

# THE REAL BROKERAGE INC.

## COMPENSATION COMMITTEE CHARTER

### Purpose of the Committee

The Compensation Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of The Real Brokerage Inc. (the "**Company**"). Its purpose is to carry out the following responsibilities:

- review and approve corporate goals and objectives relevant to Chief Executive Officer ("**CEO**") compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to) the CEO's compensation level based on this evaluation;
- make recommendations to the Board with respect to non-CEO officer and director compensation, incentive-compensation plans and equity-based plans; and
- review executive compensation disclosure before the Company publicly discloses this information.

### Composition

The Committee will be comprised of at least three Directors or such greater number as the Board may determine from time to time and all members of the Committee shall be "independent" (as defined under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and in Nasdaq Listing Rule 5605(a)(2)) unless the Board determines that an exemption is available and determines to rely thereon.

The Board shall from time to time designate one of the members of the Committee to be the chairperson of the Committee (the "**Chair**").

### Meetings and Administrative Matters

- (a) The Committee shall meet at least twice per year and/or as deemed appropriate by the Committee Chair.
- (b) Meeting materials shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.
- (c) A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
- (d) The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.
- (e) At all meetings of the Committee, every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall be entitled to a second or casting vote.

- (f) The minutes of the Committee meetings shall accurately record the decisions reached and the minutes (which may be in draft form) shall be distributed to the Committee members with copies to the Board.
- (g) The Committee may invite such officers, directors and employees of the Company and its subsidiaries, if any, as it sees fit from time to time to attend meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.
- (h) Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.
- (i) Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Lead Director of the Board by the Committee Chair.

### **Mandate and Responsibilities**

- (a) CEO Compensation. With respect to compensation of the CEO, the Committee is responsible for:
  - (i) reviewing and approving corporate goals and objectives relevant to CEO compensation;
  - (ii) evaluating the CEO's performance in light of those corporate goals and objectives;
  - (iii) determining (or making recommendations to the Board with respect to) the CEO's compensation level based on this evaluation; and
  - (iv) ensuring that the CEO is not present during voting or deliberations on the CEO's compensation.

In determining the long-term incentive component of the compensation of the CEO, the Committee will consider the Company's performance and relative shareholder return, the value of similar incentive compensation given to chief executive officers at comparable companies and the compensation given to the CEO in past years.

- (b) Annual Review of CEO Compensation. The Committee will annually review and assess the competitiveness and appropriateness of the compensation package of the CEO. In conducting that review, the Committee will consider:
  - (i) the compensation package of the CEO for the prior year;
  - (ii) the Committee's evaluation of the performance of the CEO;
  - (iii) the Company's performance and relative shareholder return, as well as other key measures of performance;
  - (iv) whether the compensation package reflects an appropriate balance between salary and incentive compensation, as well as the mix between short- and longer-term incentives to improve performance of the Company;

- (v) the competitiveness of the compensation package, including the value of similar incentive awards and benefits such as pensions and supplementary executive retirement plans, paid to equivalent officers at comparable companies;
  - (vi) the impact of the level and form of awards on the Company and its shareholders from a tax, accounting, cash flow and dilution perspective; and
  - (vii) the awards given to the CEO.
- (c) Compensation of Senior Officers. In consultation with the CEO, the Committee will review the evaluation of the Company's senior officers and may make recommendations to the Board and the CEO with respect to the total compensation package for the Company's senior officers other than the CEO. The Committee will consider all forms of remuneration when determining the level of compensation paid to senior officers, including long-term incentives and benefits. The Committee will also consider information regarding other companies, the nature of the Company's business, the need to obtain qualified individuals, short-term and long-term performance goals and actual performance and shareholder returns and evaluations and compensation in previous years.
- (d) Compensation of Directors. The Committee will, on a periodic basis:
- (i) review the adequacy, amount and form of the compensation to be paid to each director;
  - (ii) consider whether that compensation realistically reflects the time commitment, responsibilities and risks of the directors; and
  - (iii) make recommendations to the Board based on this review and analysis.

The Committee also will make recommendations to the Board on any minimum share ownership requirements for directors of the Company.

- (e) Incentive-Compensation Plans. With respect to incentive-compensation plans, the Committee is responsible for:
- (i) reviewing and approving all of the Company's long-term incentive plans, including changes to those plans;
  - (ii) reviewing and approving all payments made under the Company's short- and long-term incentive plans; and
  - (iii) reviewing and approving any senior officer change of control contracts or special benefits and any other senior officer financial arrangements or changes to those arrangements.
- (f) Equity-Based Plans. With respect to equity-based plans, the Committee is responsible for periodically reviewing and making recommendations to the Board regarding equity-based compensation plans that the Company establishes for, or makes available to, its employees and/or consultants, including the designation of those who may participate in those plans, share and option availability under those plans and the administration of share purchases under those plans.

In addition, the Committee will review periodically the extent to which these forms of compensation are meeting their intended objectives, and will make recommendations to the Board regarding modifications to more accurately relate that compensation to employee performance.

(g) Risk Oversight and Mitigation. In fulfilling its responsibilities, the Committee will consider the implications of the risks associated with the Company's compensation policies and practices and will adopt (or recommend the adoption of) practices to mitigate compensation policies and practices that could encourage excessive risk-taking.

(h) Disclosure. With respect to disclosure, the Committee is responsible for:

- (i) obtaining advice on and tracking disclosure requirements related to executive compensation disclosure;
- (ii) reviewing executive compensation disclosure information before the Company publicly discloses this information; and
- (iii) in particular, reviewing the "Executive Compensation" and "Indebtedness" sections and preparing the "Report on Executive Compensation" section of the management information circular (or similarly captioned disclosure).

### **Authority of the Committee**

The Committee has the authority to delegate to individual members or subcommittees of the Committee. The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel, or other advisor. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee. The Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors:

- (i) the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- (ii) the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- (iii) the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- (iv) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (v) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- (vi) any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

Notwithstanding the foregoing, the Committee will not be required to conduct an independence assessment for a compensation adviser that acts in a role limited to (i) consulting on any broad-based plan

that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; and/or (ii) providing information that either is not customized for a particular issuer or that is customized based on parameters that are not developed by the adviser, and about which the adviser does not provide advice.

### **Committee and Charter Review**

The Committee will conduct an annual review and assessment of its performance, effectiveness and contribution. The Committee will conduct that review and assessment in such manner as it deems appropriate and report the results to the Board.

The Committee will also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any best practice guidelines recommended by regulators, and will recommend any required or desirable changes to the Board.

### **Reporting to the Board**

The Committee will regularly report to the Board on all significant matters it has considered and addressed and with respect to such other matters that are within its responsibilities, including any matters approved by the Committee or recommended by the Committee for approval by the Board.

Approved by the Board of Directors on July 17, 2023