



The Real Brokerage Inc.

2024 Sustainability Report

Making a Real Impact

December 2024





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A Message from Our CEO, Tamir Poleg

To Our Valued Stakeholders,

I am honored to present The Real Brokerage's inaugural Sustainability Report, outlining a significant milestone in our journey towards responsible business practices and our vision for a sustainable future in real estate.

“ At Real, our mission is to empower real estate agents with cutting-edge technology, attractive financial opportunities, and a vibrant, collaborative culture. ”

Over the past year, we've expanded rapidly, now serving over 22,000 agents across North America. Throughout this growth, our commitment has remained steadfast: to create value not just for our shareholders, but for all of our stakeholders, including our agents, employees, communities and partners.

We've made significant strides in formalizing our approach to sustainability. Some of the key achievements include:

- Launching Leo, our AI-powered assistant: Enhancing agent productivity while promoting resource efficiency.
- Expanding the One Real Impact program: Providing critical support to agents in times of hardship.
- Implementing a flexible PTO policy: Encouraging employee well-being and work-life balance.
- Development of a robust cybersecurity framework: Ensuring protection of our sensitive data.

Looking ahead, we are committed to further integrating sustainability into our strategy and operations. Our innovative technology platform puts us in a unique position to drive positive change and create more efficient, accessible and sustainable home buying and selling experiences.

This report is a significant step in our sustainability journey. While we are proud of the progress we've made, we recognize there is much more work to be accomplished. We are excited to continue this journey in close collaboration with you, our stakeholders, as we advance our sustainability initiatives and create long-term value.

Thank you for your continued support and partnership.

Sincerely,

Tamir Poleg

Chairman and Chief Executive Officer





About Real



Real (NASDAQ: REAX) is a real estate experience company working to make life's most complex transaction simple. The fast-growing company combines essential real estate, mortgage broker, and closing services with powerful technology to deliver a single seamless end-to-end consumer experience, guided by trusted agents. With a presence throughout the U.S. and Canada, Real supports more than 22,000 agents who use its digital brokerage platform and tight-knit professional community to power their own forward-thinking businesses.



2024 HIGHLIGHTS THROUGH Q3

21,770

21,770 agents, an 79% year over year increase



Launched Leo CoPilot, an upgrade to Leo 1.0, our AI-powered agent assistant

\$34.5b

Facilitated \$34.5 billion in real estate transactions



Launched Real Wallet products, including a Real branded business debit card.

\$914m

Generated revenue of \$914 million through Q3, an 80% increase year over year



CORE VALUES

Our vision is a world in which home buying and selling is a simple and enjoyable experience for everyone.

- 1 Work Hard. Be Kind.**
Kindness is a superpower and the fuel that keeps us growing. We stand together in service of our vision and each other.
- 2 "We" are Bigger than "Me"**
Together, we move further and faster toward groundbreaking change in how people buy and sell homes.
- 3 Tech X Humanity**
The technology we build serves a bigger purpose—to make the entire real estate experience better for agents and consumers. It should always solve problems, create efficiencies, and be so good it fades into the background.

OUR BELIEFS



Empowerment

We are the platform of possibilities on which dreams are built. We empower our agents with the freedom to create the businesses they envision, and we are committed to granting that freedom to all – not just a select few. This means that all stakeholders – including agents, employees, communities and shareholders – have the right to be themselves.



Culture

'Work Hard' and 'Be Kind' are not just words but the core of who we are. We believe in a cohesive community working in collaboration to thrive, where everyone is welcome, valued, and respected. Our community is dedicated to empowering each other every day.



Equity

Our community is our most valuable asset. To ensure our collective success, we believe it is essential to celebrate people's contributions. Through education, collaboration, and financial rewards, we provide opportunities for success.



Talent

We are made up of a diverse group of talent, starting with our corporate leadership team. We welcome agents and employees from around the world and, collectively, we come in all shapes, sizes, colors, genders, and orientations. We believe that we are all working toward the same goal – to provide a single, unified place for a better real estate experience.





Product Innovation



The Real Brokerage is revolutionizing the residential real estate industry by pairing best-in-class technology with the trusted guidance of an agent. We provide a digital brokerage platform for agents, while working to build a better end-to-end home buying and selling experience for consumers.



reZEN

Proprietary Software Platform

Our proprietary transaction management platform, reZEN, continues to be the backbone of our operations. This comprehensive tool allows agents to manage all aspects of their business in one place, from entering into a representation agreement with a client to closing deals. Since launching reZEN, we have rolled out several enhancements, including automated commission calculations and improved document management features. These updates have not only increased efficiency but also reduced the potential for errors, ultimately leading to smoother transactions for all parties involved.

Leo

AI-Powered Real Estate Concierge

In 2023, we announced the launch of Leo, our AI-powered assistant. Leo serves as a 24/7 concierge for our agents, leveraging advanced natural language processing and machine learning capabilities. Leo can answer questions, generate insights, and even anticipate agents' needs based on their past interactions. By automating routine tasks, Leo frees up our agents to focus on what they do best: building relationships with clients and closing deals. Additionally, Leo allows Real's support team to focus on agent interactions where human connection is essential.

In October 2024, Real unveiled Leo CoPilot, an innovative, proactive enhancement of its AI-powered virtual assistant for agents. Leo CoPilot is scheduled for launch in 2025. Leo CoPilot will serve as an agent command center, anticipating each agent's unique needs and providing personalized support. More than just a reactive tool, Leo CoPilot will become the main interface agents use to manage reZEN, Real's proprietary software platform, transforming how they run their businesses and boosting productivity.

Real Signature

Proprietary Document Signature Platform

Recognizing the challenges posed by traditional paper-based transactions and generic digital signing solutions, we developed Real Signature, a proprietary document signature offering that is specifically designed for the needs of the real estate industry. By using advanced encryption and authentication mechanisms, the platform safeguards the integrity of transactions while reducing the administrative burden on agents and clients. Eliminating the need for paper copies of transactional documents, use of the platform cuts down environmental impacts from paper usage, energy for printing, and emissions from mail or courier deliveries. In offering this propriety platform, we are able to incorporate agent feedback and meet the community's needs directly as we continuously improve the product.

Real Wallet

Looking ahead, we're excited about the potential of Real Wallet. This platform consolidates commission income, revenue share payments, and equity earned into a single digital solution. Leveraging data from the reZEN platform, Real can underwrite agents, offering financial products tailored to their specific income patterns and transaction histories. This innovation not only enhances agents' income predictability but also integrates seamlessly into the application framework, allowing agents to manage their finances. In October 2024, we announced certain Real Wallet products. In the U.S., agents will be able to sign up for a business checking account with Thread Bank, Member FDIC, including a Real-branded debit card, and Canadian agents have access to a credit line based on their earnings history with Real.

Through these innovations, we're not just improving the efficiency of real estate transactions; we're empowering our agents with tools that can significantly impact their professional success and personal financial well-being.



Our Approach to Sustainability



At Real, we recognize that our long-term success is intrinsically linked to the wellbeing of our stakeholders and the health of our communities. We are committed to conducting our business responsibly and creating a positive impact through our technology, people, and practices.



OUR STRATEGIC PILLARS

Our sustainability strategy focuses on three key pillars:

1 Empowering Agents and Communities

We aim to create economic opportunities for our agents and contribute to thriving communities. This includes providing agents with innovative tools, financial incentives, and support to build successful businesses. We also engage in community initiatives and philanthropy through our One Real Impact program.

2 Cultivating an Inclusive and Engaged Workforce

We strive to foster a diverse, equitable and inclusive culture where all employees can thrive. We invest in employee development, prioritize wellbeing, and create opportunities for meaningful engagement.

3 Operating with Integrity

Our sustainability strategy is built on a foundation of unwavering ethical principles, with integrity at the core of every decision we make. This commitment is reinforced by our corporate governance practices that ensure accountability, transparency, and responsible stewardship at all levels of our organization.



TOPIC PRIORITIZATION & STAKEHOLDER ENGAGEMENT

Real periodically examines its priority sustainability objectives to account for changes to our business, the regulatory environment and stakeholder expectations. We review peer disclosures, investor stewardship priorities together with the perspectives of our leadership and other internal stakeholders. We also conduct ongoing engagement with agents, employees, customers and community members to discuss our priorities.

As a remote company, we have limited our environmental footprint by curbing the use of office space and reducing the need for employees to commute. While our direct environmental impact is relatively small, we understand the significant role real estate plays in global sustainability efforts. We are in the early stages of our sustainability journey and are committed to responsibly developing our approach to environmental stewardship.

SUSTAINABILITY GOVERNANCE

Our Board of Directors, through its Nominating & Corporate Governance Committee, has oversight of relevant sustainability matters. The committee receives regular updates from management on sustainability initiatives and progress.





Real Social Impact

From empowering agents to fostering an inclusive workplace culture, our social initiatives are core to our mission of making real estate better for everyone involved.

EMPOWERING AGENTS

At Real, agents are the lifeblood of our organization and the driving force behind our success. We've built our entire business model around empowering these professionals to reach their full potential, both financially and in terms of career development.

Central to our agent empowerment strategy is our attractive financial model. We offer a competitive commission split of 85/15, with agents keeping 85% of their commissions. Once an agent reaches their annual cap, they keep 100% of their commissions for the remainder of the year. This structure allows high-performing agents to maximize their earning potential. Additionally, our revenue sharing program enables agents to earn income from the commissions generated by agents they attract to Real, creating a powerful incentive for growth and collaboration within our network.

But our unwavering commitment to agent success goes far beyond just offering competitive compensation. We've developed a comprehensive ecosystem of support, advanced technology, and comprehensive resources designed to help our agents thrive.

One of Real's core values is "Tech X Humanity", which means that the technology we build serves a bigger purpose—to make the entire real estate experience better for agents and consumers. This means we are leveraging technology solutions to ensure our agents stay connected and engaged. Our [Real Academy](#) education platform serves as both an educational platform and a communication hub, offering industry-specific training and fostering a sense of community among our agents.

We also recognize the power of community in driving success. Through our nationwide network, agents can collaborate, share referrals, and learn from one another's experiences. In May 2023, Real established our Military division, the company's first affiliate group and first agent-specific group, with the goal of providing targeted resources, education, and a community where Veterans, their families, and those committed to supporting military service can grow and thrive in their careers. Agents also have the opportunity to join Real's Business Resource Groups (BRGs) such as Women at Real, which creates a space for agents and employees to connect and support each other. In 2024, we also held our third annual in-person, agent-focused conference called RISE, which gives agents the opportunity to learn from industry experts and foster connections with one another.

The results of these efforts are clear. As of November 2024, we had grown our agent base to 22,000, up from 8,205 as of the first of January 2023. As we look to the future, we remain committed to finding new and innovative ways to support our agents' success. Whether through cutting-edge technology, comprehensive training, or a supportive community, we will continue to position Real as the destination brokerage for growth-minded real estate professionals.



CULTIVATING AN INCLUSIVE AND ENGAGED WORKFORCE



At Real, we firmly believe that our success is directly tied to the talent, dedication, and diversity of our team. We've cultivated a community that values culture, and talent, creating an environment where employees feel empowered to do their best work and build rewarding careers.



Talent Development



Employee Development is a key focus area for us. We take a personalized approach to professional growth, offering a mix of self-paced training programs and structured learning opportunities. In 2023, we expanded our use of the Culture Amp platform, implementing a series of self-paced micro-lessons covering job-specific skills and competencies relevant to our industry. In 2024, our employees completed a median of 5 hours of training, a testament to our culture of continuous learning.



We also seek to support employees' ambitions in continuing their education, where possible, through graduate or certification programs. This flexible approach allows us to support our employees' diverse learning needs and career goals.



Our annual performance review process goes beyond simple evaluation, serving as a platform for meaningful dialogue about career aspirations and development opportunities. Real is committed to helping all of our employees succeed and continuously improve. We have our own unique approach to performance improvement comprised of individual coaching plans, where managers take accountability for their employees' development.

Employee Engagement and Well-Being

Employee well-being is another cornerstone of our people strategy. Recognizing the changing needs of our workforce, we introduced a flexible paid time off policy in 2023, moving away from a fixed number of vacation days to an approach that encourages better work-life balance.

Our remote-first work environment offers flexibility while maintaining opportunities for in-person collaboration when needed. When it comes to the health and wellness of our employees, Real emphasizes listening to our employee base and delivering initiatives employees want. We use benefits and employee engagement surveys to monitor employee satisfaction, and we directly react to employee survey data to inform our decisions. For example, one initiative we implemented is establishing a new comprehensive health insurance option that is fully covered by Real, while still providing other premium health insurance options to suit all employees' specific circumstances. Our commitment to integrate employee feedback into our decision-making demonstrates our holistic approach to employee well-being.



We conduct employee engagement surveys on an annual basis to measure our employee's Net Promoter Score (NPS). This score has increased by 4% over the past year, from 85% in 2022 to 89% in 2023.



Fostering a sense of connection and engagement in a distributed workforce can be challenging, but it's a challenge we've embraced wholeheartedly. Our monthly all-hands meetings, led by our CEO and our President, keep everyone aligned on company goals and celebrate our collective achievements. We've also implemented quarterly pulse surveys to gather regular feedback from our team, allowing us to quickly identify and address any concerns. In addition, Real holds an annual in-person company retreat with workshops and team building exercises to foster employee connections.



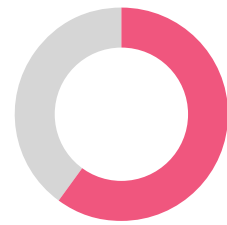


Diversity, Equity, and Inclusion

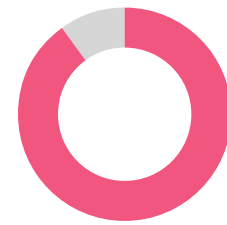
Our commitment to Diversity, Equity, and Inclusion (DEI) is woven into every aspect of our people practices. We are an equal opportunity employer and are proud of the progress we've made in building a diverse team. At Real, diversity starts with our leadership team. The Human Resources Team oversees DEI initiatives at Real and provides an annual board update on Real's diversity initiatives and companywide diversity metrics.

“ Real's leadership also leads by example by reflecting diversity itself. **Our board is composed of 29% women and the management team is composed of 57% women.** The diversity of our leadership sets a positive example of the diversity we want the rest of Real's employee population to reflect.

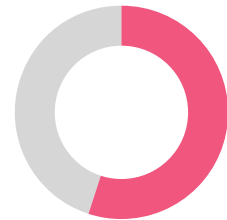
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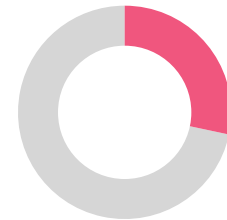
60%
of women in workforce



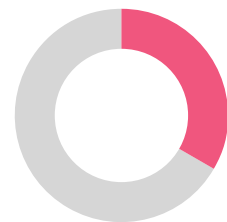
90%
women team managers



55%
women in upper-level management



29%
of women on the board



~33.6%
of racial/ethnic minorities in workforce

However, we recognize that diversity goes beyond numbers. We're focused on creating an inclusive culture where everyone feels valued and heard and are constantly looking to improve our DEI programs. To this end, we've implemented several initiatives to support a diverse workforce such as:

- Training: All employees receive training on workplace harassment and anti-discrimination during onboarding and periodically thereafter, which highlights values of diversity.
- Business Resource Groups: Building on the success of the Women at Real BRG, we are identifying additional opportunities for employees and agents to convene around common interests.
- Policies: We maintain relevant policies such as the [Diversity, Equity, and Inclusion Policy](#).

At Real, we believe that our people are our greatest asset. By investing in their development, prioritizing their well-being, and fostering a diverse and inclusive culture, we're not just building a great place to work – we're laying the groundwork for sustainable, long-term success in our mission to transform the real estate industry.





REAL IN THE COMMUNITY

At Real, we believe that our success is intrinsically linked to the health and vibrancy of the communities we serve. Our commitment to community engagement goes beyond simply doing business; it's about making a meaningful, positive impact on the lives of our agents, their clients, and the broader neighborhoods where we operate. This commitment is deeply rooted in our corporate values and is brought to life through various initiatives and programs.

The foundation of our community involvement is the [One Real Impact](#) program. Launched in October 2023, this agent assistance fund has quickly become a lifeline for Real agents facing unexpected hardships or natural disasters. One Real Impact offers funding through a confidential process and is accessible to provide 24/7, year-round support to agents in times of need. Since it was established in 2023, the program has made significant strides, raising over \$200,000 in grants that may be made to agents across our network.

Real also provides direct outreach to agents who may have been impacted by hardships to ensure they are aware of the fund.

Beyond financial assistance, Real is committed to active community engagement through volunteerism. We believe that giving time and effort can be just as impactful as monetary contributions. At Real's flagship events, we facilitate volunteering events with non-profits to help with local community efforts, such as The Just One Project in October 2024, after Real's 2024 RISE event.

A unique aspect of our community engagement strategy is our Cultural Ambassador program. This community-focused group meets regularly to strategize how to engage with other agents in community building and it empowers our agents to take leadership roles in organizing local volunteering events with non-profits. In 2023, we had over 20 Cultural Ambassadors, and 29 in 2024. These agent-led initiatives not only benefit the communities we serve but also strengthen the bonds within our Real family, creating a more cohesive and engaged workforce.

In December of 2024 we will launch the Real Service Day, an annual company-wide volunteer day. This initiative will see our entire organization—from C-suite executives to new agents—engaging in volunteer activities of the participants' choice across the United States and Canada on a single day. We believe this concentrated effort will not only allow employees and agents to support a cause that they individually care about, but also reinforce our collective commitment to community service.

At Real, we understand that our business doesn't exist in isolation. We're part of a larger ecosystem of communities, and we have a responsibility to contribute positively to that ecosystem. Through these programs, we're working to create meaningful, lasting change in the communities we call home. As we grow, so too will our commitment to being a force for good in the world of real estate and beyond.





Operating with Integrity



At Real, we are focused on creating long-term value for our stakeholders through a commitment to corporate ethics, risk management, a culture of compliance, careful execution of our strategies, and investments in initiatives that are redefining our future. We are committed to operating with integrity, transparency, and accountability in all aspects of our business.



BOARD OF DIRECTORS

Our Board of Directors provides oversight and strategic guidance to ensure we are operating in the best interests of our shareholders and other stakeholders. All non-management directors are independent, and the independent directors meet regularly in executive session. The Board operates through three committees: Audit, Compensation, and Nominating and Corporate Governance. Each committee is comprised entirely of independent directors and operates under a written charter.

Our directors are experienced leaders with diverse backgrounds in real estate, technology, finance, and other relevant fields. The Board believes that its membership should reflect a diversity of experience, background, gender, race, ethnicity, and age.

Governance practices related to the Board include:

- A Board mandate that is publicly available and reviewed annually
- Annual election of directors and majority voting in uncontested elections
- Annual Board and Committee evaluations



Tamir Poleg

Chairman and Chief Executive Officer



AJ Malhotra

Director



Larry Klane

Audit Committee Chair



Guy Gamzu

Compensation Committee Chair



Laurence Rose

Nominating and Corporate Governance Committee Chair



Vikki Bartholomae

Director



Susanne Greenfield Sandler

Director



EXECUTIVE COMPENSATION

We seek to align Real's executive compensation packages with the interests of our shareholders. These practices include:

- Pay-for-performance executive compensation program
- Four-year performance period for service-based restricted stock
- Outside compensation consultant retained by the Compensation Committee
- Prohibition against director and executive officer hedging of Real stock



ETHICS AND COMPLIANCE

Our [Code of Business Conduct and Ethics](#) sets forth the standards by which we conduct our operations. It applies to all directors, officers, and employees. The Code covers areas such as:

- Conflicts of interest
- Fair dealing
- Protection of company assets and information
- Compliance with laws and regulations
- Reporting of illegal or unethical behavior

We provide regular training on the Code and require annual certification of compliance from all employees. Our Ethics Hotline, managed by an independent third party, allows for anonymous reporting of potential violations. Reports are promptly investigated.

The Board receives quarterly reports on ethics hotline activity.

Additional policies can be found on our Corporate Governance [website](#).



DATA PRIVACY AND SECURITY

Protecting the data of our agents, employees, and customers is a top priority. Our Chief Information Security Officer (CISO) leads our cybersecurity efforts. Key elements of our approach include:

- Alignment with the NIST Cybersecurity Framework
- Regular third-party penetration testing and vulnerability assessments
- The Avanan email security tool
- Employee training on cybersecurity
- Phishing tests
- Vendor risk management program
- Incident response planning and testing

The Audit Committee receives quarterly updates on our cybersecurity program and any significant incidents. An annual review is presented to the full Board.

We maintain a comprehensive [Privacy Policy](#) outlining how we collect, use, and protect personal information.





Appendix: UN SDGs

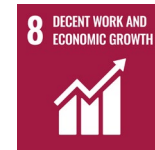


At The Real Brokerage, we recognize the importance of aligning our business practices with global sustainability efforts. While we are early in our sustainability journey, we are committed to supporting the United Nations Sustainable Development Goals (SDGs) through our operations, innovations, and community engagement. Our business model and initiatives naturally align with several SDGs, and we are working to further strengthen these connections as we grow.



SDG 3: Good Health and Well-Being

We are dedicated to advancing SDG 3 by fostering a supportive and healthy work environment. We offer robust benefits, including comprehensive healthcare and wellness programs, and prioritize flexible, remote work arrangements. This approach not only enhances work-life balance but also promotes mental and physical well-being, ensuring our team can thrive both professionally and personally.



SDG 8: Decent Work and Economic Growth

Our innovative platform and agent empowerment model directly contribute to SDG 8 by promoting sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all. We provide real estate professionals with the tools, technology, and financial incentives to build thriving businesses. Our revenue sharing program and equity participation opportunities create pathways for wealth creation, while our focus on continuous learning and development supports career advancement.



SDG 9: Industry, Innovation and Infrastructure

As a technology-driven company, we are at the forefront of innovation in the real estate industry. Our proprietary platform, including tools like reZEN and Leo, contributes to SDG 9 by digitizing and streamlining real estate transactions. Through our innovations, we are helping to promote resilient and inclusive infrastructure.



SDG 10: Reduced Inequalities

Our commitment to diversity, equity, and inclusion aligns with SDG 10. We recognize the value of our diverse leadership team and workforce. We strive to create equal opportunities for all within our organization and in the broader real estate industry.



Everything under one roof, one team, one Real

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The Real Brokerage is a real estate technology company and is not a bank. Banking services provided by Thread Bank, Member FDIC. The Real Wallet Visa debit card is issued by Thread Bank, Member FDIC, pursuant to a license from Visa U.S.A. Inc and may be used anywhere Visa cards are accepted.

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