CRANEWARE PLC
(the "Company")

Remuneration Committee
Terms of Reference

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1 INTERPRETATION

In these terms of reference:

"**Board**" means the board of directors of the Company;

"**Committee**" means the remuneration committee of the Board;

"**Executives**" means the executive directors, the other members of the senior management team who are identified as PDMRs and the company secretary of the Company; and

"**Group**" means the Company and its subsidiary undertakings.

2 CONSTITUTION

The Remuneration Committee has been established as a committee of the Board by resolution of the Board.

3 GENERAL AIMS

The Committee shall:

(a) determine the total individual remuneration packages (including pension rights and any compensation payments) of the Executives and of the Chair of the Board;

(b) set the level and structure of remuneration for senior management;

(c) be responsible for appointing and determining the terms of appointment of any remuneration consultants in respect of the Executives' remuneration;

(d) aim to give the Executives appropriate incentives to encourage enhanced performance;

(e) ensure that the Executives are, in a fair and responsible manner, rewarded for their individual contributions to the Company's overall performance; and

(f) demonstrate to the shareholders of the Company that the remuneration of the Executives is set by a committee of the Board who have no personal interest in the outcome of the decisions and who will give due regard to the interests of the shareholders and to the financial and commercial health of the Company.

4 GENERAL POLICY DUTIES

4.1 The Committee shall determine and agree with the Board the framework or broad policy for the remuneration of the Executives (including, without limitation, the terms of any share option or incentive scheme or profit sharing or profit related pay scheme or the terms of any pension or retirement benefits plan or the terms of any death in service or permanent or private health insurance plan or the change in terms of any other benefit arrangements or benefit plan(s)) and in doing so shall seek to attract, retain and motivate talented Executives by providing total remuneration packages which are competitive with that of other executives employed by companies of similar size, complexity and line of business as the Company. The remuneration policy should have regard to the risk appetite of the Group and alignment to the Group's long term strategic goals, with the remuneration of the Executives aligned to Company purpose and values, clearly linked to the successful delivery of the Group's long-term strategy. The policy should enable the use of discretion by the Committee to override formulaic outcomes and to withhold short term incentive elements of remuneration or share-based awards under appropriate specified circumstances. A significant proportion of remuneration should be structured to link rewards to corporate and individual performance and designed to align the Executives' interests with those of shareholders and the long-term success of the Company, having regard to the views of shareholders and other major stakeholders.

4.2 In determining such policy, the Committee shall take into account all factors which it deems necessary, including relevant legal and regulatory requirements, the principles and provisions of the AIM Rules for Companies and associated guidance, the UK Corporate Governance Code (the 'Code') or QCA Corporate Governance Code or other recognised corporate governance framework and associated guidance.

4.3 The remuneration of non-executive directors shall be a matter for the Chair of the Board and executive members of the Board.

4.4 No director or manager shall be involved in any decisions as to their own remuneration.

4.5 The Committee should carry out the duties below for the parent company, major subsidiary undertakings and the Group as a whole, as appropriate.

5 SPECIFIC DUTIES

The Committee shall:

(a) review the ongoing appropriateness and relevance of the remuneration policy of the Company and in doing so shall, inter alia, endeavour to motivate Executives to achieve strong financial and operational performance, emphasise performance based compensation which balances rewards for short term and long term results, rewards individual performance, links the interests of Executives with the Company's shareholders by providing a portion of total remuneration in the form of share-based incentives and encourages long term commitment to the Company;

(b) approve the design of, and determine targets for, any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;

(c) review the design of all share-based incentive plans or schemes for approval by the Board and, where appropriate, shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the level of individual awards and the performance targets to be used;

(d) determine the policy for, and scope of, pension arrangements for Executives;

(e) ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and the duty to mitigate loss is fully recognised, while dealing fairly with cases where a departure is not due to poor performance;

(f) within the terms of the agreed policy, and in consultation with the Chair of the Board and/or Chief Executive as appropriate, determine the total individual remuneration package of each Executive (including, without limitation, if applicable, entitlement to any benefits under share option and / or other share-based award schemes, incentive, bonus, profit sharing or profit related pay schemes, pension or retirement benefits schemes, death in service or permanent or private health insurance schemes and any other benefit arrangements or benefit plan(s));

(g) when setting remuneration policy for directors, review and have regard to pay and employment conditions across the Company or Group, especially when determining annual salary increases;

(h) oversee any major changes in employee benefit structures throughout the Company or Group;

(i) review the ongoing appropriateness and relevance of the remuneration policy including workforce policies and practices, ensuring that all incentives and rewards across the Group are aligned with the Company's culture;

(j) agree the policy for authorising claims for expenses from the Chief Executive and Chair of the Board;

(k) to work with and liaise as necessary with other Board committees; and

(l) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee; and to obtain reliable up-to-date information about remuneration in other companies.

6 REPORTING AND AGM

6.1 The chair of the Committee shall report formally to the Board after each meeting on all matters within its duties and responsibilities.

6.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any matter or area within its remit where action or improvement is needed.

6.3 The Committee shall:

(a) if it considers it appropriate to do so, produce an annual report of the Company's remuneration policy and practices which will form part of the Company's annual report and accounts and ensure each year that this is put to the shareholders for approval at the AGM;

(b) to the extent it considers it appropriate to do so, have regard to provisions in respect of the disclosure of remuneration, including pensions, as set out in the Large and Medium-Sized Companies and Groups (Accounts and Reports)

Regulations 2008 and the UK Corporate Governance Code or QCA Corporate Governance Code or other recognised corporate governance framework are fulfilled;

(c) ensure that provisions regarding disclosure of remuneration as listed in the rules of the AIM Market (as operated by the London Stock Exchange plc) are fulfilled;

(d) in any event, consider and decide upon the details of directors' remuneration, which should be reported in the Company's annual report and accounts in addition to those required by law, and how those details should be presented;

(e) ensure that an annual report of the Company's remuneration policy identifies, if the Committee has appointed remuneration consultants, the name of such consultants and state whether they have any other connection with the Company; and

(f) consider and decide each year whether circumstances are such that a resolution should be put to the Company at Annual General Meeting approving any remuneration policy, which has been set out in the Company's annual report and accounts.

6.4 The chair of the Committee (or in their absence another member of the Committee) shall attend the Company's Annual General Meeting to answer any shareholders' questions about the Committee's activities. In addition, the Chair of the Committee should be available for engagement with shareholders on significant matters related to the Committee's area of responsibility.

7 REGULATORY DUTIES

In carrying out its duties under these terms of reference, the Committee shall:

(a) give due regard to:

(i) all relevant legal requirements;

(ii) the rules of the AIM Market as operated by the London Stock Exchange plc;

(iii) the provisions and recommendations of the UK Corporate Governance Code issued by the Financial Reporting Council (having regard also to the size and nature of the Company); and

(iv) if appropriate, the corporate governance code issued by the Quoted Companies Alliance or other recognised corporate governance framework (having regard also to the size and nature of the Company);

(b) ensure that it has such information as it considers necessary or desirable to fulfil its duties as set out in these terms of reference.

8 MEMBERSHIP

8.1 Members of the Committee shall be appointed from time to time by the Board, in consultation with the chair of the Committee.

8.2 The Committee shall consist of at least three members.

8.3 All of the members of the Committee shall be independent non-executive directors of the Company. The chair of the Board shall not be a member of the Committee if he is an executive director.

8.4 Appointments to the Committee shall be for a period of up to three years, which may be extended, provided that the relevant Committee member remains independent.

8.5 The Board shall appoint the chair of the Committee who shall be an independent non-executive director of the Company. In the absence of the chair, members of the Committee present at a duly convened meeting may elect one of their number to chair the meeting. The Board shall determine the period for which the chair of the Committee holds office. The Chair of the Board shall not be chair of the Committee.

8.6 The chair of the Committee shall have served on a remuneration committee for at least a year before being appointed as chair of the Committee.

8.7 The Board may from time to time remove members from the Committee.

8.8 The membership of the Committee shall be set out in the annual report of the Company.

8.9 The remuneration of the non-executive directors of the Company shall be a matter for the executive members of the Board and no member shall be involved in any decisions as to his own remuneration.

9 SECRETARY

The company secretary (or their nominee) shall be the secretary of the Committee. Where the secretary is also an executive director, the Committee may nominate one of its members to act as secretary for any meeting which the Committee wishes to hold without executive directors being present.

10 MEETINGS

10.1 The Committee shall meet at least three times a year and at such other times as the chair of the Committee shall require.

10.2 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any member of the Committee.

10.3 Unless otherwise agreed, at least 5 working days notice shall be given of each meeting of the Committee.

10.4 Unless otherwise agreed, each notice of a meeting of the Committee shall:

(a) confirm the venue, time and date of the meeting;

(b) include an agenda of items to be discussed at the meeting; and

(c) be sent to each member of the Committee, the secretary, any other person required, invited or entitled to attend the meeting and all other non-executive directors of the Company.

10.5 Supporting papers shall be sent to members of the Committee and to other attendees, as appropriate, at the same time as the relevant notice.

10.6 The quorum necessary for the transaction of business by the Committee shall be two members of the Committee, both of whom should be non-executive directors, and a duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

10.7 Only members of the Committee have the right to attend meetings of the Committee. However, other individuals (such as the other directors and external advisers) may be invited to attend and speak at (but not vote at) all or part of meetings of the Committee as and when appropriate but such attendees have no right of attendance.

10.8 Meetings of the Committee may be held by conference telephone, video-conference or using similar communications equipment whereby all members participating in the meeting can hear each other.

10.9 Matters for decision by the Committee shall be decided by a majority decision of the members. In the event of an equality of votes, the chair of the Committee will, save where he or she has a personal interest, have a second or casting vote.

11 MINUTES

11.1 The secretary of the Committee shall minute the proceedings and resolutions of Committee meetings and record the names of those present and in attendance.

11.2 The secretary of the Committee shall ascertain, at the start of each Committee meeting, the existence of any conflicts of interest and minute them accordingly.

11.3 Following each meeting of the Committee, the secretary shall promptly circulate, for comment, draft minutes to each member who was present at the meeting.

11.4 After approval, the secretary shall circulate copies of the minutes to all members of Committee and, to all members of the Board, unless a conflict of interest exists.

12 AUTHORITY

12.1 The Committee is a committee of the Board and as such exercises such powers of the Board as have been delegated to it.

12.2 The Committee is authorised by the Board to investigate any activity within its terms of reference.

12.3 The Committee is authorised to, on any matters within its terms of reference and, where relevant, within any reasonable budgetary restraints imposed by the Board:

(a) seek any information it requires (including from any employee of the Company);

(b) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;

(c) seek legal or other professional advice (including the advice of independent remuneration consultants);

(d) to commission any reports or surveys, which it deems necessary, to help it fulfil its obligations;

(e) to secure the attendance of external advisors at its meetings (if it considers it necessary);

(f) to obtain reliable, up-to-date information about remuneration in other companies; and

(g) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members

all at the Company's expense.

13 **OWN PERFORMANCE**

At least once a year, the Committee shall review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.