

THE REAL BROKERAGE INC.

MANDATE OF THE BOARD OF DIRECTORS

I. GENERAL

1. Mandate

The board of directors (the “**Board**”) of The Real Brokerage Inc. (the “**Company**”) is responsible for the stewardship of the Company. The Board is elected by the shareholders of the Company to supervise the management of the business and affairs of the Company, with the goal of enhancing long-term shareholder value.

Specifically, the Board is charged with responsibility for:

- (a) to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the organization;
- (b) oversight of management over strategic planning and ensuring that strategic planning takes into consideration, among other things, the opportunities and risks of the business;
- (c) working with management to identify the principal risks of the Company’s business, and ensuring the implementation of appropriate systems to manage these risks;
- (d) oversight of succession planning (including appointing, training and monitoring senior management);
- (e) adopting a communication policy for the Company;
- (f) oversight of the Company’s internal control and management information systems; and
- (g) developing the Company’s approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.

2. Board Committees

To assist it in exercising its responsibilities, the Board has established three standing committees of the Board: an audit committee (the “**Audit Committee**”), a compensation committee (the “**Compensation Committee**”) and a nominating and corporate governance committee (the “**N&CG Committee**”). Each committee will be composed entirely of independent directors. The Board may establish other standing committees, from time to time.

Each committee will have a written charter. At a minimum, each charter will clearly establish the committee’s purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter will be reviewed by the Board on at least an annual basis.

The Board is responsible for appointing directors to each of its committees, in accordance with the written charter for each committee.

3. Expectations and Responsibilities of Directors

The Board expects that each director will, among other things:

- (a) act honestly, in good faith and with a view to the best interests of the Company;
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- (c) commit the time and energy necessary to properly carry out such director's duties;
- (d) attend all regularly scheduled Board and committee meetings, as applicable; and
- (e) review in advance all meeting materials and otherwise adequately prepare for all regularly scheduled Board and committee meetings, as applicable.

4. The Board's Expectations of Management

The Board expects that management will, among other things:

- (a) review continuously the Company's strategies and their implementation in light of evolving conditions;
- (b) present a comprehensive annual operating plan and budget and report regularly on the Company's performance and results relative to that plan and budget;
- (c) report regularly on the Company's business and affairs, with a focus on matters of material consequence for the Company;
- (d) implement systems to identify and manage the principal risks of the Company's business;
- (e) implement and maintain appropriate systems of internal control; and
- (f) implement and maintain appropriate disclosure controls and procedure.

In addition, the Board expects that the Chief Executive Officer ("CEO") and the other executive officers of the Company will conduct themselves with integrity and that the CEO and other executive officers will create a culture of integrity throughout the Company.

5. Decisions Requiring Prior Approval of the Board

The Board is responsible for pre-approving material transactions, including those involving mergers, acquisitions and major investments or divestitures of or by the Company.

II. PROCEDURAL MATTERS

1. Composition

The Board will be composed of a majority of “independent” directors, as defined under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and Nasdaq Listing Rule 5605(a)(2) and that the Board members on the Audit Committee meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended (subject to the exemptions provided for therein).

The Board will consist of directors who represent a diversity of personal experience and background, particularly among the independent directors. At a minimum, each director will have demonstrated personal and professional integrity, achievement in his or her field, experience and expertise relevant to the Company’s business, a reputation for sound and mature business judgment, the commitment to devote the necessary time and effort in order to conduct such directors duties effectively and, if required, financial literacy.

The composition of the Board will balance the following goals:

- (a) the size of the Board will facilitate substantive discussions of the whole Board in which each director can participate meaningfully; and
- (b) the composition of the Board will encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Company’s business.

2. Director Qualifications

In addition to the qualifications specified for directors in the *Business Corporations Act* (British Columbia), directors of the Company will be subject to the following requirements:

- (a) members of the Audit Committee will be financially literate as defined in National Instrument 52-110 – *Audit Committees*;
- (b) at least one member of the Audit Committee will be financially sophisticated as required by Nasdaq Listing Rule 5605(c)(2)(A); and
- (c) following a change in principal occupation, place of residence, or a similar change in credentials, directors are expected to report that change to the N&CG Committee for consideration.

3. Board Structure and Operations

(a) Chair

The Board will appoint an independent director to act as Chair of the Board. If the Board determines that this is not appropriate in the circumstances and instead appoints a non-independent director to act as Chair of the Board, the Board will also appoint an independent director to act as Lead Director. Either an independent Chair of the Board or an independent Lead Director will act as the effective leader of the Board and ensure that the Board’s agenda will enable it to successfully carry out its duties. The Chair of the Board and the Lead Director, as applicable, may be removed at any time at the discretion of the Board.

The designation of the Chair of the Board and the Lead Director, if applicable, will take place annually.

If, in any year, the Board does not appoint a Chair or Lead Director, if applicable, the incumbent Chair and Lead Director, if applicable, will each continue in office until a successor is appointed.

If the Chair of the Board or Lead Director, if applicable, is absent from any meeting, the Board will select one of the other members of the Board to preside at that meeting.

(b) **Meetings**

The Chair of the Board, or, if the Chair of the Board is not independent, then the independent Lead Director, will be responsible for developing and setting, in consultation with other members of the Board and senior management, the agenda for Board meetings, and determining the time, place and frequency of Board meetings.

The independent directors will have regularly scheduled meetings at which only independent directors are present ("executive sessions"), at least twice a year, and perhaps more frequently, in conjunction with regularly scheduled Board meetings.

(c) **Notice**

Notice of the time and place of every meeting will be given in writing to each member of the Board and the CEO at least 48 hours before the time fixed for that meeting.

(d) **Quorum**

Three members of the Board will constitute a quorum. No business may be transacted by the Board except at a meeting of its members at which a quorum of the Board is present in person or by means of such telephonic, electronic or other communications facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

(e) **Attendees**

The Board may invite any of the officers and employees of the Company and any advisors as it sees fit to attend a meeting of the Board and assist in the discussion and consideration of matters relating to the Board.

(f) **In Camera Sessions**

The independent directors will hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance.

(g) **Records**

Minutes of meetings of the Board will be recorded and maintained by the Secretary or the Assistant Secretary of the Company and will be subsequently presented to the Board for review and approval.

(h) **Liaison**

The CEO will act as management liaison with the Board.

4. Board Mandate Review

The Board will review and assess the adequacy of this Mandate on an annual basis, taking into account all legislative and regulatory requirements applicable to the Board, as well as any best practice guidelines recommended by securities regulatory authorities or the Nasdaq Stock Market.

III. RESPONSIBILITIES

1. Supervising Management of the Company

The Board is responsible for, in addition to its responsibilities set out in the articles of the Company:

- (a) appointing officers, specifying their duties and delegating to them the power to manage the day-to-day business and affairs of the Company;
- (b) reviewing the officers' performance and effectiveness; and
- (c) acting in a supervisory role, such that any duties and powers not delegated to the officers of the Company remain with the Board and its committees.

In addition, the Board is responsible for, to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Company.

2. Risk Management

Management is responsible for the identification of the principal risks of the Company's business, and ensuring the implementation of appropriate systems to manage these risks.

The Board is responsible for overseeing the identification and management of the principal risks of the Company's businesses. Among other things, the Board will review the Company's risk management policies and procedures. The Board may delegate to the Audit Committee responsibility for reviewing reports from the internal audit function and reviewing the Company's internal controls and risk management policies and procedures related to the finance and accounting aspects of the business.

3. Succession Planning

Management is responsible for succession planning (including appointing, training and monitoring senior management).

The Board is responsible for overseeing succession planning matters for officers and senior management, including the appointment, training and monitoring of those persons, and to assist it with certain of these responsibilities, the Board has established the Compensation Committee. The Board is also responsible for:

- (a) generally ensuring depth in senior management;
- (b) reviewing candidates for senior management positions;

- (c) considering periodically the organizational structure of the Company; and
- (d) considering periodically other succession planning matters.

4. Communications Policy

Management is responsible for adopting a communications policy for the Company. The Board is responsible for reviewing and approving the communications policy (the “**Corporate Disclosure Policy**”) that ensures that the Company communicates effectively with its shareholders, other stakeholders, and the public in general.

The Corporate Disclosure Policy will:

- (a) contain measures for the Company to comply with its continuous and timely disclosure requirements and to avoid selective disclosure;
- (b) address how the Company interacts with analysts, investors, other key stakeholders and the public; and
- (c) address who reviews and approves major Company announcements.

The Company will maintain an investor relations group contact with the responsibility of maintaining communications with the investing public in accordance with the Corporate Disclosure Policy.

The Board will periodically review the Corporate Disclosure Policy.

5. Internal Controls

Management is responsible for the Company’s internal control and management information systems.

The Board is responsible for overseeing and ensuring the integrity of the Company’s internal control and management information systems. The Board may delegate its responsibilities relating to the Company’s internal control and management information systems to the Audit Committee.

6. Corporate Governance

The Board is responsible for developing the Company’s approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company. The Board will monitor the effectiveness of the system of corporate governance at the Company, including the information requirements of the Board, the frequency and content of meetings and the need for any special meetings, communication processes between the Board and management, the charters of the Board and its committees and policies governing the size and composition of the Board.

The Board may delegate its responsibilities relating to corporate governance to the N&CG Committee.

7. Measures for Receiving Feedback from Security Holders

The Board will oversee procedures to ensure that the Company, through management, provides timely information to current and potential security holders and responds to their inquiries. The purpose of these procedures will be to ensure that every security holder inquiry receives a prompt response from an appropriate Company spokesperson in accordance with the Company’s Corporate Disclosure Policy.

The Board (or a Board committee) will ensure that designated persons under the Corporate Disclosure Policy are available to meet regularly with financial analysts and institutional investors.

8. Position Descriptions

The Board is responsible for:

- (a) developing clear position descriptions for the Chair of the Board, the Lead Director, if applicable, and the chair of each Board committee;
- (b) together with the CEO, developing a clear position description for the CEO, which includes delineating management's responsibilities; and
- (c) developing or approving the corporate goals and objectives that the CEO is responsible for meeting.

9. Orientation and Continuing Education

The Board is responsible for:

- (a) ensuring that all new directors receive a comprehensive orientation, so that they fully understand:
 - (i) the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors); and
 - (ii) the nature and operation of the Company's business; and
- (b) providing continuing education opportunities for all directors, so that they may:
 - (i) maintain or enhance their skills and abilities as directors; and
 - (ii) ensure that their knowledge and understanding of the Company's business remains current.

10. Code of Business Conduct and Ethics

The Board is responsible for adopting a written code of business conduct and ethics (the "**Code**"), applicable to directors, officers and employees of the Company. The Code will constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and will address the following issues:

- (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- (b) protection and proper use of corporate assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with the Company's security holders, customers, suppliers, competitors and employees;

- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers will be granted by the Board (or a Board committee) only.

11. Nomination of Directors

The Board is responsible for nominating or appointing individuals as directors and, to assist it with this responsibility, the Board has established the N&CG Committee.

Before nominating or appointing individuals as directors, the Board will:

- (a) consider what competencies and skills the Board, as a whole, should possess;
- (b) assess what competencies and skills each existing director possesses (including the personality and other qualities of each director);
- (c) consider the appropriate size of the Board, with a view to facilitating effective decision-making; and
- (d) consider the advice and input of the N&CG Committee.

12. Compensation Matters

The Board is responsible for overseeing compensation matters (including compensation of officers and other senior management personnel, approving the Company's annual compensation budget) and, to assist it with these responsibilities, the Board has established the Compensation Committee.

More specifically, the Board is responsible for approving:

- (a) the CEO's compensation level, after consideration of the evaluation conducted by and the recommendations of the Compensation Committee; and
- (b) non-CEO officer and director compensation, incentive-compensation plans and equity-based plans, after consideration of the recommendations of the Compensation Committee.

13. Regular Board Assessments

The Board is responsible for regularly and at least annually assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Board committee. Those assessments will consider:

- (a) in the case of the Board, this Mandate;
- (b) in the case of a Board committee, the committee's charter; and
- (c) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.

The Board will consider attendance at Board and committee meetings when making those assessments.

14. Outside Advisors

The Board is responsible for overseeing a process which enables the Board, any Committee of the Board, or individual directors, to engage an external advisor at the expense of the Company in appropriate circumstances. The engagement of the external advisor will be subject to the approval of the Board (or a Board committee).

Approved by the Board of Directors on July 17, 2023