclusion of the third Annual General Meeting, following their appointment and may be renewed at that point for a further three-year term.

All Directors must offer themselves for re-election by shareholders in general meeting at least every three years, in accordance with the Company's Articles of Association.

Directors' contracts

Director	Contract/letter of appointment start date	Expiry date	Unexpired term (months) ² as at 10 March 2008	Notice period (months)
Executive:				
Mike Norris	23/04/1998	n/a	none specified	12
Tony Conophy	23/04/1998	n/a	none specified	12
Non-Executive:				
Ron Sandler ¹	10/07/2007	n/a	n/a	n/a
Philip Hulme	05/05/2006	2009 AGM	14	3
Ian Lewis	15/06/2006	2009 AGM	14	3
Peter Ogden	05/05/2006	2009 AGM	14	3
John Ormerod	31/10/2006	2009 AGM	14	3
Cliff Preddy	28/04/2005	2008 AGM	2	12

¹ Ron Sandler resigned from the Board on 18 February 2008.

² Calculated as at 10 March 2008 and assuming that future AGMs will be held in May each year, and assumes re-election where required to retire at earlier AGMs in accordance with the Company's Articles of Association.

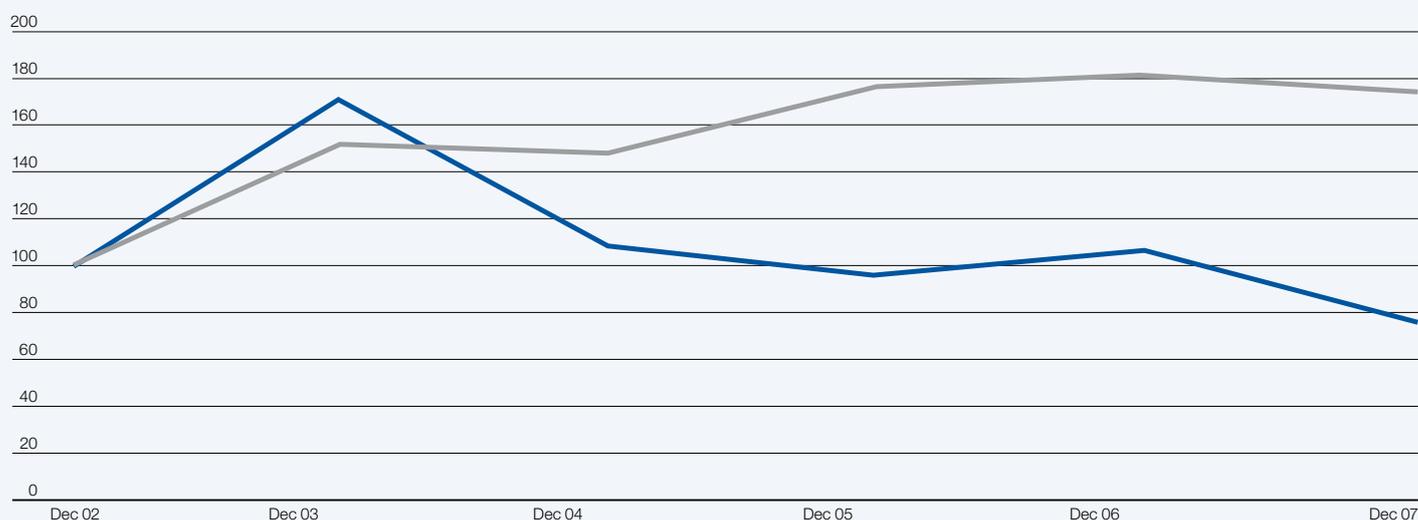
Performance graph

The performance of the Group over the last five financial years in relation to other relevant UK-quoted shares is shown in the graph below.

Computacenter's shares are quoted on the London Stock Exchange and the Committee has deemed the FTSE Software & Computer Services share index as the appropriate comparator, against which to assess Total Shareholder Return performance.

Total Shareholder Return performance

Computacenter versus FTSE Software and Computer Services sector



Key

— Computacenter TSR — Sector

Audited information

The Directors' remuneration and Directors' interests in share options tables below, and their associated notes, are subject to audit.

Directors' remuneration

	Basic salary and fees £	Performance related bonuses £	Other £	Total 2007 £	Total 2006 £
Executive:					
Mike Norris	475,000	235,000	–	710,000	604,825
Tony Conophy	314,382	142,000	–	456,382	398,961
Non-Executive:					
Ron Sandler	231,667 ¹	–	145,534 ²	377,201	277,949
Nick Cosh ³	–	–	–	–	37,750
Philip Hulme ⁴	20,400	–	–	20,400	33,000
Ian Lewis	34,000	–	–	34,000	17,981
Peter Ogden	34,000	–	–	34,000	33,000
John Ormerod	47,000 ⁵	–	–	47,000	7,758
Cliff Preddy	39,500 ⁶	–	–	39,500	46,750
	1,195,949	377,000	145,534	1,718,483	1,457,974

1 Ron Sandler served as an Executive Chairman until 10 July 2007 when he then became a Non-Executive Chairman and his remuneration was adapted accordingly; on 18 February 2008 Ron Sandler resigned from the Board.

2 The termination of Ron Sandler's executive role, on 10 July 2007, resulted in a payment in lieu of notice.

3 Nick Cosh resigned from the Board on 28 June 2006.

4 Philip Hulme was paid per meeting he attended during 2007.

5 John Ormerod receives an additional annual fee of £13,000 for his services as Chairman of the Audit Committee.

6 Cliff Preddy receives an additional annual fee of £5,500 for his services as Chairman of the Remuneration Committee.

Directors' remuneration report continued

Interests in share options and shares under the PSP plan

Director	Scheme type	Exercise/ share price (p)	Exercise dates	Note	At 1 January 2007	Granted during the year	Exercised during the year	Lapsed	At 31 December 2007
Ron Sandler	Options	333.50	20/03/2004 – 19/03/2011	1	150,000	–	–	–	150,000
		333.50	20/03/2005 – 19/03/2011	1	150,000	–	–	–	150,000
		333.50	20/03/2006 – 19/03/2011	1	200,000	–	–	–	200,000
		322.00	10/04/2005 – 09/04/2012	3	91,226	–	–	–	91,226
		266.50	21/03/2006 – 20/03/2013	5	117,260	–	–	–	117,260
		266.50	21/03/2007 – 20/03/2013	5	200,000	–	–	–	200,000
		424.00	02/04/2007 – 01/04/2014	6	76,650	–	–	–	76,650
Total (Options)					985,136	–	–	–	985,136
	PSP	245.00	01/04/2009	7	109,351	–	–	–	109,351
	PSP	285.25	01/04/2010	8	–	94,004	–	–	94,004
Total (PSPs)					109,351	94,004	–	–	203,355
Mike Norris		322.00	10/04/2005 – 09/04/2012	3	122,670	–	–	–	122,670
		266.50	21/03/2006 – 20/03/2013	5	194,652	–	–	–	194,652
		395.00	01/12/2008 – 31/05/2009	2	4,012	–	–	–	4,012
		424.00	02/04/2007 – 01/04/2014	6	126,768	–	–	–	126,768
Total (Options)				448,102	–	–	–	448,102	
	PSP	245.00	01/04/2009	7	181,500	–	–	–	181,500
	PSP	285.25	01/04/2010	8	–	156,026	–	–	156,026
Total (PSPs)					181,500	156,026	–	–	337,526
Tony Conophy		322.00	10/04/2005 – 09/04/2012	1,4	9,316	–	–	–	9,316
		322.00	10/04/2005 – 09/04/2012	3	66,770	–	–	–	66,770
		266.50	21/03/2006 – 20/03/2013	5	121,951	–	–	–	121,951
		395.00	01/12/2006 – 31/05/2007	2	2,335	–	–	2,335	–
		424.00	02/04/2007 – 01/04/2014	6	79,599	–	–	–	79,599
		178.00	01/12/2012 – 31/05/2013	2	–	9,438	–	–	9,438
Total (Options)				279,971	9,438	–	2,335	287,074	
	PSP	245.00	01/04/2009	7	117,861	–	–	–	117,861
	PSP	285.25	01/04/2010	8	–	101,319	–	–	101,319
Total (PSPs)					117,861	101,319	–	–	219,180

The Company's Non-Executive Directors are not permitted to participate in any of the Company's employee share schemes; however at the year-end Ron Sandler as a former Executive Director, held both outstanding share options and shares under Computacenter share schemes, as detailed above. Ron Sandler resigned from the Board on 18 February 2008.

Notes:

- 1 Issued under the terms of the Computacenter Employee Share Option Scheme 1998.
- 2 Issued under the terms of the Computacenter Sharesave Plus Scheme, which is available to all employees and full time Executive Directors of the Computacenter Group.
- 3 Issued under the terms of the Computacenter Performance Related Share Option Scheme 1998. The options become exercisable if the average annual compound growth in the Group's earnings per share (on a post-investment in the Biomni joint venture, diluted basis) compared to the base year of 2001, is at least equal to the RPI plus 5% in any of the three, four or five year periods up to and including 2004, 2005 or 2006 respectively.
- 4 Exercisable on the condition that the average annual compound growth in the Group's earnings per share (on a post-investment in the Biomni joint venture, diluted basis) compared to the base year of 2001, is at least equal to the RPI plus 5% in any of the three, four or five year periods up to and including 2004, 2005 or 2006 respectively.
- 5 Issued under the terms of the Computacenter Performance Related Share Option Scheme 1998. The options become exercisable if the average annual compound growth in the Group's earnings per share (on a post-investment in the Biomni joint venture, diluted basis) compared to the base year of 2002, is at least equal to the RPI plus 5% in any of the three, four or five year periods up to and including 2005, 2006 or 2007 respectively.
- 6 Issued under the terms of the Computacenter Performance Related Share Option Scheme 1998. The options become exercisable if the average annual compound growth in the Group's earnings per share (on a post-investment in the Biomni joint venture, diluted basis) compared to the base year of 2003, is at least equal to the RPI plus 5% in any of the three, four or five year periods up to and including 2006, 2007 or 2008 respectively.
- 7 Issued under the terms of the Computacenter Performance Share Plan 2005. One quarter of the shares will vest if the average annual compound growth in the Group's earnings per share is at least equal to RPI plus 3% over the three consecutive financial years starting on 1 January 2006 and ending on 31 December 2008, compared to the base year of 2005. Awards will vest in full if the Group's cumulative annual growth is at or above RPI plus 7.5%. If the Group's earnings per share growth over the period is between 3% and 7.5% above RPI, awards will vest on a straight-line basis.
- 8 Issued under the terms of the Computacenter Performance Share Plan 2005. One quarter of the shares will vest if the average annual compound growth in the Group's earnings per share is at least equal to RPI plus 3% over the three consecutive financial years starting on 1 January 2007 and ending on 31 December 2009, compared to the base year of 2006. Awards will vest in full if the Group's cumulative annual growth is at or above RPI plus 7.5%. If the Group's earnings per share growth over the period is between 3% and 7.5% above RPI, awards will vest on a straight-line basis.

The market price of the ordinary shares at 31 December 2007 was 189.25p. The highest price during the year was 302.25p and the lowest was 155.25p.



SJ Benadé

Secretary

10 March 2008