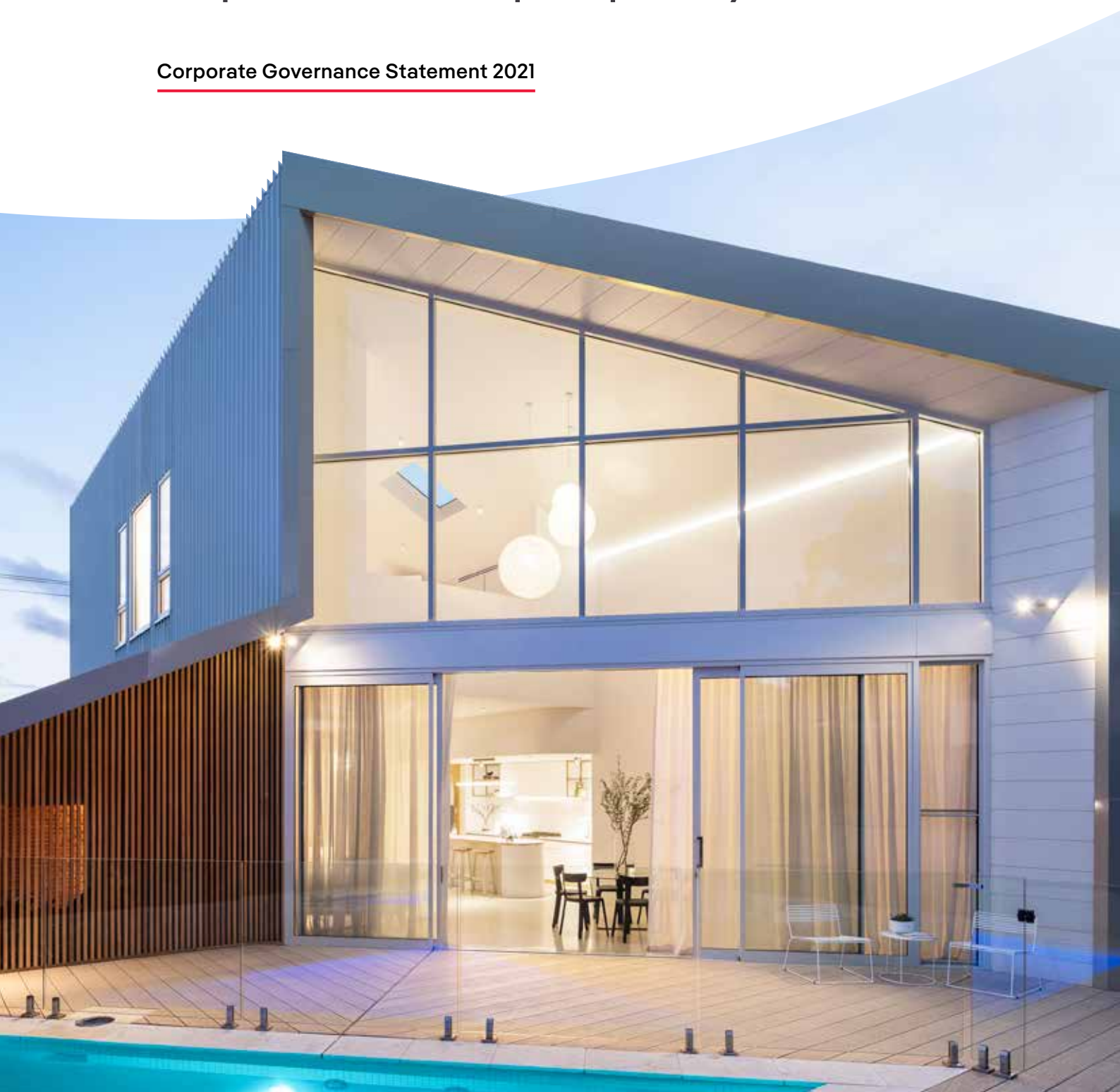




Changing the way the world experiences property

Corporate Governance Statement 2021



Corporate Governance Statement 2021

REA GROUP LTD

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 4th 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 ASX Corporate Governance Principles and is available on the Company's website www.rea-group.com/company/investor-centre/asx-announcements/.

Our corporate governance practices are designed to ensure that:

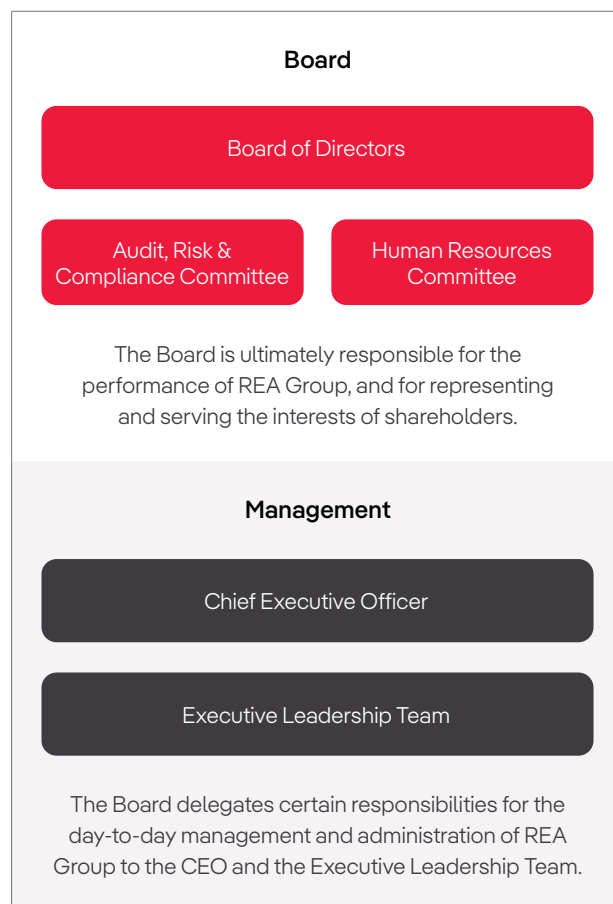
- a. we act lawfully, ethically and responsibly;
- b. we are transparent and accountable to our employees, shareholders, customers, consumers and the wider community; and
- c. the REA Group Board of Directors (**Board**) receives appropriate and timely information to enable it to fulfil its roles and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

Our values were developed collaboratively by our people and our leaders and endorsed by the Board. The Executive Leadership Team is responsible for instilling and reinforcing these values across REA Group. Our Values are embedded in many of our people practices such as our performance reviews and our recognition program and are reported on to both our Executive Leadership Team and the Board.

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 28 and 29 of our 2021 Annual Report.




Mr Hamish McLennan is the current Chairman of the Board and is responsible for providing leadership to the Board, ensuring the effective functioning 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 2021 reporting period, being the period from 1 July 2020 to 30 June 2021 (FY21), included:

 Strategy	<ul style="list-style-type: none"> - Approving REA Group's corporate strategy and performance objectives, which are designed to meet stakeholders' needs and manage business risk. - Assessing proposed strategic transactions (including merger & acquisition opportunities) and determining whether to pursue those opportunities based on factors including strategic fit, forecast performance and acquisition costs.
 Culture and values	<ul style="list-style-type: none"> - 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.
 Performance and growth	<ul style="list-style-type: none"> - Approving initiatives and strategies designed to ensure the continued growth and success of REA Group as a whole. - Monitoring performance against budgets, financial and non-financial key performance indicators, strategic plan and risk appetite. - Assessing, approving and monitoring the progress of major capital expenditure, capital management and acquisitions. - Challenging management and holding it to account, where required.
 Risk management	<ul style="list-style-type: none"> - With guidance from the Audit, Risk & Compliance (ARC) Committee, implementing REA Group's risk framework (for both financial and non-financial risks), including setting risk appetite and systems to ensure risk is appropriately identified, evaluated and managed. - Managing and responding to the impacts of COVID-19.

 Executive performance and succession planning	<ul style="list-style-type: none"> - Selecting and appointing a new General Counsel & Company Secretary and Chief Technology Officer. - Evaluating the performance of the Chief Executive Officer and the Executive Leadership Team. - With guidance from the Human Resources (HR) Committee, reviewing and approving appropriate remuneration policies which are aligned to REA Group's values and performance objectives.
 Integrity of financial and other external reports	<ul style="list-style-type: none"> - With guidance from the ARC Committee, ensuring the quality, accuracy and integrity of financial reports. - 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.
 Governance and shareholder interests	<ul style="list-style-type: none"> - Reviewing and approving policies and processes to maintain and enhance REA Group's corporate governance practices and standards. - Representing shareholders' interests and building sustainable, long-term shareholder value. - Approving interim and full year dividends.

Company Secretary

The Company Secretary is accountable to the Board, through the Chairman, 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 Chairman of the Board.

The Company Secretary is responsible for the coordination of all Board matters relating to the proper functioning of the Board, including agendas, board papers, minutes, communication with regulatory bodies and all statutory and other filings, as well as assisting the Board and its committees on governance matters.

Erin Thorne acted as Interim Company Secretary of REA Group until November 2020. Tamara Kayser commenced as General Counsel & Company Secretary in November 2020. Ms Thorne's and Ms Kayser's qualifications and experience are set out in the Directors' Report on page 41 of our 2021 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.

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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
	Executive Leadership	Experience in senior leadership roles, including on the boards of other significant listed companies and managing through periods of rapid change.	
	Governance and Risk	Understanding of key legal, governance and compliance issues and risks, and governance and regulatory framework.	
	Financial and Capital Markets	Experience in capital markets transactions (such as mergers and acquisitions, capital raising or capital management initiatives), in Australia or overseas.	
	Financial Acumen	Qualifications or experience in accounting, financial reporting and corporate finance. Experience in assessing the quality of internal accounting and financial reporting controls.	
	International Markets	Experience in an organisation with significant international operations, and exposure to a range of geographic, political, cultural, regulatory and business environments.	
	Strategy	Experience in developing, setting and executing strategic direction. Experience in driving growth and transformation, executing against a clear strategy.	
	Risk Management	Ability to identify key risks related to each area of the business. Ability to monitor effectiveness of risk and compliance function and knowledge of legal and regulatory requirements.	
	Marketing and Communications	Experience in marketing, brand or customer management.	
	Technology and Media	Experience in a company with a major focus on technology and media.	

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.

The Board recognises the importance of conducting appropriate checks on candidates. Before a candidate is appointed or 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 provide sufficient information to shareholders in the notice of meeting to enable them to make an informed decision in relation to the election or re-election of that director. 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. The letter of appointment sets out the key terms and conditions of the appointment of that director (including the time commitment envisaged, remuneration and other duties). The letter of appointment also includes 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. Directors are requested to consult with REA before accepting any additional commitments which might conflict with, or impact on, the time they are able to devote to their role as a non-executive director of the Company.

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, relevant senior executives and external auditors.

Directors also undertake a program of ongoing Director education, including office visits, presentations on a range of topics generally relevant to REA Group's business activities and briefings on material developments in laws, regulations and accounting standards. As a result of COVID-19, the scheduled board immersion trip for FY21 was cancelled.

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 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 FY21 that the following directors of REA Group were independent:

- a. Mr Roger Amos (retired 17 November 2020);
- b. Ms Kathleen Conlon;
- c. Mr Nick Dowling; and
- d. Ms Jennifer Lambert (appointed 1 December 2020).

The remaining four non-executive directors (including the Chairman 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, in accordance with the Board Charter. The Board considers the current mix of independent and non-independent directors to be appropriate as it reflects REA Group's size and News Corp's majority shareholding. However, this decision does not preclude the appointment of additional directors, if deemed appropriate. While not following the ASX Recommendation that the chair should be independent, the Board considers Mr Hamish McLennan has the necessary expertise and experience to lead the Board. The Board is comfortable that Mr Hamish McLennan brings objective judgement to all Board deliberations.

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5.5 Board performance

The performance of the Board, each Committee and individual directors is reviewed annually by the Chairman of the Board, assisted by the HR Committee. The Board performance review is undertaken with the objective of continuous governance improvement, identifying Board performance improvement opportunities and ensuring that the Board continues to operate effectively and efficiently.

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

The performance of the Chairman was assessed as part of the internal 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:

- Audit, Risk & Compliance (ARC) Committee; and
- 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 2021 reporting period and details of meeting attendance by Committee members during the 2021 reporting period are set out in the Directors' Report on page 30 of our 2021 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.

HR Committee

The HR Committee supports the Board with oversight of remuneration and performance of the Board, senior executives and across the entire REA Group.

In addition, the Board has determined that a separate Nominations Committee is not required, and responsibilities related to board composition and succession issues are appropriately overseen by the HR Committee.

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.
- Reviewing the process for evaluating Board, Committee and director performance.
- Making recommendations on the remuneration arrangements for non-executive directors (including the Chairman), the CEO and other senior executives.

ARC Committee	HR Committee
<ul style="list-style-type: none"> – 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. <p>The ARC Committee must consist of a majority of independent directors and be chaired by an independent director who is not the Chairman of the Board. The minimum number of members of the ARC Committee is three.</p> <p>In FY21, the members of the ARC Committee were Mr Roger Amos (Chair of the Committee) (retired 17 November 2020), Ms Jennifer Lambert (Chair of the Committee) (appointed 1 December 2020), Ms Kathleen Conlon and Mr Richard Freudenstein.</p> <p>The CEO also attends ARC Committee meetings at the invitation of the Committee.</p> <p>All ARC Committee members have appropriate skills and experience in accounting, financial reporting and analysing financial statements. In accordance with the ARC Committee Charter, the position of Chair of the Committee during the year was held by a qualified accountant with extensive financial and accounting experience.</p>	<ul style="list-style-type: none"> – Overseeing REA Group’s remuneration policies, including incentive and equity plans. – Reviewing and assessing REA Group’s governance policies and practices as requested by the Board from time to time. – 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. <p>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 Chairman of the Board.</p> <p>In FY21, the members of the HR Committee were Ms Kathleen Conlon (Chair of the Committee to 31 December 2020, and subsequently a member), Mr Nick Dowling (Chair of the Committee from 1 January 2020, previously a member), Mr Roger Amos (retired 17 November 2020), Mr Richard Freudenstein, Mr Hamish McLennan (Chairman of the Board) and Ms Jennifer Lambert (appointed 1 December 2020).</p> <p>The CEO also attends HR Committee meetings at the invitation of the Committee.</p>

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 are to ensure that remuneration:

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

7.1 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 2021 reporting period is set out on in the Remuneration Report on pages 44 to 60 of our 2021 Annual Report

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7.2 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 paid or granted to key management personnel in the 2021 reporting period are set out in the Remuneration Report on pages 44 to 60 of our 2021 Annual Report.

Each member of the Executive Leadership Team is employed under a written contract. The written contract sets out the key terms and conditions of that person’s 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 are independently considered and assessed by both the HR Committee and then the Board (which takes into account any recommendations made by the HR Committee).

The Board reviews the CEO’s performance annually against a range of criteria and agreed measures, taking into account both financial and non-financial performance.

A performance evaluation of all members of the Executive Leadership Team was conducted in accordance with this process for the 2021 reporting period. The outcomes of this performance review for those members of the Executive Leadership Team who are considered ‘key management personnel’ form a part of the incentive outcomes set out in the Remuneration Report on pages 44 to 60 of our 2021 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 outlines REA Group’s expectations for behaviour on a day-to-day basis and is a guide for how we interact and work with each other, our customers, our shareholders, the business and our community. It is fundamental to our culture and provides an important bridge between our values, our policies and our legal requirements.

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. Failure to comply with the Code of Conduct may result in disciplinary action, up to and including termination of employment and, in some instances, criminal prosecution.

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 the Code is always available on the REA Group intranet. It is supplemented by an employee handbook, as well as several core policies including the REA Conflicts of Interest Policy and REA Group Whistleblower Policy. These are also reinforced throughout the year by training programs or compliance updates.

Employees are encouraged to raise concerns about behaviour which breaches the Code of Conduct to their manager as soon as possible. Employees may call the independently operated SAFECALL (whistleblower) hotline if they do not feel comfortable speaking to someone at REA.

Any material breaches of the Code of Conduct are reported to the Board and monitored until the relevant breach is considered closed.

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 entail serious mismanagement of REA's resources. Appropriate internal and external channels have been put in place to ensure that any reports of wrongdoing are handled professionally and confidentially. This includes the SAFECALL (whistleblower) hotline.

Any material incidents reported under the Whistleblower Policy are reported to the Board.

A copy of the Whistleblower 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. Reporting of suspected breaches of the policy is encouraged, including through the whistleblower channels. Employees must inform the General Counsel or a member of the Executive Leadership Team of any potential bribery or corruption in REA Group as soon as they become aware of it.

Any material incidents reported under the anti-bribery and corruption policy are reported to the Board.

A copy of the anti-bribery and corruption policy is available on our Corporate Governance Site.

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 is 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 Ernst & Young (EY). Following completion of the FY21 financial year audit, the lead audit partner was rotated.

The ARC Committee is responsible for assessing the scope and adequacy of the external audit, including making recommendations to the Board on the selection, appointment, removal and remuneration of the external auditor, and rotation of the lead audit partner, 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 always remains independent, all non-audit work is authorised by the ARC Committee. Details of the non-audit services provided by EY during the 2021 reporting period, and the fees paid or payable for those services is set out on page 41 and 42 of our 2021 Annual Report.

The external auditor attends each AGM to answer any shareholder questions.

In circumstances where EY has not been required to review a periodic corporate report, REA Group has in place processes to verify the integrity of any unaudited periodic corporate report it releases to the market to satisfy itself that the report is accurate and balanced. The unaudited corporate reports include the Corporate Governance Statement, the Sustainability Report and the Tax Transparency Report. These are prepared by the relevant subject matter experts (with assistance from third party professional services firms where appropriate) and content sign-off is provided by responsible senior management. All material quantitative and qualitative statements are supported with verifiable evidence, and certain elements receive independent verification.

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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 function is internally led and resourced with supplemental resourcing provided by specialist third parties.

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 2021 reporting period, a detailed review of the REA Group Risk Management Policy was undertaken in order to identify any amendments necessary 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. No amendments were identified this year.

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 to which REA Group faces significant exposure, including disruption risk from new technologies, data management and security risks, privacy risks and systems risks.

Further information on specific environmental or social risks that could materially impact REA Group, and the measures we take or intend to take to mitigate against them, are set out in our 2021 Sustainability 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; 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.

These statements are made after the CEO and the CFO receive representation letters from appropriate management addressed to the CEO and CFO confirming that there are no issues or highlighting where there are issues and the impact they have on the financial information.

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 set a target of 50% female representation at the senior leadership¹ level by 2020. As at 30 June 2021, approximately 41.8% of senior leadership roles were held by women (a decrease from 49% at 30 June 2020).

The Board is committed to putting in place the right balance of skills, knowledge, experience and diversity on the Board to enable it to discharge its responsibilities effectively and add value. As of 30 June 2021, female representation on the Board was 37.5%.

Given REA Group's strategic relationship with its majority shareholder, News Corp, the current composition of the Board, and News Corp's right to nominate four directors to the Board, the Board is of the opinion that it would not be appropriate at this time to set a gender diversity target requiring not less than 30% female representation on the Board. Notwithstanding this, when identifying suitable candidates to fill board vacancies, the Board (through the HR Committee) places strong emphasis on identifying candidates who complement the Board's effectiveness and diversity.

Gender participation metrics continue to be included in scorecards of senior executives. The current gender balance across the REA Group as of 30 June 2021 is as follows:

Percentage of female representation across REA Group:	
Board	37.5%
Executive Leadership Team	55.6%
RLG ²	41.8%
REA Group Workforce Australia	47.9%
REA Group Workforce Asia	55.1%
2021 Graduate Program	50.0%

¹ Includes Senior Managers, Executive Managers, Sales Directors and Executive Leadership Team

² REA Leadership Group, includes direct reports of the Executive Leadership Team and business partners

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).

10.2 Our ongoing support for diversity and inclusion

Whilst gender balance is a particular focus of our diversity and inclusion strategy, it is important to acknowledge that diversity at REA Group refers to all characteristics that contribute to an individual's identity and make them unique, such as diversity of thought, religion, race, ethnicity, language, gender, sexual orientation, disability or age.

A selection of our achievements and progress towards improving diversity and inclusion at REA Group in the 2021 reporting period are set out below.

(a) Women in Tech

Bridging the gender representation gap in the technology industry remains a key priority for REA. In FY2021 we continued to focus on our Women in Tech strategy to drive greater gender balance in technology roles at all levels in our business.

The programs which underpin our Women in Tech strategy are:

- (i) **REAdy Set Go program:** started in 2018, this program is designed for women who are changing careers or returning to technology roles after a career break. Many women entering the program have previous professional experience and we have therefore developed a flexible program. REA continues to fund formal training for women entering the program with no tech skills or experience;
- (ii) **Accelerated Leadership Program:** this program was established to help improve the representation of women in senior roles in technology at REA by investing in development of mid-tier women identified as potential future leaders. The program is designed to enhance the leadership skills and commercial acumen of women and those who identify as non-binary working in male dominated industries. It is a bespoke program designed for REA; and
- (iii) **REA's women in technology mentoring program:** this program was initially piloted with women in technology and later extended to everyone in the tech, product and design communities (where female representation is traditionally low). The program was designed to connect women in technology with those across REA as well as to share learnings, provide support and fuel a culture of learning and knowledge sharing across the broader business.

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 28.7% in FY21.

Corporate Governance Statement 2021

Percentage of female representation in technology roles

June 2021	28.7%
June 2020	31.0%

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

In FY21 we continued the following inclusion activities:

- (i) REA Group's employee led resource group known as the Diversity and Inclusion Guild (**Guild**). The Guild aims to create more awareness and advocacy around the different dimensions of diversity and intersectionality. The Guild continues to create storytelling opportunities, acknowledge key events and evolve internal processes based on the research and thought leadership of the Guild. The Guild continues to provide a forum in which all voices are heard;
- (ii) celebrating the diversity of our employees via all employee acknowledgement and events. REA continued to promote internal celebrations and acknowledgement as a demonstration of allyship with the diverse community of people that make up REA. During 2021 Pride Month, our employees were encouraged to celebrate Mardi Gras and employees and leaders took the time to showcase rainbows in our physical and virtual offices. Leaders shared their own personal stories internally and on our REA Group LinkedIn. Our people also donated to the Sydney Gay & Lesbian Mardi Gras or one of the 14 LGBTQIA+ charities on our Good 2 Give platform. A physical symbol of this support, a giant rainbow, featured in our office and employees were encouraged to have their photo taken in front of it as a gesture of allyship and support; and
- (iii) continued to measure diversity and inclusion metrics in our annual staff engagement survey. In FY21 we reviewed our Engagement Survey questions and refined them to target 'Voice and Belonging'. Our questions became more focused on the everyday inclusion experiences of employees. For example, we added a question 'People from all backgrounds and circumstances have equal opportunities to succeed at REA Group' (achieving 81% positive sentiment). We did this to ensure we continue to deliver relevant and targeted Diversity, Equity and Inclusion initiatives.

(c) Continued emphasis on support throughout COVID-19 flexible working and further increasing the focus on mental health

Driving a culture of flexible working has continued to be a fundamental component of our inclusion strategy at REA. Due to the evolving COVID-19 situation, FY21 saw another shift in our mode of working; moving from what was a fully virtual work environment to a hybrid working model.

The necessity of flex remained however, and we made further changes to continue to support employees to effectively balance delivering on their commitments with the added stressors of home schooling, caring responsibilities and life during a global pandemic. To ensure our people had the support they needed to spend time on the things that would help them be their best at work, we altered our personal leave policy when specific locations were placed into extended lockdowns, and encouraged employees to use this leave as and when they needed. This included a wide variety of reasons like home schooling, caring responsibilities, mental health breaks, grocery shopping, etc. A vast number of carers took advantage of this, with 9630 hours of carers leave accessed in FY21. We continued to support part time work with the number of staff on formal flexible work arrangements remaining steady shifting from 7% in FY20 to 8% in FY21. The impacts of this support were evident in our employee sentiment measures, with 83% of employees globally agreeing with the statement 'REA Group enables me to balance work and personal life' during our most recent engagement survey.

In addition to our formalised flex focused support, we also increased our emphasis on mental health support during FY21. To ensure our employees could bring their whole selves to work, and as part of our commitment to providing support with regard to mental health, we focused on creating a culture in which our employees felt safe to openly discuss their mental health. We provided guidance for people leaders on how to have good mental health focused conversations via our People Leader Townhalls. This involved supplying a framework for our people leaders to have discussions that were mental health related and could be delivered either virtually or face to face. We also upskilled a portion of our People and Culture function to become Mental Health First Aid accredited. This allows an additional avenue for employees when it comes to reaching out for support and access to appropriate services such as our Employee Assistance Program. We know that our people feel the impact of these actions, as our latest engagement results showed that 87% of employees feel that 'the leaders at REA demonstrate that wellbeing is important'.

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 Chairman 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.

New and substantive investor and analyst presentations are released on the ASX market announcements platform ahead of the presentation. REA Group webcasts full year and half year financial results briefings made by the CEO and CFO.

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 (<https://www.rea-group.com/company/investor-centre/corporate-governance/>);
- 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.

The AGM is a key opportunity for shareholders to hear the Chairman and CEO provide updates on the Company's performance, ask questions of the Board, and to express a view and vote on a poll on the various matters of Company business. Shareholders may also ask questions of the Company's external auditor at the meeting. REA encourages its shareholders to attend its AGM. Shareholders and investors who are unable to physically attend or watch the live broadcast will be able to appoint a proxy to attend the meeting and vote on their behalf. Shareholders and investors will also be able to vote on resolutions, ask questions in advance of the AGM either online or via a voting or question form, if they are unable to attend the live broadcast or prefer to vote or submit questions in advance. REA commits to dealing with shareholder queries in a respectful and timely manner when received,

REA's investor relations program includes scheduled briefings following quarterly, half-yearly and annual results reporting and during the AGM period. Other ad hoc briefings are held throughout the year with institutional investors, analysts and the media. These briefings and presentations provide an opportunity for two-way communication between REA and these stakeholders.

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 (Board) of REA Group and is current as at 20 September 2021.

This statement should be read in conjunction with our Corporate Governance Site and the Directors' Report, including the Remuneration Report, on pages 30 to 60 of our 2021 Annual Report, available at www.rea-group.com.

References to:

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

"**Corporate Governance Site**" are to www.rea-group.com/company/investor-centre/corporate-governance.

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

REA GROUP LTD

ABN/ARBN

54 068 349 066

Financial year ended:

30 June 2021

Our corporate governance statement¹ for the period above can be found at:²

☐ 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 20 September 2021 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 20 September 2021

Name of authorised officer
authorising lodgement:

Tamara Kayser, Company Secretary

¹ "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.

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 Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ 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.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (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.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed a copy of our board charter at: Board Charter	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward 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.	<input checked="" type="checkbox"/> our Corporate Governance Statement and in our 2021 Notice of Meeting which will be made available in the investor section of our website at https://www.rea-group.com/company/investor-centre	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

⁵ 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		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) 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>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at:</p> <p>.....</p> <p>[insert location]</p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>.....</p> <p>[insert location]</p> <p>and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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 for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> our Corporate Governance Statement</p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>our Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> our Corporate Governance Statement</p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p>our Corporate Governance Statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p>our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
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><input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed a copy of the charter of the committee at: Human Resources Committee Charter and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement and in our Directors' Report on page 30 of our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	<p><input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed our board skills matrix at: our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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, affiliation 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 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><input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed the names of the directors considered by the board to be independent directors at: our Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) at: Not applicable and the length of service of each director at: page 28 and 29 of our Directors' Report in our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.4	A majority of the board of a listed entity should be independent directors.	<input type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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 type="checkbox"/>	<input checked="" type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed our values at: our Corporate Governance Statement and on page 3 of our 2021 Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed our code of conduct at: The Way We Do Things Code of Conduct	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed our whistleblower policy at: Whistleblower Policy	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: The Way We Do Things: Doing Business Ethically and with Integrity	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
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><input checked="" type="checkbox"/> our Corporate Governance Statement</p> <p>and we have disclosed a copy of the charter of the committee at: Audit, Risk and Compliance Committee Charter</p> <p>and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement and in our Directors' Report on page 30 of our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</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><input checked="" type="checkbox"/> our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.3	<p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p><input checked="" type="checkbox"/> our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed our continuous disclosure compliance policy at: Market Disclosures and External Communications Policy	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed information about us and our governance on our website at: www.rea-group.com	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed how we facilitate and encourage participation at meetings of security holders at: our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/> our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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><input checked="" type="checkbox"/> our Corporate Governance Statement</p> <p>and we have disclosed a copy of the charter of the committee at: Audit, Risk and Compliance Committee Charter</p> <p>and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement and in our Directors' Report on page 30 of our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</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 that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/> our Corporate Governance Statement</p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</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 governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/> our Corporate Governance Statement</p> <p>and we have disclosed how our internal audit function is structured and what role it performs at: our Corporate Governance Statement</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed whether we have any material exposure to environmental and social risks at: our Corporate Governance Statement, pages 38 to 40 of our 2021 Annual Report and in our 2021 Sustainability Report to be released in October 2021. and, if we do, how we manage or intend to manage those risks at: our Corporate Governance Statement, pages 38 to 40 of our 2021 Annual Report and in our 2021 Sustainability Report to be released in October 2021.	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
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><input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed a copy of the charter of the committee at: Human Resources Committee Charter and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement and in our Directors' Report on page 30 of our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	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><input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: our Corporate Governance Statement and in our Remuneration Report on pages 44 to 60 of our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</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><input checked="" type="checkbox"/> our Corporate Governance Statement and we have disclosed our policy on this issue or a summary of it at: Securities Trading Policy and in our Corporate Governance Statement and Remuneration Report on pages 44 to 60 of our 2021 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
-	<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>	Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement