



# Corporate Governance Statement 2019

# Corporate Governance Statement 2019

Good governance matters.

This Corporate Governance Statement (**Statement**) describes REA Group's approach to corporate governance and highlights our current governance practices and principles.

This Statement acknowledges the 3rd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Corporate Governance Principles**). Our Appendix 4G is a checklist which cross-references REA Group's compliance with the 3rd edition of the ASX Corporate Governance Principles and is available on our Corporate Governance Site.

Our corporate governance practices are designed to ensure that:

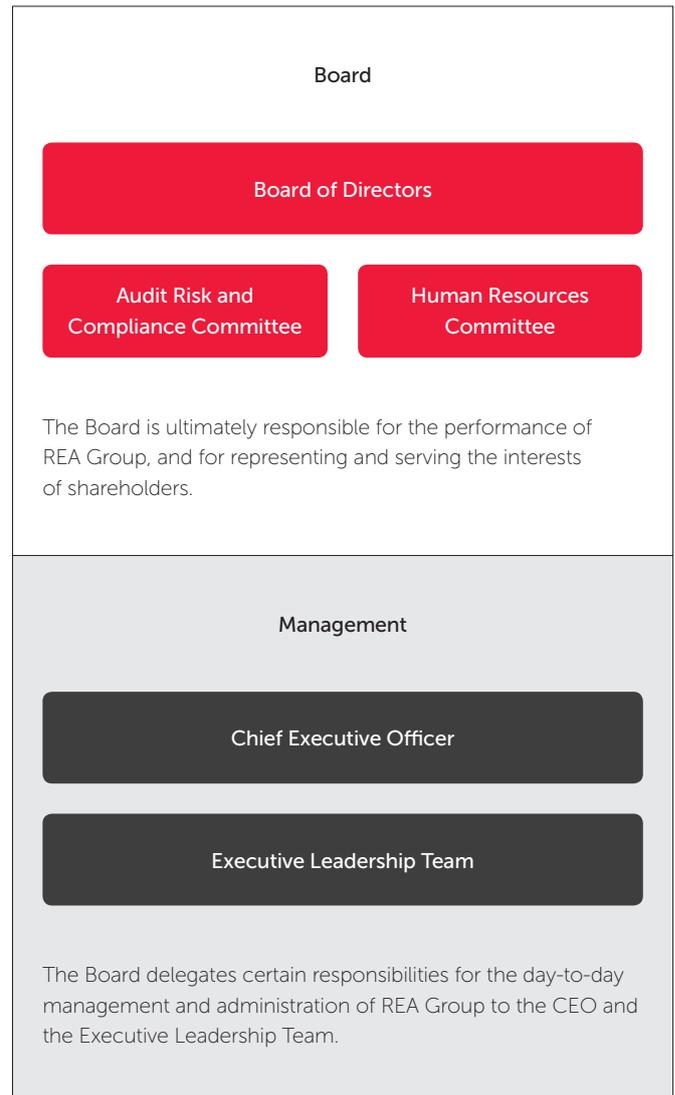
- (a) we act lawfully, ethically and responsibly;
- (b) we are transparent and accountable to our employees, shareholders, customers, consumers and the wider community; and
- (c) the REA Group Board of Directors (**Board**) receives appropriate and timely information to enable it to fulfil its roles and responsibilities.

We believe this is essential to protect and enhance the long-term performance and sustainability of our company and supports the interests of our shareholders, customers, consumers and the broader community.

## 1. Governance framework

An overview of our corporate governance framework is set out below.

### Our governance framework



## 2. Our values

At REA Group, we have a common purpose – to change the way the world experiences property - and we share a common language about who we are and what's important us; our values.

These are our REA Group values, the values we live by.



### Re-imagine it

We're not afraid to try new things or fail fast. We love experimenting. Innovating. Working away at a great idea that will wow our consumers and customers. We're all about challenging the status quo and taking risks.

And at times, while it may feel uncomfortable, we know this is where the magic happens.



### Own it

We get it done – creating stuff we know our consumers and customers will love. We're committed to achieving our goals no matter what challenges come our way. If there's a hurdle, we jump it; if there's a way through, we'll find it!

We always seek to do the right thing, and if things don't quite go to plan, we own it. We review what happened, learn from it and move on, smarter and better than before.



### Inspire it

We're thirsty for knowledge - and generous with it too. Which is great, because everyone at REA Group has something to teach, to inspire in others and learn. Likewise, we give and take feedback with an open heart and an open mind.

Our curiosity is endless, and every day we seek out opportunities to grow ourselves and others. We don't do comfort zones.



### Do it with heart

People are the heart of REA Group. Every connection with each other, with our customers and our community matters. We care and we're not afraid to show it.



### Keep it real

We don't expect anyone to fit a certain mould - we accept everyone for who they are, quirks and all. We're a down-to-earth bunch who listen, are open with each other, and tell it like it is, respectfully.

We're not afraid to have a laugh. We take our work seriously, but never ourselves.



### Do it as one team

Everything we achieve, we achieve as one team. No egos. No heroes. It's our collective genius that gives us our edge and a willingness to stand by any decision that's made for the greater good of REA.

Company. Team. Individual.

The Board and Executive Leadership Team are guided by our values in all their actions and decisions.

All REA Group employees are inducted into our values on joining, and these values are continually reinforced by:

- the actions and conduct of our leaders who are expected to live and breathe our values;
- our reward and recognition program, the 'Real Deal', which is awarded to individuals and teams who demonstrate our values; and
- evaluating every employee's demonstration of our values as part of their annual and half-yearly performance reviews.

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### 3. The Board

The REA Group Board currently comprises eight directors, including seven non-executive directors and one executive director (the Chief Executive Officer, Mr Owen Wilson).

Details on each director, including their length of service, experience and roles on the Board and Committees, can be found on page 30 and 31 of our 2019 Annual Report.

Mr Hamish McLennan is the current Chair of the Board and is responsible for providing leadership to the Board, ensuring the effective organisation and conduct of the Board, and facilitating Board discussions to ensure core issues facing REA Group are addressed.

### 4. Roles and responsibilities of the Board

The roles and responsibilities of the Board, and those matters expressly reserved for the Board's determination, are set out in our Board Charter which is available on our Corporate Governance Site.

The key focus areas for the Board in fulfilling its roles and responsibilities for the 2019 reporting period included:

<b>Strategy</b>	<ul style="list-style-type: none"> <li>• Approving REA Group's corporate strategy and performance objectives, which are designed to meet stakeholders' needs and manage business risk.</li> <li>• Assessing proposed strategic transactions (including merger &amp; acquisition opportunities) and determining whether to pursue those opportunities based on factors including strategic fit, forecast performance and acquisition costs.</li> </ul>
<b>Culture and values</b>	<ul style="list-style-type: none"> <li>• Monitoring and assessing REA Group's reputation, culture and values, including by ensuring the right policies and controls are in place to motivate the Executive Leadership Team to promote our values and desired behaviours.</li> </ul>
<b>Performance and growth</b>	<ul style="list-style-type: none"> <li>• Approving initiatives and strategies designed to ensure the continued growth and success of REA Group as a whole.</li> <li>• Monitoring performance against budgets, financial and non-financial key performance indicators, strategic plan and risk appetite.</li> <li>• Assessing, approving and monitoring the progress of major capital expenditure, capital management and acquisitions.</li> <li>• Challenging management and holding it to account, where required.</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>• With guidance from the ARC Committee, implementing REA Group's risk framework (for both financial and non-financial risks), including setting risk appetite levels and risk management systems to ensure risk is appropriately identified, evaluated and managed.</li> </ul>
<b>Executive performance and succession planning</b>	<ul style="list-style-type: none"> <li>• Selecting and appointing a new Chief Executive Officer, Chief Financial Officer and Chief Audience and Marketing Officer.</li> <li>• Evaluating the performance of the Chief Executive Officer and the Executive Leadership Team.</li> <li>• With guidance from the HR Committee, reviewing and approving appropriate remuneration policies which are aligned to REA Group's values and performance objectives.</li> </ul>
<b>Integrity of financial and other external reports</b>	<ul style="list-style-type: none"> <li>• With guidance from the ARC Committee, ensuring the quality, accuracy and integrity of financial reports.</li> <li>• With guidance from the ARC Committee, overseeing and reviewing the results, adequacy and effectiveness of the policies and procedures in place to protect the integrity of accounting records.</li> </ul>
<b>Governance and shareholder interests</b>	<ul style="list-style-type: none"> <li>• Reviewing and approving policies and processes to improve and maintain REA Group's high systems of corporate governance.</li> <li>• Representing shareholders' interests and building sustainable, long-term shareholder value.</li> <li>• Approving interim and full year dividends.</li> </ul>

#### Company Secretary

The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board and its Committees. All directors have access to the Company Secretary.

The formal reporting line of the Company Secretary is through the CEO, however the Company Secretary is also directly accountable to the Chair of the Board.

Sarah Turner is the Company Secretary of REA Group and is a member of the Executive Leadership Team. Ms Turner's qualifications and experience are set out in the Directors' Report on page 29 of our 2019 Annual Report.

## 5. Board composition, skills and performance

### 5.1 Board skills matrix

The Board, with the guidance of the HR Committee, undertakes an annual review of the skills and experience of each director to assess the combined capabilities of the Board. The Board seeks to achieve a mix of skills and diversity that includes international, digital media, corporate management, and operational experience, as well as a

deep understanding of the advertising industry and the nature of our customer relationships.

All Board members are expected to maintain the skills required to discharge their respective roles. The Board is kept up to date on topical issues through internal presentations and briefings, visits to REA Group offices and by having the opportunity to meet with directors and senior executives of other leading digital companies.

The skills matrix below provides a summary of the relevant skills possessed by the directors.

The Board is satisfied that this skills matrix demonstrates that the Board has the appropriate mix of skills and experience necessary to discharge its responsibilities, as well as having a proper understanding of, and competence to deal with, current and emerging issues to guide the business.

Board skills and Experience	Summary	Board Total Directors : 8
<b>Executive Leadership</b>	Experience in senior leadership roles, including on the boards of other significant listed companies and managing through periods of rapid change.	 8
<b>Governance and Risk</b>	Understanding of key legal, governance and compliance issues and risks, and governance and regulatory frameworks.	 3
<b>Financial and Capital Markets</b>	Experience in capital markets transactions (such as mergers and acquisitions, capital raising or capital management initiatives), in Australia or overseas. Strong ability to understand and analyse financial statements and the drivers of financial performance.	 3
<b>Audit and Accounting</b>	Senior executive or equivalent experience in financial accounting and reporting, analysing financial statements, capital structure and internal financial controls.	 2
<b>International Markets</b>	Experience in an organisation with significant international operations, and exposure to a range of geographic, political, cultural, regulatory and business environments.	 5
<b>Strategy</b>	Experience in developing, setting and executing strategic direction. Experience in driving growth and transformation, executing against a clear strategy.	 8
<b>Risk Management</b>	Ability to identify key risks related to each area of the business. Ability to monitor effectiveness of risk and compliance functions and knowledge of legal and regulatory requirements.	 8
<b>Marketing and Communications</b>	Experience in marketing, brand or customer management.	 2
<b>Technology and Media</b>	Experience in a company with a major focus on technology and media.	 6

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### 5.2 Succession planning

The HR Committee is responsible for identifying suitable candidates to fill Board vacancies, either in response to casual vacancies or to complement the existing skills, experience and diversity of the Board. External consultants may be engaged (where appropriate) to assist in a search for a candidate.

Where a candidate is recommended by the HR Committee to the Board for election or re-election, the Board will assess the candidate against a range of criteria, including the skills, experience, expertise and personal qualities that will best complement the Board's effectiveness and diversity, and a candidate's capacity to devote the necessary time and commitment to the role.

Before a candidate is recommended for election, REA Group undertakes appropriate background checks (including checks as to the candidate's character, experience, education, criminal record and bankruptcy history) to determine that candidate's suitability.

Where a candidate stands for election or re-election (as the case maybe) at an annual general meeting, the Board will include in the notice of meeting for that meeting all material information which is known to the Board and which is relevant to a decision on whether or not to elect or re-elect a candidate. Where a candidate stands for election for the first time, the notice of meeting will also include confirmation that background checks have been undertaken and, if those checks have revealed any information of concern, that information.

### 5.3 Director induction and appointment

All directors are appointed pursuant to formal letters of appointment setting out the key terms and conditions of the appointment (including the time commitment envisaged, remuneration and other duties). Director appointment letters also include further details regarding Committee responsibilities, directors' duties and responsibilities, Board performance evaluation, confidentiality of information, the Board's policy on obtaining independent advice, disclosure of interests and matters affecting independence and entering into deeds of indemnity, insurance and access.

All new Board members are given an induction pack containing detailed information on REA Group and its operations, and are given the opportunity to meet with existing Board members and relevant senior executives.

### 5.4 Independence of directors

REA Group considers a director to be independent when they are a non-executive director who is free of any business or other relationship or circumstance that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement, having regard to the best interests of REA Group as a whole. In assessing independence, the Board also considers the factors outlined in the 3rd Edition of the ASX Corporate Governance Principles.

The Board assesses the independence of each director upon their appointment and annually thereafter. Directors are required on an ongoing basis to disclose to the Board relevant personal interests and conflicts of interest which may have an impact on their actual or perceived independence. Upon any such disclosure, a director's independence is reassessed.

The Board has determined for 2019 that the following directors of REA Group are considered to be independent:

- (a) Mr Roger Amos;
- (b) Ms Kathleen Conlon; and
- (c) Mr Nick Dowling.

The remaining four non-executive directors (including the Chair of the Board, Mr Hamish McLennan) are not considered independent by the Board as they have been nominated by REA Group's majority shareholder, News Corp Australia, in accordance with the Board Charter. Due to the size of REA Group and the strategic relationship with News Corp Australia, the Board has determined that it is not appropriate to have a majority of independent directors on the Board. However, this decision does not preclude the appointment of additional directors, if deemed appropriate. The Board is also of the opinion that the Chair has the necessary skills and experience to undertake the role notwithstanding his non-independent status.

### 5.5 Board performance

The performance of the Board and each Committee is reviewed annually by the Chair of the Board, assisted by the HR Committee. Individual director performance is also reviewed annually as part of this process.

The most recent review, which was conducted internally during the year and led by the Chair, reviewed the Board, Committee and director performance. The process comprised an internal questionnaire to obtain the directors' views as to what currently works well and the areas for improvement together with a whole of Board discussion, led by the Chair, reviewing the results of the questionnaire.

In undertaking performance reviews of individual directors, the Board, with the guidance of the HR Committee, considered the current workload of each director and concluded that each director has sufficient capacity to fulfil their responsibilities as a director of REA Group and that their performance is not impaired by their other commitments.

## 6. Board committees

To assist the Board with carrying out its responsibilities, it has established the following committees:

- (a) Audit, Risk and Compliance (**ARC**) Committee; and
- (b) Human Resources (**HR**) Committee.

Each Committee has a Charter that sets out its scope and responsibilities. The Charters are available on our

Corporate Governance Site. The Board receives a copy of the minutes of each Committee meeting, and the Chair of each Committee communicates the findings and recommendations of the Committee to the Board after each meeting.

From time to time, the Board may form other Committees or request directors to undertake specific extra duties.

The number of Committee meetings held in the 2019 reporting period is set out below for each Committee. Details of meeting attendance by Committee members during the 2019 reporting period are set out in the Directors' Report on page 32 of our 2019 Annual Report.

#### ARC Committee

The ARC Committee supports the Board with oversight on financial reporting, external and internal audit, risk and compliance management, insurance and related party transactions.

Its key responsibilities include:

- Overseeing the preparation of, and reviewing, all of REA Group's financial statements and reports to ensure they adhere to accounting standards and reflect a true and fair view of REA Group's financial position and performance.
- Overseeing and assessing the results, adequacy and effectiveness of REA Group's internal audit function, including the appointment and dismissal of the internal auditor.
- Facilitating the external audit process, including making recommendations to the Board on the appointment and remuneration of the external auditor, and ensuring an appropriate response from management in addressing any issues raised by the external auditor.
- Developing and implementing the Board's policy on the provision of non-audit services provided by the external auditor.
- Assessing and developing REA Group's risk management framework.
- Overseeing and ensuring REA Group's compliance with legal and regulatory requirements.
- Assessing the adequacy and effectiveness of REA Group's insurance coverage.
- Oversight of REA Group's Whistleblower Policy and program.

The ARC Committee must consist of a majority of independent directors and be chaired by an independent director who is not the Chair of the Board. The minimum number of members of the ARC Committee is three.

In 2019, the members of the ARC Committee were Mr Roger Amos (Chair of the Committee), Ms Kathleen Conlon and Mr Richard Freudenstein.

All ARC Committee members have appropriate skills and experience in accounting, financial reporting and analysing financial statements. In accordance with the ARC Committee Charter, Mr Amos is a qualified accountant with extensive financial and accounting experience.

#### HR Committee

The HR Committee supports the Board with oversight of Board size and composition, Board succession planning, remuneration and performance of the Board, senior executives and the entire REA Group.

Its key responsibilities include:

- Making recommendations to the Board on the appropriate size and composition of the Board, including the appointment, re-election and retirement or removal of directors taking into account the mix of skills and diversity of the Board.
- Assessing the appropriate criteria (including necessary and desirable competencies) for appointment of independent non-executive directors.
- Evaluating Board, Committee and director performance.
- Making recommendations on the remuneration arrangements for non-executive directors (including the Chair), the CEO and other senior executives.
- Overseeing REA Group's remuneration policies, including incentive and equity plans.
- Reviewing and assessing REA Group's governance policies and practices.
- Regularly assessing REA Group's diversity policy to ensure the promotion of diversity and inclusion.
- Oversight of the social, environmental and ethical impact of REA Group's business activities and investments.

The HR Committee must consist of a majority of independent directors and be chaired by an independent director. The minimum number of members of the HR Committee is three, one of whom must be the Chair of the Board.

In 2019, the members of the HR Committee were Ms Kathleen Conlon (Chair of the Committee), Mr Roger Amos, Mr Richard Freudenstein, Mr Nick Dowling and Mr Hamish McLennan (Chair of the Board).

The CEO also attends HR Committee meetings at the invitation of the Committee.

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### 7. Remuneration and evaluation of senior executives

The Board, with the guidance of the HR Committee, is responsible for establishing and maintaining an appropriate framework for remuneration across REA Group. The objectives of the remuneration framework at REA Group is to ensure that remuneration:

- (a) is fair, reasonable, consistent and in line with market and community expectations;
- (b) appropriately rewards individuals for performance against their commitments, including non-financial commitments; and
- (c) where it includes a REA Group performance based component, is linked to appropriate financial and non-financial metrics which encourages long-term sustainable growth, and does not reward conduct which is contrary to REA Group's values or risk appetite.

#### 7.2 Remuneration of non-executive directors

All non-executive directors' remuneration is fixed, and non-executive directors do not participate in any "at risk" incentive plans. REA Group does not provide any scheme for retirement benefits, other than statutory superannuation, for non-executive directors. Details of the remuneration paid to non-executive directors in the 2019 reporting period is set out in the Remuneration Report on pages 44 to 57 of our 2019 Annual Report

#### 7.3 Remuneration and evaluation of performance of senior executives

The remuneration of the Executive Leadership Team includes both a fixed and variable or "at risk" component. No executive is directly involved in deciding their own remuneration. Details of the remuneration and incentives paid or granted to key senior executives in the 2019 reporting period is set out in the Remuneration Report on pages 44 to 57 of our 2019 Annual Report.

All members of the Executive Leadership Team are employed under a written contract setting out the key terms and conditions of their employment, including remuneration and performance requirements. REA Group undertakes appropriate background checks (including checks as to the Executive Leadership Team member's character, experience, education, criminal record and bankruptcy history) before a member of the Executive Leadership Team is appointed.

The CEO conducts an annual performance assessment of each Executive Leadership Team member's performance that involves an assessment of performance against specific and measurable financial and non-financial performance criteria. The outcomes of the CEO's assessment is independently considered and assessed by both the HR Committee and then the Board (who takes into account any recommendations made by the HR Committee.) A performance evaluation of all members of the Executive Leadership Team was conducted in accordance with this process for the 2019 reporting period. The outcomes of this performance review for those members of the Executive Leadership Team who are considered 'key management personnel' is set out in the Remuneration Report on pages 44 to 57 of our 2019 Annual Report.

### 8. Ways of working

#### 8.1 Code of Conduct

REA Group has a Code of Conduct that applies to all REA Group directors and employees (both permanent and fixed-term), contractors, consultants and visitors working for REA Group around the world. The Code of Conduct requires compliance with the following minimum standards of behaviour: to treat each other respectfully, courteously and with dignity; to be fair, honest and up front in our dealings; to use REA Group property responsibly and in the best interests of the group and its reputation; to use REA Group information appropriately and maintain its confidentiality, to be responsible for actions and accountable for their consequences; to respect the law and act accordingly; and to respect and adhere to REA Group's values.

The Code of Conduct is available on our Corporate Governance Site. All REA Group employees are inducted into the Code of Conduct on joining and it is available at all times on the REA Group intranet. It is supplemented by an employee handbook, as well as a number of core policies including the REA Conflicts of Interest Policy and REA Group Whistleblower Policy.

#### 8.2 Whistleblower Policy

Our values and Code of Conduct encourage staff to 'speak up' so that work-related concerns and problems are dealt with fairly, sensitively and quickly.

The REA Group Whistleblower Policy encourages current and former employees to report any actual or suspected conduct which may be fraudulent, corrupt, illegal, unethical or gross mismanagement. Appropriate internal and external channels have been put in place to ensure that any reports of wrongdoing are handled professionally and confidentiality.

Our Whistleblower Policy was updated in August 2019 to align with the enhanced whistleblower protections which came into effect in 2019. A copy of the policy is available on our Corporate Governance Site.

#### 8.3 Anti-bribery and corruption policy

REA Group strictly prohibits its employees and representatives from engaging in bribery or corruption in any form. Our anti-bribery and corruption policy (titled "Doing Business Ethically and with Integrity") provides guidance on what constitutes bribery or corruption, and what steps employees should take if they suspect or become aware of any violations of this policy.

#### 8.4 Securities Trading Policy

REA Group has a Securities Trading Policy to assist REA Group employees and directors in complying with insider trading laws. A copy of the policy is available on our Corporate Governance Site.

Blackout periods apply from the end of every quarter until REA Group's financial results for the quarter, half year or full year (as applicable) are released to the market. During a blackout period,

REA Group employees, directors, and close family members of employees and directors are not permitted to trade in REA Group securities.

REA Group directors and senior executives require prior written clearance to trade in any REA Group securities, even outside of blackout periods.

The use of hedges or derivatives by REA Group employees or directors over any unvested elements of an employee share or equity-based remuneration scheme are prohibited. Clearance may be given in exceptional circumstances for the use of hedges or derivatives over REA Group securities which are on issue and not subject to any vesting or forfeiture conditions.

## 9. Assurance and controls

### 9.1 External audit

REA Group's current external auditor is EY (Ernst & Young).

The ARC Committee is responsible for assessing the scope and adequacy of the external audit, including making recommendations to the Board on the appointment and remuneration of the external auditor, and ensuring an appropriate response from management in addressing any issues raised by the external auditor. The ARC Committee meets at least twice a year with the external auditors to discuss the results of their work, fee arrangements and other work performed.

To ensure that the auditor remains independent at all times, all non-audit work is authorised by the ARC Committee. Details of the non-audit services provided by EY during the 2019 reporting period, and the fees paid or payable for those services is set out on page 42 of our 2019 Annual Report.

While the ARC Committee has not adopted a formal policy on the appointment of the external auditor, EY, has a policy of rotating its external audit partner every five years. The lead audit partner was last rotated following the completion of the 2017 financial year audit.

The external auditor attends each AGM and is available to answer shareholder questions at the AGM.

### 9.2 Internal audit

REA Group has an internal audit assurance function that reports directly to the ARC Committee, and administratively to the CFO. The assurance testing plan is developed each year focusing on REA Group's greatest risk exposures determined by internal and external measures and information. The assurance plan is then ratified by management and the ARC Committee with regular reporting provided on progress and outcomes. Testing methodologies employed are standard industry practice or in line with regulatory requirements (e.g. Sarbanes Oxley controls testing requirements). Control deficiencies are rated using our Risk & Assurance consequence/likelihood matrix with actions agreed and assigned to control owners, tracked, and monitored to completion.

### 9.3 Risk management

The Board is ultimately responsible for ensuring that material risks facing REA Group have been identified and that adequate controls, monitoring and reporting mechanisms are in place and operating effectively. The Board's oversight of risk management, audit and compliance is supported by the ARC Committee.

The ARC Committee operates in accordance with its Charter, which clearly sets out its responsibilities for monitoring REA Group's risk management, including how the company identifies, assesses and controls strategic, operational and financial risks within the Board approved Risk Appetite framework. This is designed to ensure the adequacy and effectiveness of REA Group's ongoing risk management program, including policies and guidelines relating to corporate governance, legal/regulatory and ethical compliance, business continuity management, disaster recovery, data privacy and information systems security.

REA Group has a Risk Management Policy that reflects industry best practice and is consistent with the International Standard ISO 31000:2018. During the 2019 reporting period, a detailed review of the REA Group Risk Management Policy was undertaken and a number of enhancements were made to improve the way in which REA Group currently identifies, articulates, manages and reports on its risk and control environment to enable a more efficient and proactive application of risk management.

The ARC Committee has satisfied itself that the framework continues to be sound both in process and its application within the business, and that the business is operating with due regard to the risk appetite set by the Board. The ARC Committee is also satisfied that the Risk Management Policy adequately deals with current and emerging risks which REA Group faces significant exposure to, including disruption risk from new technologies, data management and security risks, privacy risks and systems risks.

Further information on specific economic, environmental and social sustainability risks that could materially impact REA Group, and the measures we take or intend to take to mitigate against them, are set out on pages 40 to 41 of our 2019 Annual Report.

### 9.4 Risk certification

The CEO and the CFO provide written statements to the Board in accordance with s295A of the *Corporations Act 2001* (Cth), in respect of the half and full year reporting periods, stating that:

- (a) their view provided on REA Group's financial report is founded on a sound system of risk management and internal compliance and control which implements the financial policies adopted by the Board; and
- (b) REA Group's risk management and internal compliance and control system is operating effectively in all material respects in relation to financial reporting risks.

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### 10. Diversity and inclusion

REA Group is committed to workforce diversity and inclusion, and considers it an investment in the creation of a sustainable business capable of delivering long term shareholder value. A diverse workforce is more creative, more efficient and fuels disruptive thinking.

REA Group's Diversity and Inclusion Policy includes requirements for the Board to establish measurable objectives towards achieving gender equality and a diverse and inclusive culture. The Board assesses and reports annually on the diversity and inclusion objectives and the progress towards achieving them. A copy of the Diversity and Inclusion Policy is available on our Corporate Governance Site.

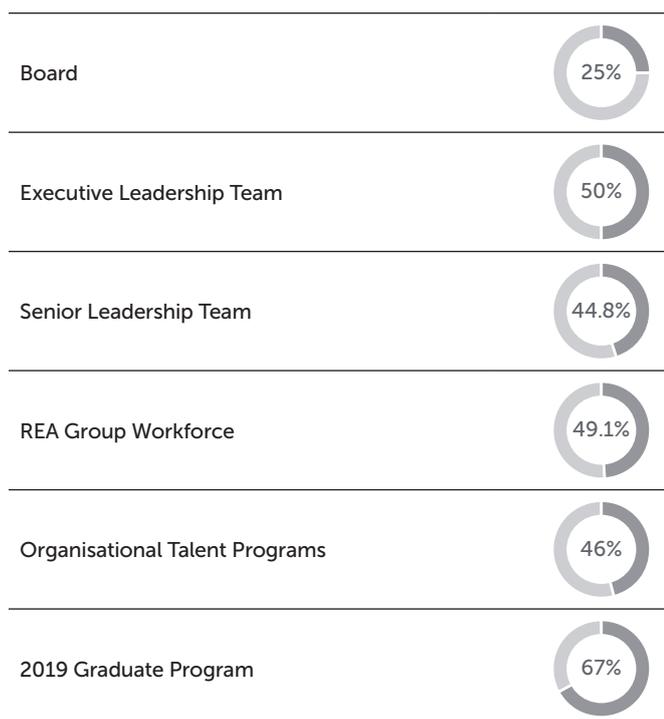
#### 10.1 Gender balance

The Board and Executive Leadership Team are committed to addressing any gender imbalances that may exist within REA Group. As part of that commitment, the Board has set a target of 50% female representation at Senior Leadership Team level by 2020. As at 30 June 2019, approximately 45.2% of Senior Leadership Team roles were held by women (an increase from 44.6% at 30 June 2018).

Gender participation metrics continue to be included in scorecards of senior executives.

The current gender balance across the REA Group as at 30 June 2019 is as follows:

#### Percentage of female representation across REA Group:



REA Group tracks and reports gender statistics to the Workplace Gender Equality Agency (WGEA). A copy of these reports can be obtained at the WGEA website ([www.wgea.gov.au/sites/default/files/public\\_reports](http://www.wgea.gov.au/sites/default/files/public_reports)).

#### 10.2 Our initiatives which support diversity and inclusion

Whilst gender balance is a particular focus of our diversity and inclusion strategy, diversity at REA Group refers to all characteristics that makes individuals different from each other, such as diversity of thought, religion, race, ethnicity, language, gender, sexual orientation, disability or age.

We therefore take a holistic approach to achieving meaningful diversity and inclusion at REA Group. A selection of our achievements and progress towards improving diversity and inclusion at REA Group in the 2019 reporting period are set out below.

##### (a) Women in Tech

As a digital company, we know that there are fewer women in technology roles and we want to bridge this gap, not only at REA Group but for our industry as a whole. So, in 2017 we launched our Women in Tech strategy to specifically drive greater gender balance in technology roles.

The programs which underpin our Women in Tech strategy are:

- (i) **Springboard to Tech**, which offers women a personalised program that helps them transition into a technical career. They may be new to, returning to or have a current tech career. REA Group ensures that any candidate on the program doesn't take a paycut and also funds formal training for women entering the program with no tech skills or experience.
- (ii) **Accelerated Leadership Program**, which supports current women in tech at REA Group with exposure to topics that are important to senior manager or executive positions. They gain preparation and a deeper understanding of these positions which will give them the ability to apply with confidence if they wish to in the future.
- (iii) **Mentoring Program**, which involves women in tech at REA Group being exposed to other professionals in the business. They build relationships and provide guidance in areas such as career advice, commercial acumen, influencing and feedback skills.

As a result of this strategy, the percentage of female representation in technology roles at REA Group has increased from 19% in December 2017 (when Women in Tech was launched) to 33% in June 2019.

#### Percentage of female representation in technology roles



## **(b) Regular engagement with REA Group staff on diversity and inclusion strategy and priorities**

In 2019 we have:

- (i) established our first diversity and inclusion guild (called the Tech Diversity Guild) which will provide us the opportunity to hear from everyone and make data driven decisions around what programs to invest in going forward;
- (ii) continued to engage with the LGBTQI community in relation to support, connection and inclusion via the internal 'Spectrums of Equality' group; and
- (iii) continued to measure diversity and inclusion metrics in our annual staff engagement survey - Engagement data led to targeted initiatives that have seen our overall diversity and inclusion related metrics remain steady YOY at 88%. 89% of employees indicate they feel comfortable to be themselves at REA and 92% feel that REA Group invests in creating a diverse and inclusive culture (Australian engagement survey data as at November 2018).

## **(c) White Ribbon Workplace**

We are proud of our accreditation as a White Ribbon Workplace, and continue to provide Domestic Violence Sensitivity training for people managers including provision of 'Manager Guidelines' for people leaders dealing with disclosures of violence.

## **(d) Supporting flexible working arrangements and retaining primary carers**

Our continued encouragement of parental leave for both primary and secondary caregivers has resulting in continued growth in employees on parental leave from 147 in FY18 to 156 in FY19. In 2019 we sought feedback on the experience of secondary caregivers and as a result have evolved our policy to extend the timeframe in which secondary caregivers can take leave from 1 to 2 years. We have also commenced a trial to allow secondary caregivers to use leave in single day absences. In our most recent engagement survey, 89% of REA Group employees felt that REA Group is supportive of parents in the workplace.

Steady progress has been made in normalising a culture of flex, with new managers receiving targeting training on making flex work within their teams and we have incorporated a mandatory flex e-learning module into our onboarding experience for all employees. We have seen a significant increase in the number of part time roles in REA from 76 in FY18 to 113 in FY19. The number of staff on formal flexible work arrangements has also increased from 3.6% in FY18 to 6% in FY19. In our most recent engagement survey, 83% of REA Group employees indicated they felt genuinely supported to make use of flexible work arrangements.

## **11. Communicating with stakeholders**

### **11.1 Continuous disclosure**

As a listed entity, REA Group is committed to complying with its continuous disclosure obligations under the ASX Listing Rules and the *Corporations Act 2001* (Cth) so that trading in our securities takes place in an orderly and informed market.

Compliance with our continuous disclosure obligations is managed through our Market Disclosure and External Communications Policy. A copy of the policy is available on our Corporate Governance Site.

The Board has overall responsibility for the establishment, implementation and supervision of REA Group's continuous disclosure system. To support the Board in managing this, the Board has established a Disclosure Committee to assess all potentially market sensitive information, and determine whether that information should be disclosed to the market. The members of the Disclosure Committee are the Company Secretary, any director, the CEO and the CFO.

Announcements relating to certain price sensitive information or significant matters require approval of the Board or the Chair of the Board prior to disclosure. Each director is provided with a copy of all material market announcements after they have been disclosed to the market.

### **11.2 Communicating with the investment community and the media**

Our Market Disclosure and External Communications Policy also sets out the rules and processes for how REA Group communicates with the investment community and the media.

When communicating with the investment community or the media, only certain authorised spokespeople may speak on behalf of REA Group and only information which is already publicly available or is not market sensitive information can be made available or provided.

All briefing and presentation materials must be given to, and approved by, the Disclosure Committee in advance of any briefing or presentation. If the Disclosure Committee determines that any briefing or presentation material includes market sensitive information which has not already been disclosed to the market, that material must be disclosed to the market before the briefing or presentation starts.

REA Group webcasts full year and half year financial results briefings made by the CEO and CFO.

# Corporate Governance Statement 2019

## (continued)

### 11.3 Communicating with shareholders

REA Group values open engagement with our shareholders, and aims to provide shareholders and investors with all important information related to REA Group. We do this by:

- (a) providing information about REA Group and our governance arrangements (including copies of all Board and Committee Charters and material policies) on our corporate website ([www.rea-group.com.au](http://www.rea-group.com.au));
- (b) providing copies of all ASX announcements (including financial results and annual reports) and media releases on the investor section of our corporate website;
- (c) distributing our annual reports and notices of meeting to shareholders; and
- (d) giving shareholders the ability to receive ASX announcements by email.

Shareholders can also elect to receive communications from, and send communications to, REA Group's share registry electronically. As at 30 June 2019, 63.89% of REA Group's shareholders have elected to receive communications electronically.

The REA Group annual general meeting for 2019 will be a hybrid meeting. Shareholders and investors will be able to watch a live video broadcast of the meeting and will be able to vote on resolutions, and ask questions, from their home or office.

All substantive resolutions at meetings of shareholders are decided by a poll, and not a show of hands.

More information on our approach to communicating with shareholders is set out in our Market Disclosure and External Communications Policy. A copy of the policy is available on our Corporate Governance Site.

### More about this Statement

This Statement has been approved by the board of directors of REA Group. Unless otherwise indicated, the information contained in this statement is true for the whole of the 2019 financial year commencing on 1 July 2018.

This statement should be read in conjunction with our Corporate Governance Site and the Directors' Report, including the Remuneration Report, on pages 32 to 57 of our 2019 Annual Report, available at [www.rea-group.com](http://www.rea-group.com).

References to:

"**REA Group**" means REA Group Limited and its controlled entities.

"**Corporate Governance Site**" are to [www.rea-group.com/company/investor-centre/corporate-governance](http://www.rea-group.com/company/investor-centre/corporate-governance).

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Introduced 01/07/14 Amended 02/11/15

**Name of entity**

REA Group Limited

**ABN / ARBN**

54 068 349 066

**Financial year ended:**

30 June 2019

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>

These pages of our annual report:

This URL on our website: <https://www.rea-group.com/company/investor-centre/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 14 October 2019 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date:

Name of Director or Secretary authorising lodgement: Sarah Turner, Company Secretary

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<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 2 and 5 and in our Board Charter which is available in the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a> ... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management): <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 2 and 5 and in our Board Charter which is available in the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a>	
1.2	A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6 and in our 2019 Notice of Meeting which is available in the investor section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a>	
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6	
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 4 and 5	

<sup>4</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
1.5	<p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 10</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a></p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 10</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 10 and in REA Group's Workplace Gender Equality Report available at <a href="https://www.wgea.gov.au/public-reports">https://www.wgea.gov.au/public-reports</a></p>	
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6</p>	
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 8</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 8</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6 and 7 ... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 and on page 32 of our 2019 Annual Report</p>	
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 5</p>	
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6</p> <p>... and, where applicable, the information referred to in paragraph (b):</p> <p>[Not applicable]</p> <p>... and the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Directors' Report on pages 30 and 31 of our 2019 Annual Report</p>	
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>		<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement on page 6</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.		<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement on page 6
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6	
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 8 and in the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6 and 7 ... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 and on page 32 of our 2019 Annual Report</p>	
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 9</p>	
4.3	<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 9</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 11 and in the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a>	
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at <a href="http://www.rea-group.com">www.rea-group.com</a>	
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 11 and 12	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 12	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement on page 12	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6 and 7 ... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a> ... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 and in our Directors' Report on page 32 of our 2019 Annual Report</p>	
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 9 ... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 9</p>	
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>... how our internal audit function is structured and what role it performs:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 9</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 9 and page 40 and 41 of our 2019 Annual Report</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 6 and 7 ... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at the corporate governance section of our website at <a href="http://www.rea-group.com">www.rea-group.com</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 7 and in our Directors' Report on page 32 of our 2019 Annual Report</p>	
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 8 and in our Remuneration Report on pages 44 to 57 of our 2019 Annual Report</p>	
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement on page 8 and in our Remuneration Report on pages 44 to 57 of our 2019 Annual Report</p>	

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... <sup>4</sup>	
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p>[Not applicable]</p>	
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p>[Not applicable]</p>	