A scenic landscape of rolling hills, green fields, and a large tree on the left, all under a blue sky with white clouds. A large, semi-transparent green search icon is overlaid on the center of the image, pointing upwards. Inside the search icon, there is a white rectangular box containing the text "Explore the life that could be..." followed by a magnifying glass icon.

Explore the life that could be... 

Rightmove's purpose is to make home moving easier in the UK
We do this by creating a simpler and more efficient property marketplace
Rightmove is the UK's number one property portal

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Financial highlights

Revenue	Underlying operating profit⁽¹⁾	Underlying earnings per share⁽²⁾
+48% Revenue of £304.9m (2020 £205.7m) up 48% compared to 2020. Revenue up 5% compared to 2019 (2019: £289.3m) reflecting the growth in both customer spending and ARPA	+68% Underlying operating profit ⁽¹⁾ £231.0m up 68% compared to 2020 and up 5% compared to 2019 (2020: £137.5m; 2019: £219.7m)	+70% Underlying earnings per share ⁽²⁾ of 21.8p up 70% on 2020 and up 7% on 2019 (2020: 12.8p; 2019: 20.3p)
Cash returned to shareholders £238.8m Cash returned to shareholders through share buybacks and dividends totalled £238.8m (2020: £30.1m; 2019: £148.5m). Interim dividend of 3.0p and final dividend of 4.8p (2020: nil and 4.5p; 2019: 2.8p and nil). Total dividend for 2021 of 7.8p (2020: 4.5p; 2019: 2.8p)	Operating profit +67% Operating profit of £226.1m up 67% compared to 2020 and up 6% compared to 2019 (2020: 135.1m; 2019: £213.7m)	Basic earnings per share +69% Basic EPS of 21.3p up 69% on 2020 and up 9% on 2019 (2020: 12.6p; 2019: 19.6p)

(1) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance).

(2) Underlying EPS is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

Operational highlights

Customer numbers	Properties advertised	Traffic – visits
18,969 Membership numbers down 1% to 18,969 compared to 2020 (2020: 19,197) with 1% more Agency branches and 13% fewer New Homes developments. Compared to 2019, membership numbers down 4% (2019: 19,809) with 1% fewer Agency branches and 17% fewer New Homes developments	692,000 Over 692,000 UK residential properties advertised on Rightmove (2020: 1.0 million; 2019: 0.9 million), more than anywhere else in the UK	+19% Site visits up over 19% compared to 2020 to 2.5 billion ⁽⁴⁾ and up 56% from 2019 (2020: 2.1 billion; 2019: 1.6 billion)
Average Revenue Per Advertiser⁽³⁾ £1,189 Average revenue per advertiser (ARPA) ⁽³⁾ up 53% compared to 2020 and up 9% compared to 2019 (2020: £778; 2019: £1,088)	Employee engagement 89% 89% of employee respondents think that Rightmove is a great place to work (2020: 93%; 2019: 81%)	Traffic – time on site⁽⁴⁾ 18.3 billion Time on site up 15% over the year at 18.3bn minutes ⁽⁴⁾ and up 51% compared to 2019 (2020: 15.9bn; 2019: 12.1bn)

(3) Average Revenue per Advertiser (ARPA) is calculated as revenue from Agency and New Homes advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the year.

(4) Source: Google Analytics.

"Our ambition to make home moving easier in the UK is undiminished and drives our everyday business and longer-term strategy, and I'm excited about our plans to use our industry-leading platform to digitise more of the home moving journey." **Peter Brooks-Johnson** Chief Executive Officer



Following a year of strong recovery and a return to the growth trajectory our stakeholders expect, we are confident that our investment in technology and people will uphold Rightmove's position as the UK's number one property portal.

Andrew Fisher Chair

It is my pleasure to present Rightmove's results for the year ended 31 December 2021. Rightmove celebrated its 21st Birthday in 2021 and we are delighted our results demonstrate the resilience of the Group's business model, the return to more normal operating conditions and continuity of growth from 2019, looking through the disruption of 2020.

2021 has been the busiest year in Rightmove's history, with record numbers of home hunters spending over 18 billion minutes on our platforms. The UK property market has seen extraordinary activity this year with over 1.4m transactions, fuelling an increase of 4.6% in average house prices. The strong market has presented opportunities and pressures for our customers and our business, and I am proud that our teams have delivered great service to our customers and home hunters during the year.

In September, we were able to hold a Group-wide employee day, bringing all our teams together after 18 months of remote working, with many new team members experiencing for the first time the enjoyment of 'all being in it together' and able to meet new colleagues for the first time. Our workforce has grown by 12%, with over one-third joining during lockdown, and bringing people together has been extremely important to us.

Financial Results

The Group's results reflect the strength of our business model and core value proposition, delivering underlying operating profit⁽¹⁾ of £231.0m (2020: £137.5m) and operating profit of £226.1m (2020: £135.1m) from revenue of £304.9m (2020: £205.7m). Underlying earnings per share⁽²⁾ was 21.8p (2020: 12.8p) and basic earnings per share 21.3p (2020: 12.6p). Our cash⁽³⁾ position at the year-end was £48.0m (2020: £96.7m), having returned all surplus cash to shareholders.

Returns to shareholders and dividend

In keeping with our policy of returning free cash to our shareholders, £238.8m (2020: £30.1m) was returned through the share buyback programme, which resumed in March, and dividend payments were made in May and October.

The Board remains confident in our ability to deliver sustainable returns to shareholders and is recommending a final dividend of 4.8p per share for 2021 (2020: 4.5p). The final dividend will be paid, subject to shareholder approval, on 27 May 2022. The share buyback programme, which paused for the Closed Period from 1 January, will resume in March 2022.

Board priorities and governance

There have been no changes to the Board or Committee membership during the year.

In 2021, the Board has focused on augmenting the senior leadership team, investing in our core business and in two key strategies aimed at improving tenants' rental journeys and providing home buyers with an effective digital journey towards selecting a mortgage.

In corporate governance, we aim to be best in class and have established a Corporate Responsibility Committee to oversee the Group's Environmental, Social and Governance (ESG) strategy. The Audit Committee has overseen the competitive tender for the new external auditor and proposed the appointment of EY LLP to replace KPMG LLP, which the Board has recommended for shareholder approval at our AGM in May. The Group Risk Committee has supported the Audit Committee's work, notably recommending a new comprehensive Risk Management Framework which will be fully implemented in 2022 (see the Corporate Governance Report and Risk Management section for details).

I am pleased to report that the comprehensive set of ESG initiatives and performance targets set by the Board in 2020 have enhanced our approach and oversight of environmental risks, employee welfare and governance (see the Sustainability Report for details). This year we are able to report under the recommendations of the Taskforce for Climate-related Financial Disclosures and submit our environmental targets to the Science Based Targets initiative. We continue to make progress on the Social side of ESG, with support for our employees and the communities in which our offices are based. We have also made a significant increase in our charitable giving programme this year, and aim to continue to do so in the coming year.

Looking ahead

We fully appreciate the talent and dedication of our teams and on behalf of the Board, I would like to thank all our employees for their outstanding efforts in delivering such strong results in another challenging year and for serving our customers and consumers so well.

Following a year of strong recovery and a return to the growth trajectory our stakeholders expect, we are confident that our investment in technology and people will uphold Rightmove's position as the UK's number one property portal. We are committed to investing in our core business, to providing the premium service that our customers expect and the truly compelling consumer experience homehunters know and love, in addition to pursuing our complementary new strategies.

I am looking forward to working with our teams in 2022 as we continue to invest in the long-term sustainability of our business and to create more value for all our stakeholders.



Andrew Fisher

Chair

25 February 2022

- (1) Underlying Operating Profit is defined as operating profit before share-based payments charges (including the related National Insurance)
- (2) Underlying EPS is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.
- (3) Cash including money market deposits



Over the past 21 years Rightmove, along with thousands of our customers, has changed the way that Britain searches and researches property.

Peter Brooks-Johnson Chief Executive Officer

The past two years have demonstrated the trust Britain's homemovers place in Rightmove, not only as the place to find their next home but as the most reliable source of information about the housing market. The pandemic encouraged many to reconsider what they wanted from their home, leading to a busy property market during 2021. This strong market, and Rightmove's place at the heart of it, led to record levels of engagement with our platforms; homehunters spent over 18 billion minutes on our platforms searching for a new home or location and considered new possibilities, 15% higher than any previous year. This record traffic extended Rightmove's share of audience time compared to other property portals.

The increased levels of buyer demand created a consequent reduction in the number of properties available for sale. The healthy transaction numbers and lack of available stock encouraged many agents to invest more heavily in Rightmove products to ensure they could drive their businesses forward by winning those instructions which were available. The record growth of average revenue per advertiser (ARPA) to £1,189 is testament to the trust our agent customers place in the Rightmove marketing products to help them to grow their businesses.

The lack of new stock saw fewer new entrants to the agency industry than in previous years and made existing agencies equally cautious about expanding their branch networks. However, our record agent retention rate of over 91% drove a 1% increase in total agency membership, despite the low number of new agency joiners.

Although our number of developer customers remained stable, the imbalance between supply and demand and the impact of Covid on construction rates saw the number of New Homes developments listed on Rightmove fall by nearly 6% during 2021, with many developers having already sold all their projected H1 2022 completions by the end of 2021. This lack of stock to sell reduced developers' marketing needs, with spend dropping across various media platforms. Against this background, the 2% growth in ARPA from New Homes developers is testament to the strength of the new products released in the year – Advanced Development Listings and Native Search Adverts.

The robustness of the Rightmove model and the value of our service are underlined by the overall record ARPA growth of £411 (53%) in the year (a 9% increase from 2019), despite the headwinds generated by the stock-constrained market in 2021. The actions taken to support our customers through discounts, training and other support during 2020 have made Rightmove a stronger business. Revenue in 2021 was 5% higher than 2019 at £304.9m, with strong momentum carried into 2022.

While the core property marketing proposition continues to go from strength to strength, Rightmove's long standing ability to build smaller businesses which leverage and support the core business continues to drive growth. In 2021 these businesses – Commercial property, Data Services, Overseas property, Third Party Advertising and the early-stage Tenant Services and Mortgages businesses grew by 30% to contribute £31.9m (2020: £24.6m).

Our preparation for agile remote working at the start of 2020 means our teams have been able to continue to innovate at pace. During 2021, the team released countless improvements to the platform for consumers and four significant new products, which are already generating revenue. Our focus remains steadfastly on making home moving easier in the UK, with progress also on our longer-term initiatives within Tenant Services and Mortgages. Whilst both initiatives are early in their revenue growth, we have experimented with and implemented many features which have yielded significant learnings both in our ability to make the process easier for home movers, and more efficient for our customers.

I am immensely proud that we have worked with our customers to help homehunters in the busiest UK property market since 2007⁽¹⁾, despite the ongoing challenges of the pandemic. The efficiency of the 2021 housing market is testament to the resilience of the thousands of people who work in the UK property industry and the benefits that a digital market can bring. Rightmove's sense of common purpose is stronger than ever, with 89% of our people responding to the annual 'Have Your Say' survey, agreeing that Rightmove is a great place to work.

Strategic report

Rightmove's purpose is to make home moving easier in the UK

Explore the life that could be...



Our strategy

Our ambition to make home moving easier in the UK is undiminished and drives our everyday business and longer-term strategy, and we plan to use our industry leading platform to digitise more of the home moving journey.

In 2021, we maintained our culture of continuous improvement and innovation to make home moving easier and to make our platforms a compelling experience for our users.



1 Consumers

The place **homehunters** turn to and return to first
Page 6



2 Customers

Unrivalled returns for our **customers** through digital marketing solutions and insight
Page 8



3 Innovation

Innovating to make the home moving process more efficient by being more digital
Page 10



4 Environment

Doing the right thing underpins our culture
Page 12



5 Great teams

Build great **teams**
Page 14

1 Our consumers

The place **homehunters** turn to and return to first

Rightmove's place at the heart of home moving in the UK has been hard won and our audience has high expectations of the technology and quality of the services we offer.

18

billion minutes
Homehunters spent over 18 billion⁽²⁾ minutes on our platforms searching for a new home or location and considered new possibilities

2.5

billion visits
In 2021, consumers made over 2.5 billion⁽²⁾ visits to our platforms



Best property website...



Explore the life that could be
The changes in working practices over
the last two years have allowed people
to rethink how and where they work, and
live. Our 'Where can I live?' tool helps
home hunters find their perfect location

2 Our customers

Unrivalled returns for our **customers**

Our objectives are to help our customers to save time, grow their market share, market more effectively and create new revenue streams.

65

million

We delivered a record 65 million property-specific leads to our customers

14

million

The Best Price Guide was used over 14 million times in 2021

Best support for agents...



Creating opportunities to grow
Helping to generate more opportunities
to win instructions cost effectively and
providing a market-leading professional
training programme are invaluable tools
for our customers

3 Innovation

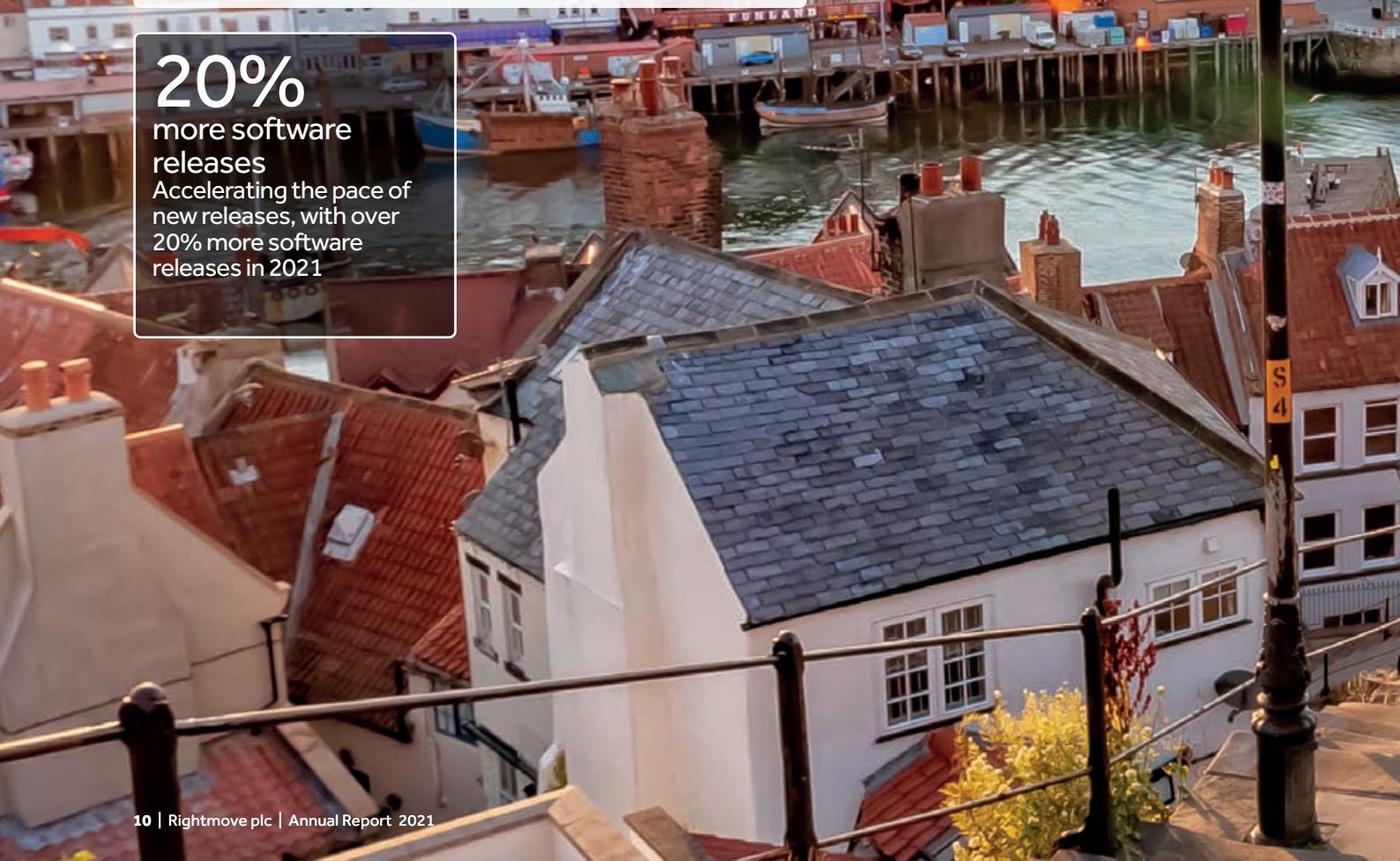
Innovating to make the home moving process more efficient

Rightmove has played a significant role in digitising the property search market in the UK. We believe that, by using the power of technology to improve the journey from searching for a home to being ready to transact on it, we can create a simpler and more efficient marketplace.

20%

more software releases

Accelerating the pace of new releases, with over 20% more software releases in 2021



Most innovative property platform...

A restless drive for improvement
Rightmove is continually developing new ways to help our customers and homemovers meet the challenges of the future, whether growing their businesses or moving for a new job, a growing family or retirement

4 Environment

A force for good in the UK's drive to reduce carbon emissions

A force for good in the UK's drive to reduce carbon emissions and making a difference in the communities in which we operate.

Net Zero

Science based targets set to achieve Net Zero in our direct operations by 2030

35%

increased engagement
Highlighting the Energy Performance Certificate (EPC) on each property increased home hunter engagement with EPCs by 35%

A sustainable future...



Securing a place in the future

We will use the reach of our platforms to drive the UK's 'net zero' agenda, by digitising home moving in the UK and helping consumers to understand the options and benefits of making their homes more energy efficient

5 Great teams

One highly connected, collaborative team

Our employees live by the central behaviours of doing the right thing for our customers and consumers, driving improvement, and taking responsibility for making things that matter happen.

89%

great place to work

89% of employee
respondents agree that
Rightmove is a great
place to work and are
proud to tell people
that they work here



Best people in the business...

Our people define Rightmove and create a culture where everyone matters and knows that their ideas will be explored and views respected

Our ambition to make home moving easier in the UK is undiminished and drives our everyday business and longer-term strategy to build a valuable, sustainable business for all our stakeholders.

Our Strategy – making home moving easier

The place consumers turn to and return to first

Rightmove's place at the heart of home moving in the UK has been hard won and our audience has high expectations of the technology and quality of the services we offer. In 2021, we maintained our culture of continuous improvement and innovation to make home moving easier and to make our platforms a compelling experience for our users. For 15 years in a row, Rightmove has been a more popular search term than 'property for sale' according to Google, and 17 years for 'property to rent'.

In 2021, consumers made over 2.5 billion⁽²⁾ visits to our platforms and spent over 18.3 billion⁽²⁾ minutes (2020: 15.9 billion) on Rightmove. This level of consumer engagement has been achieved by delivering the best and most relevant search and research tools and access to the most up-to-date, engaging and comprehensive property content available. Consistent with our restless drive for improvement, despite a ground-up refresh of the property details pages in 2020, we released a further 70 iterations in 2021 which made the pages more efficient for home hunters, while highlighting features which are becoming much more important, such as a property's energy performance and its tenure.

Over 71% of all time spent on Rightmove's platforms in 2021 was to our mobile-optimised site and apps, which have again seen the fastest growth, with a 16% increase in mobile site-time and a 14% increase in app time during 2021⁽²⁾. Our mobile-optimised website and apps benefited from continuous investment with, for example, ground-up rebuilds of our popular draw-a-search and keyword-sort features. The total amount of time spent on Rightmove apps is over 12 times⁽³⁾ that spent on our closest competitor's and our mobile and tablet apps have over 5 times⁽³⁾ more unique visitors on average per month, with each user spending an average of twice as much time per month⁽³⁾.

The availability of our platforms is vital for both homeowners and home hunters and we have maintained an industry-leading level of "uptime" of 99.99%, meaning our platforms were unavailable for just under 15 minutes during 2021.

Our property research tools are widely used by landlords, homeowners, buyers and sellers. Consumers spent over 728 million minutes using our sold prices data from an archive

of over 58m properties, an increase of 21% on 2020. As many home hunters reassessed their accommodation requirements and commute times during the pandemic, the use of our Where Can I Live? tool increased by 22% in 2021, compared to 2020.

We value our role as a trusted source of housing market knowledge for UK home hunters and send our consumer email to an average of five million consumers every week. Rightmove's unique property demand data, analytical capabilities and access to real-time search and sales patterns provides valuable insights and commentary on property and home moving trends. Our House Price Index is the most accurate leading indicator of house prices in the UK, based on 95% of newly advertised properties in the UK.

Our continuous investment in building our brand and the popularity of our website and apps means that 84% of visits to our platforms are direct visits, initiated either by consumers going directly to our site or launching our app. We have again focused on search engine optimisation and consumer engagement, understanding that the behaviour of our audience is always evolving.

Unrivalled returns for our customers through digital marketing solutions and insight

Our objectives are to help our customers to save time, grow their market share, market more effectively and create new revenue streams. We achieve this by giving our customers access to the largest possible home moving audience, helping them to win more business, and by providing them with a range of digital services and information.

While we are proud of the extended product suite we offer, we work hard to ensure that the platform works for all our customers. The record traffic to Rightmove, coupled with the strong property market throughout the year, delivered a record 65 million property-specific leads to our customers, up 26% on 2020.

Rightmove's product suite has been carefully designed to be effective in both stock-constrained and demand-constrained markets. In the extreme stock-constrained market of 2021, our agent customers turned more than ever to our products to help them to win property sales instructions efficiently.

Winning the right to an instruction to sell or to let a property is critical to an agent's success. Our premium packages, Enhanced and Optimiser 2020, help our customers to generate more opportunities to win instructions cost effectively. The packages include branding and property-promotion solutions to boost agents' performance in the 'awareness' stage of the marketing funnel, while our popular Local Valuation Alert and Rightmove Discover products fast-track agents to the 'consideration' stage.

The market structure particularly highlighted the effectiveness of our vendor lead products and the benefits of our unrivalled first-party data driven agent branding products. Responding to our customers' needs, we increased the inventory of our lead generation products by 22%, increasing the number of vendor leads generated by 20% on 2020.

Recognising the value of our additional products, nearly 1,400 customers chose to upgrade to our Optimiser 2020 package. These package upgrades, along with customers choosing to buy more products, and our pricing actions contributed to record agency ARPA growth between January and December 2021.

The strong demand from home-hunters has led to many New Homes developments being fully sold off-plan, significantly reducing the requirement for developers to advertise. Pleasingly, despite the strong demand for New Homes, 28% of New Homes developments upgraded to our new Advanced Development Listings subscription package, launched in April 2021, which creates an opportunity to cross-sell and up-sell plots on a development, providing better engagement and lead-generation.

We continue to innovate our product set to bring together Rightmove's extensive first-party dataset and reduce advert-management effort for our customers by leveraging the creative assets they have already shared as part of their listings. The second of our next generation marketing products, Native Search Adverts, launched for our New Homes customers in November. By combining enhanced designs targeting developers' needs and smart on-Rightmove retargeting pioneered with our Sold By Me product, Native Search Adverts are performing more than five times better than location only targeted banner ads.

Rightmove's value to our customers goes beyond digital advertising solutions; we also offer tools to our customers to help them to run their businesses more efficiently. In the busy and often resource-constrained environment in 2021, these tools took on heightened importance.

Rightmove Plus, included free of charge as part of all Rightmove membership packages, helps customers throughout the property marketing lifecycle. Agents tell us, for example, that the new version of the Best Price Guide, a reporting tool within Rightmove Plus which helps them to gather comparable properties to support their suggested property price, saves them up to an hour per market appraisal. The Best Price Guide was used over 14 million times in 2021.

The video viewing tool developed during 2020 to help with Covid-restricted viewings allowed our customers not only to remain safe during the early part of 2021, but to process efficiently the higher-than-normal level of home hunter

enquiries generated in the remainder of the year. Over 400,000 virtual video viewings were delivered using the secure Rightmove platform in 2021, more than double those of 2020, while the new appointment booking tool was used by tenants to request over 344,000 physical viewings.

Our market-leading professional training programme, free to all members, remains an invaluable tool for our customers. The topics covered in 2021 ranged from 'preparing for an HMRC inspection' to 'recruiting the best talent' and from 'winning new sellers' to 'how to help tenants with accessibility needs to find the right home'. In the year, we added courses that gave our customers continuing professional development (CPD) certification. This accredited learning has added an extra, welcome dimension to our offering and is helping agents to fulfil mandatory training. In 2021, over 4,500 individuals from nearly 2,500 branches received foundation and advanced certificates in GDPR (Data Protection). Overall, in 2021 our webinars were viewed by nearly 24,000 property professionals both live and through our on-demand service. Our Rightmove Hub, which hosts all the material closed the year with more than 1,000,000 page views.

Rightmove's Commercial Real Estate (CRE) portal provides access to the largest audience of agents/surveyors, landlords/owners, developers and investors in the UK. The changes in ways of working over the last two years have accelerated digital adoption as more agents and occupiers have used Rightmove both to advertise and to search for property and, having experienced the ease of using digital tools, have continued to do so. This dynamic is reflected in the healthy growth of our audience, with time spent on our commercial property pages increasing by 17% and leads to CRE customers increasing by 25% during 2021. The Rightmove platform increasingly generates leads from occupiers with significant scale, allowing CRE agents not only to earn a fee on the property being advertised but to introduce clients to the other professional services they offer.

Rightmove's Data Services business supports the property industry by delivering property valuation tools and insights based on our unparalleled dataset. The Surveyor Comparable Tool, used by surveyors to make property valuations, was used in over 75% of mortgage transactions in the UK, with more than 2.4 million reports run in 2021. Our Automated Valuation Model is used by lenders and, overall, we valued more than £3.8 trillion worth of property in 2021.

The environment for Rightmove's Overseas property advertising business has been challenging. The uncertainty surrounding Brexit was followed by pandemic-related travel restrictions, which effectively prevented UK buyers from travelling to view properties abroad. We are now well-positioned to recover as these restrictions start to unwind and we can once again help prospective buyers to find their dream homes abroad.

Innovating to make the home moving process more efficient by being more digital

Rightmove has played a significant role in digitising the property search market in the UK. We believe that, by using the power of technology to improve the journey from searching for a home to being ready to transact on it, we can make the process more transparent, more efficient and less stressful for both professionals and homehunters.

Digitisation also creates opportunities which expand and augment our revenue beyond classified advertising. While still in the early stages, we are encouraged by the possibilities we are uncovering.

Viewings Manager, our integrated appointments booking system, allows tenants to request an appointment electronically and to provide enhanced lead information which allows agents easily to assess the property's affordability and suitability. Once a viewing is confirmed, tenants can cancel or reschedule the appointment at the click of a button and receive automated reminders to help to avoid missed appointments, which is a key timesaving benefit for agents. Once a viewing has been completed, agents can seamlessly order a full tenant reference from Rightmove Landlord and Tenant Services, without the need to re-enter the tenant's details, again saving time and reducing the risk of error.

In 2021, we rebranded our tenant services business as Rightmove Landlord and Tenant Services and relaunched our tenant-referencing portal with added functionality. By offering one of the highest quality tenant reference products in the industry, we were able to introduce a market-leading landlord insurance product, which will provide increased cover at no extra cost. The next iteration of the referencing product – which leverages Open Banking technology to increase speed and accuracy yet further – is already underway.

When moving, tenants require a number of services, including home contents insurance and broadband, for their new homes. In 2021, we continued to develop our offering to tenants to secure these services, helping over 9,000 tenants. The combination of landlord and tenant products creates a valuable profit stream on top of the reference itself. In 2021 these additional services created an additional £4.30 profit per reference delivered. We see future growth in our ability to increase the number of tenants purchasing insurance therefore increasing the profit per reference and increasing our share of the referencing market.

Our quest to reduce the time taken by tenants to complete their rental journeys, from search to occupancy, remains a focus, with our first fully digital rental-progression flow due to enter testing in the first half of 2022. In the medium term, this flow will significantly enhance our opportunities to engage with tenants and offer them a transparent view of their progress towards moving in. It will also offer our customers a frictionless experience that minimises data entry and enables them to significantly reduce the administrative burden to let a property, while protecting them from regulatory risk. It will also allow us to offer more valuable services to tenants.

A vital part of the home buying journey is understanding affordability, which, for many people, starts with receiving an indication that they can secure a mortgage. Home movers tell us that they only start to be confident that they can secure a mortgage at the point they want to make an offer on the home they have chosen. This is too often late in the process and can lead to frustration and disappointment for the home buyer and wasted time, delays and potentially lost sales for agents. We will help home buyers to increase their confidence earlier in the property search and selection process by offering easy, personalised, lender backed mortgages in principle (MiP).

In 2021, we enhanced our nascent digital flow, bringing together the MiP and property search tools with helpful content which not only creates more certainty for borrowers, but increases the volume and quality of mortgage leads for our mortgage partner. While still early in our development, we increased the number of MiPs delivered four-fold compared to 2020 and the number of mortgage reservations nearly doubled. Plans are well advanced to make the journey to achieving a MiP easier and more efficient. This helps both prospective buyers and enhances agent efficiency through better qualified leads.

Our environment and society

Doing the right thing underpins our culture and informs our response to a range of issues. We believe that Rightmove can and should be a force for good in the UK's drive to reduce carbon emissions and to make a difference in the communities in which we operate.

A diverse Rightmove is important to us. We recognise that a diverse team will provide a wide range of perspectives that promote innovation and business success. Drawing on what is unique about individuals adds value to the way we do business and helps us to anticipate and then provide the features our

customers and homehunters expect from the Rightmove platform. We are committed to reducing the gender pay gap within Rightmove and are pleased to report that the ethnic diversity of our employees reflects the UK population, with good representation in each pay quartile. We continue to work on promoting inclusion and opportunity beyond our workforce, through our partnership with Generating Genius to encourage people from disadvantaged backgrounds to consider a career in technology, and through the recruitment of a wider variety of educational backgrounds.

Our environmental strategy has two elements. Firstly, to use science-based targets to reduce Rightmove's carbon footprint within our own operations and supply chains. Secondly, to use the reach of our platforms to support initiatives to make the UK a carbon-neutral country.

In 2021, we committed to the Science Based Targets Initiative (SBTi) and have submitted our targets to ensure we play our part in meeting the 1.5 °C climate challenge.

Also in 2021, we took the first steps to using our platform to promote energy efficient homes to homehunters. Highlighting the Energy Performance Certificate (EPC) on each property, for example, increases home hunter engagement with EPCs by 35%. Using the unique insight from our collaboration with the Department for Business, Energy & Industrial Strategy project to assess the value difference of low carbon homes, we created a series of stories to expand on the benefits for owners of reducing their home's carbon footprint, achieving widespread national media coverage.

We will continue to help to drive the UK's 'net zero' agenda by digitising home moving in the UK and helping consumers to understand the options and benefits of making their homes more energy efficient.

More information about all these initiatives and our progress in meeting our environmental and social targets can be found in the Sustainability Report.

Build great teams

Our people define Rightmove and create a culture which is highly supportive, innovative and open, where everyone matters and knows that their ideas will be explored and views respected. Our employees live by the central behaviours of doing the right thing for our customers and consumers, driving improvement, and taking responsibility for making things that matter happen.

We work hard to create one highly connected, collaborative team, with minimal hierarchy and bureaucracy, removing any barriers to rapid growth and innovation. As we have grown our teams by 12% in a challenging year for recruitment, we have remained disciplined in our determination to employ the right people and then to support them to be confident, to innovate and to lead effectively.

2021 has been another year of extended periods of remote working and it has been a challenge to foster a strong sense of belonging and connection. Rightmovers have shown remarkable resilience and pragmatism in the face of the continuing separation from each other, and I am pleased that against this backdrop we have only seen a small decline in connectedness in our 2021 'Have Your Say' survey. 89% (2020: 93%) of employees responding agreed that 'Rightmove is a great place to work', 89% think that they can be themselves at work and 89% are proud to work for Rightmove. Our commitment to restless improvement means that plans are in place to return these measures to their previous long-term averages.

I am proud of our achievements and would like to thank all our employees for their extraordinary efforts and commitment over the past year, which has contributed to such a strong set of results.



Peter Brooks-Johnson

Chief Executive Officer

25 February 2022

(1) Residential property transactions in the UK recorded by the Land Registry

(2) Source: Google analytics

(3) Source: Comscore Mobile Metrix® Mobile App only, total Audience, Custom-defined list of Rightmove (Mobile App) and Zoopla Property Search (Mobile App), January – December 2021, United Kingdom.

Making home moving in the UK easier



Our purpose is to make home moving easier in the UK by creating a more efficient housing marketplace

The UK housing market, both in sales and rentals, is complex and often inefficient. Moving home can be a time consuming, frustrating experience for consumers and professionals, often with elements of wasted effort and unavoidable manual processes. We believe that, by creating a simpler and more efficient marketplace, we can make it easier. A better marketplace, one which empowers consumers and property professionals, leads to a better housing market. By building long-term partnerships and creating value for property professionals and consumers, we are able to grow our revenue, which in turn allows us to innovate to create more value for all.

What we do

Our business model has three reinforcing segments:

- we are the place homehunters turn to and return to first
- this, in turn, makes us the UK's primary property platform which delivers unparalleled ROI for our customers
- and then we are in a unique position to help both customers and home hunters by making the process more digital and create new revenue opportunities.

How we deliver unparalleled ROI for our customers

Our customers are primarily estate agents, letting agents and new homes developers advertising properties for sale and to rent in the UK.

We continue to innovate in our core business of providing advertising and tools to property professionals, generating returns for our customers in four distinct ways:

- we help them to save time
- we have products which help them to actively grow their market share

- we help them to market more efficiently using the power of by far the largest audience of home hunters in the UK
- and we help them to grow new revenue streams.

We also provide valuation services and unique demand side property data to surveyors and property professionals.

By creating the UK's largest digital property portal with the largest selection of properties, we have brought together virtually all the home hunting audience our customers want to attract. We are able to offer the most significant and effective exposure for their brands and properties, resulting in the largest source of high-quality leads, thereby significantly increasing our customers' marketing efficiency.

Our digital solutions help our customers to reach their audiences more quickly and efficiently, enabling them to win new business. Winning instructions is critical but time consuming for our Agency customers and we offer a number of tools and products to enable customers to win instructions. A good example of this is 'Sold by Me', an advertising product available with our Optimiser packages, which shows home hunters a range of properties sold by an agent in the area from which they are searching and may have a home to sell.

Rightmove's culture of constant improvement and innovation helps to create more efficiency opportunities for our customers. A good example of this is 'Opportunity Manager' – a lead management tool available with our Optimiser 2020 package, powered by an algorithm that is constantly learning and improving to intelligently spot the home hunters who are most likely to turn into potential home sellers in an agent's area.

As our customers faced new business challenges in 2021, with strong demand for properties and fierce competition for home owners' instructions, we supported our customers with

products and efficiency tools to help them to manage leads and viewings effectively and to win instructions. Online Viewings is a simple tool for agents to upload video viewings and send them automatically to home hunters, which has been used for over 68,000 property listings.

Our solutions for New Homes developers help them to reach almost every serious home buyer in the UK, and we help them to target these buyers both on and off Rightmove's platform.

In 2021 we added four significant new "next-generation" property marketing products across our customer types. Each of these products leverage our unrivalled platform and data in different ways to deliver significantly more value than equivalent products available elsewhere.

We continue to help to drive efficiencies for our Agency customers by providing best in class software that delivers data, market insight and analytical tools to help inform their decisions, with 84% of our Agency customers using our software each month.

How we make the market more accessible for consumers

Rightmove is free to consumers, and it is the only place where home buyers and renters can see almost the entire UK property market in one place. Rightmove has become the place consumers turn to first when they think about moving home because they can rely on the speed and availability of our platforms to view more properties for sale and to rent than anywhere else.

Finding your next home can be a stressful and frustrating experience; the simplicity and ease of access to the property information Rightmove offers can reduce that stress. Our carefully designed platforms avoid distractions in pursuit of simplicity, putting home hunters in control of their search and research.

We never stand still or take Rightmove's success for granted and are continually investing to deliver the most engaging experience for home movers. Our culture is one of continuous improvement and innovation – we release hundreds of updates and improvements to our platforms each month. Investment in improved architecture and new ways of working continue to accelerate the pace of new releases, with over 20% more software releases in 2021 relative to 2020.

A vital part of innovation is a disciplined willingness to experiment and learn from the results. In 2021, we have focused on two key strategic initiatives – the first, aimed at improving tenants' rental journeys and the second, providing home buyers with an effective digital journey towards the selection of a mortgage:

- Rightmove Landlord and Tenant Services offers a range of tenant services, from referencing to home insurance and utilities.
- We are focussing on the homebuyer's journey up to a mortgage decision in principle, with more innovation in bringing together mortgages and property search tools with helpful content.

Beyond finding a buyer or tenant, the tools we provide for researching the property market bring simplicity and confidence to sellers and landlords as they consider one of the largest transactions of their lives and choose an agent to help them on their home moving journey.

How we create value for our shareholders

Our principal source of revenue is the monthly subscription fees paid by customers to advertise all of their properties on Rightmove. Our customers can also pay for our additional advertising solutions, which increase a customer's share of voice and competitiveness. These are critical factors for our customers and particularly for an agent to help to win the instruction opportunity to sell or rent a home, which remains the lifeblood of their business.

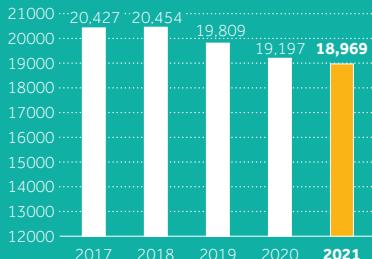
As the property industry becomes more digital – a process that has accelerated for both our customers and consumers in the past 24 months – Rightmove's market leading audience, best in class software and data driven analytics are becoming ever more valuable to our customers. Future ARPA growth will be driven by increased product penetration and pricing, which is underpinned by the value of our unrivalled audience and data, our substantial product inventory and our culture and track record for constantly innovating to benefit our customers and consumers.

We also continue to develop a number of smaller adjacent businesses, advertising commercial and overseas properties and providing property-related data and valuation services.

Helping home hunters to become more 'transaction ready' will, in time, grow into a valuable source of revenue. Tenant referencing and rent-guarantee insurance capabilities through Rightmove Landlord and Tenant Services and our mortgage partnership with Nationwide Building Society are the first steps in this journey.

We use the metrics set out below to track our operational performance.

Number of advertisers



Source: Rightmove

Definition

The total number of paid for UK estate and lettings Agency branches/branch equivalents and New Home developer sites advertising properties on Rightmove

Strategic link

The place consumers turn to first and engage with most; and innovation to create a simpler and more efficient marketplace

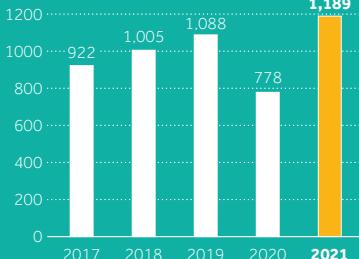
2021 performance

- 1 %

Risks

- ①
- ②
- ③

Average revenue per advertiser – ARPA (in £ per month)



Source: Rightmove

2021 performance

+ 53 %

Risks

- ①
- ②
- ③

Traffic (time on site measured in billions of minutes)



Source: Google Analytics

Definition

Total time measured in billions of minutes spent on Rightmove platforms during the year

Strategic link

The place consumers turn to first and engage with most

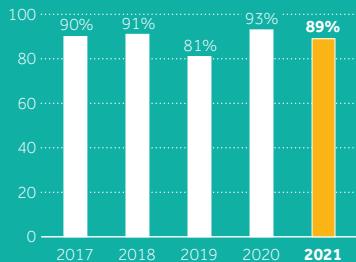
2021 performance

+ 15 %

Risks

- ②
- ③
- ④

Employee engagement "Rightmove is a great place to work"



Source: Rightmove

2021 performance

- 4

percentage points

Risks

- ⑤

Risks relevant to our KPIs (read more on pages 30 to 32)

- ① Macroeconomic environment
- ④ Cyber security and IT systems

- ② Competitive environment

- ⑤ Securing and retaining the right talent

- ③ New or disruptive technologies and changing consumer behaviours

We use the metrics set out below to track our financial performance.

Revenue £m



Source: Rightmove

Revenue grew by 48% year on year to £304.9m (2020: £205.7m)

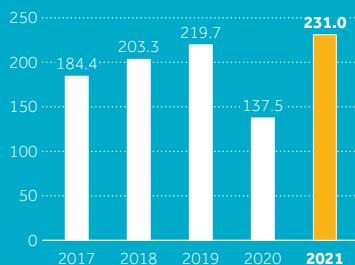
2021 performance

+48%

Risks

- 1
- 2
- 3
- 4
- 5

Underlying operating profit £m



Source: Rightmove

Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance)

Underlying operating profit increased by 68% to £231.0m (2020: £137.5m) with underlying operating margin⁽¹⁾ at 76% (2020: 67%). Operating profit increased by 67% to £226.1m (2020: £135.1m) with operating margin at 74% (2020: 66%)

Underlying EPS (pence per ordinary share)



Source: Rightmove

Underlying earnings per share (EPS) is defined as profit for the year before share-based payments charges (including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

Underlying EPS increased by 70% to 21.8p (2020: 12.8p)

Basic EPS grew by 69% to 21.3p (2020: 12.6p)

2021 performance

+70%

Risks

- 1
- 2
- 3
- 4
- 5

Cash returned to shareholders £m



Source: Rightmove

During the year free cash flow was returned to shareholders in the form of share buybacks and dividends with cash returns totalling £238.8m (2020: £30.1m)

1 Macroeconomic environment

4 Cyber security and IT systems

2 Competitive environment

5 Securing and retaining the right talent

3 New or disruptive technologies and changing consumer behaviours

(1) Underlying operating margin is defined as the underlying operating profit as a percentage of revenue.



Rightmove emerged strongly from the challenges of 2020, delivering a robust financial performance that exceeded its 2019 pre-pandemic results.

Alison Dolan Chief Financial Officer

Revenue

Revenue increased by £99.2m/48% from 2020, to £304.9m (2020: £205.7m), reflecting both the ending of the 2020 customer Covid discounts, and strong product growth and package upgrades which drove ARPA growth during 2021.

	2021 £m	2020 £m	2019 £m	Change vs 2020 £m	Change vs 2020 %	Change vs 2019 %
Agency	224.5	141.6	209.2	82.9	58%	7%
New Homes	50.0	40.7	55.5	9.3	23%	(10%)
Other	30.4	23.4	24.6	7.0	30%	24%
Total revenue	304.9	205.7	289.3	99.2	48%	5%

Membership

	2021 2021	2020 2020	2019 2019	Change vs 2020 %	Change vs 2019 %
Agency branches	16,110	15,922	16,347	188	1% (1%)
New Homes developments	2,859	3,275	3,462	(416) (13%)	(17%)
Total membership	18,969	19,197	19,809	(228)	(1%) (4%)

Comparisons to the 2019 financial year have been included as the performance in 2020 was distorted by the exceptional customer Covid discounts provided between April and October 2020. The drivers of revenue growth are more clearly seen when compared to 2019's results.

Agency revenues of £224.5m increased 7%/£15.3m on 2019, reflecting both increased use of our digital products by our agency customers and successful pricing actions during both 2020 and 2021. Relative to 2020, agency revenues grew by 58% as similarly strong product usage and package upgrades combined with the absence of 2020's Covid customer discounts to drive strong revenue growth. We saw strong product purchase and package upgrades as agents used our products to win instructions in what has been a buoyant housing market. Agency ARPA⁽¹⁾ increased to £1,155, up 12%/£120 from £1,035 in 2019 (up 58%/£425 on 2020 from £730). Agency customer numbers ended the year broadly flat at 16,110: an increase of 1%/188 compared to 2020 (2020: 15,922)—mostly new, independent, single-branch agents—and a decrease of 1%/237 branches compared

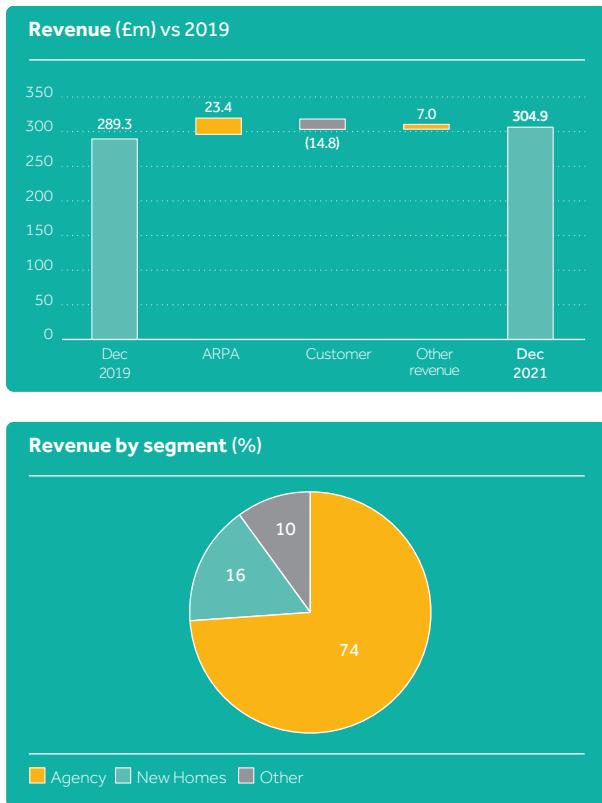
to 2019 (2019: 16,347), as the stock-constrained market made it difficult for new agencies to start up.

New Homes revenue of £50.0m fell by 10%/£5.5m on 2019, as the New Homes market was forward-sold for the entirety of 2021, and some developers reduced discretionary spend on our suite of digital advertising products as developments sold out and were advertised for shorter periods on our sites. Relative to 2020, revenue increased by 23%/£9.3m due to the absence of Covid discounts in 2021. Developments ended the year at 2,859, a decrease of 17%/603 developments on 2019 (2019: 3,462) and a decrease of 13%/416 developments on 2020 (2020: 3,275). However, new product launches and pricing actions meant that New Homes ARPA⁽²⁾ increased to £1,367 per development per month—up 2%/£24 on 2019 and up 36%/£364 on 2020 (2020: £1,003; 2019: £1,343).

Other revenues of £30.4m increased 24% on 2019 (and increased 30% on 2020) as all business units, other than Overseas, saw strong growth. Demand for Data Services products increased due to the activity in the property market, which drove higher volumes of our Surveyor Comparable Tool and Automated Valuation Model; Commercial revenues increased as customer numbers and listings grew strongly throughout the year; and Third Party revenue increases were driven by higher website traffic, which resulted in additional sold inventory. The decline in Overseas' revenue was due to the ongoing Covid-related travel restrictions, preventing consumers travelling to view properties abroad during 2021.

Revenue (£m) vs 2020





Administration costs

Operating costs of £81.2m increased by £10.6m/15% from £70.6m in 2020 and by £5.6m/7% from £75.6m in 2019.

Underlying costs⁽³⁾ (defined as administrative expenses before the inclusion of share-based payments charges and related national insurance of £4.9m) were £76.3m – an increase of £8.1m/12% compared to 2020 (2020: £68.2m) and an increase of £6.7m/10% from 2019 (2019: £69.6m).

The increase from 2019 is primarily due to:

- increased salary costs of £5.6m, due to the higher headcount in our product development teams and from Rightmove Landlord and Tenant Services payroll costs following the October 2019 acquisition;
- higher Tech costs of £0.9m, reflecting the surge in website traffic over the last two years which has driven increased supplier website costs;
- other cost increases of £0.2m – increases in marketing advertising spend (£0.4m); Rightmove Landlord and Tenant Services (£0.8m); investing in the digital mortgages journey (£0.4m); and higher training and recruitment costs (£0.4m) were mostly offset by lower staff-related expenses following continuing savings as a result of the changes in ways of working post pandemic.

The increase in costs compared to 2020 largely reflects higher headcount costs of £5.9m, from investment in our product development teams and also the return to normal payroll levels as senior management salary savings made during 2020 ended. In addition, marketing costs were £1.1m higher following a period of reduced marketing during the second quarter of 2020. Other cost increases, compared to 2020, included training and recruitment, technology costs and investment in mortgages.

Operating profit

	2021 £m	2020 £m	2019 £m	Change vs 2020 £m	Change vs 2020 %	Change vs 2019 %
Revenue	304.9	205.7	289.3	99.2	48%	5%
Other income	2.4	–	–	2.4	–	–
Admin costs	(81.2)	(70.6)	(75.6)	(10.6)	15%	7%
Operating profit	226.1	135.1	213.7	91.0	67%	6%
Operating margin	74%	66%	74%			

Operating profit of £226.1m increased by £12.4m/6% on 2019 and by £91.0m/67% on 2020, with an operating profit margin of 74% (2019: 74%; 2020: 66%).

Underlying operating profit⁽⁴⁾ of £231.0m, before the impact of the share-based incentive charges and related national insurance of £4.9m, increased by £11.3m vs 2019 and by £93.5m vs 2020 (2019: £219.7m; 2020: £137.5m), with an underlying operating profit margin⁽⁵⁾ of 76% (2019: 76%; 2020: 67%).

The results and margins are impacted by other income of £2.4m: which is a one-off credit representing the release of the contingent consideration provision in relation to the acquisition of Rightmove Landlord and Tenant Services (previously Van Mildert) in 2019, as the threshold performance criteria were not met.

Earnings per share (EPS)

Basic EPS increased by 69% to 21.3p (2020: 12.6p; 2019: 19.6p), driven by the increase in profit and the reinstatement of the share buyback programme, which reduced the weighted average number of ordinary shares in issue to 858.8m (2020: 871.2m; 2019: 884.4m).

Underlying EPS⁽⁶⁾ (based on underlying operating profit⁽⁴⁾) increased by 70% to 21.8p (2020: 12.8p; 2019: 20.3p).

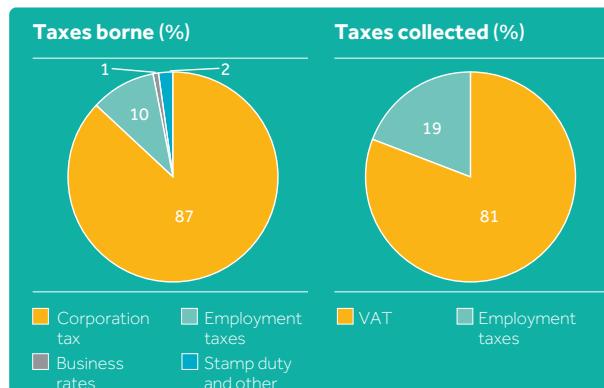
Taxation

The consolidated effective tax rate for the year ended 31 December 2021 was 18.9% (2021: 18.5%), slightly below the UK enacted tax rate of 19.0% mostly due to the release of the Rightmove Landlord and Tenant Services contingent consideration provision being exempt from tax.



All tax matters are managed to ensure that the right amount of tax is paid and collected at the right time, in line with all applicable tax laws and there were no overdue taxes at the year end.

As in prior years, the total amount of UK taxes paid and collected by the Group is significantly more than the corporation tax paid on UK profits. Rightmove's total tax contribution to the UK Exchequer in 2021 was £113.8m (2020: £96.3m). Of this, £48.0m (2020: £50.2m) related to taxes borne by the Group, while the remaining £65.8m (2020: £46.1m) was collected in respect of payroll taxes and VAT. The increase in the total tax contribution compared to the prior year is primarily due to higher operating profits following the significant Covid discounts offered during 2020, which impacted both VAT and corporation tax.



Balance sheet

Summary consolidated statement of financial position

	2021 £m	2020 £m	Change £m
Property, plant and equipment	12.0	13.9	(1.9)
Intangible assets	21.1	22.1	(1.0)
Deferred tax asset	2.2	2.8	0.6
Trade and other receivables	23.1	23.5	(0.4)
Contract assets	0.1	0.3	(0.2)
Income tax receivable	1.1	1.2	(0.1)
Cash and money market deposits	48.0	96.7	(48.7)
Trade and other payables	(22.8)	(18.9)	(3.9)
Contract liabilities	(2.6)	(1.6)	(1.0)
Lease liabilities	(11.0)	(12.3)	1.3
Deferred tax liability	—	(0.9)	0.9
Provisions	(0.6)	(3.6)	3.0
Net assets	70.5	123.1	(52.6)

Rightmove's balance sheet at 31 December 2021 shows total equity of £70.5m (2020: £123.1m).

The year-on-year decrease in net assets of £52.6m primarily reflects the return of cash to shareholders by way of dividends and share buybacks during 2021.

Trade and other receivables fell slightly compared to December 2020 due to the timing of prepayments – down £0.8m – which was partially offset by an increase in net trade receivables of £0.5m, reflecting higher December 2021 revenues compared with December 2020. Debtor days were 22 days, lower than the 32 days in December 2020, as the disruption to business terms from the pandemic has ended.

Trade and other payables of £22.8m have increased by £3.9m: mostly due to higher VAT payables and accruals (reflecting the larger 2021 management bonus). In addition, NI payable increased due to both higher headcount at the end of 2021 and NI due on share-based payments as a result of the improved year-end share price (2021: £7.95; 2020: £6.51).

Trade payments are being made in the same timely manner as in 2020.

Cash flow and liquidity

Rightmove remained debt-free during 2021 and cash generation remained strong, at 105% of operating profit. Cash generated from operating activities increased by £95.3m to £236.8m (December 2020: £141.5m)⁽⁷⁾. Reflecting this strong liquidity, we took the decision to cancel our revolving credit facility of £10m, which was never used, in the first half of the year.

The closing cash balance, including money market deposits, was £48.0m (2019: £96.7m). Surplus cash continues to be invested primarily in short-term, easily accessible money market deposits, including in a green money-market fund.

The Group bought back and cancelled 26.7m ordinary shares during the year (2020: 5.0m), at a cost of £175.6m (including expenses) as part of its ongoing share buyback programme (2020: £30.3m). Dividends totalling £64.5m (2020: nil) in relation to the final 2020 dividend payment and interim 2021 payment were also paid during the year.

Aside from tax payments of £41.6m for the payment of the estimated full year 2021 tax liability, other payments of £4.7m included lease payments of £2.5m (2020: £2.2m), fixed asset purchases of £0.7m (2020: £2.3m), purchase of shares of £1.3m for the SIP (2020: £0.8m) and interest and bank charges of £0.2m (2020: £0.2m). Proceeds of £0.8m were received in relation to exercises of share-based incentives (2020: £0.7m).

Shareholder returns

Consistent with the policy of growing dividends in line with the increase in underlying EPS, the Directors are recommending a final dividend of 4.8p per ordinary share, which will be paid on 27 May 2022 to all shareholders on the register on 29 April 2022.

The share buyback programme will resume in March 2022.



Alison Dolan
Chief Financial Officer

25 February 2022

- (1) Agency ARPA is calculated as revenue from Agency advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the year.
- (2) New Homes ARPA is calculated as revenue from New Homes developers in a given month divided by the total number of developers during the month, measured as a monthly average over the year.
- (3) Underlying costs are defined as administrative expenses before share-based payments charges (including the related National Insurance).
- (4) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance).
- (5) Underlying operating margin is defined as the underlying operating profit as a percentage of revenue.
- (6) Underlying EPS is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.
- (7) Cash generated from operating activities of £236.8m (2020: £141.5m) compared to operating profit as reported in the income statement of £226.1m (2020: £135.1m).

Rightmove manages the risks and opportunities associated with the delivery of its strategy by adopting sound risk management: ensuring an appropriate level of control to protect against the impact of risks, without stifling the growth and development of the Group. The attitude to risk is to operate a culture of creativity and innovation, in which key risks are understood and proactively managed. Risk management practices are embedded into business activities in a proportionate manner, supporting a culture that is risk-aware and able to identify and respond to opportunities as well as threats.

The Group's operating culture is one of risk-awareness and risk management, incorporating the 'tone at the top' towards risk, processes and controls:

- the organisational structure is based on defined roles and responsibilities, where the assignment of authority and responsibility throughout the business is clear
- overarching governance is provided by the Board, Audit Committee and Risk Committee
- a defined, and communicated, risk appetite balances risk and reward and seeks to respond to opportunities
- a Compliance function oversees risk management effectiveness.

Governance framework

Rightmove's risk governance framework seeks to sustain and evolve the risk culture and guide the way employees approach their work and decision-making. The aim is to ensure that business decisions strike an appropriate balance between risk and reward and are consistent with the Group's risk appetite.

Governance is maintained through delegation of authority from the Board to the Audit Committee, executive directors and senior leadership team, including a Risk Committee headed by the CFO. The structure is designed to support the leadership team and to ensure open challenge and effective decision-making. Board-level engagement, coupled with the direct involvement of the leadership team, ensures that escalated issues are promptly addressed, and remediation plans are initiated where required. The interaction of the executive and non-executive governance structures relies upon a culture of transparency and openness.

Key responsibilities of the Board include:

- approval of group-wide risk principles and policies
- approval of the risk management framework and risk appetite
- effective oversight of operation of the risk management framework and process, consistent with risk appetite
- the cascade of delegated authority (for example to the Audit Committee and the Group Chief Executive Officer)

The Audit Committee is responsible for the oversight of risk and ensuring the effectiveness of the Group's risk management framework and Internal Audit. It is supported by the Risk Committee, which is responsible for assisting the Audit Committee in its oversight role.

Three lines of defence model

Clear responsibilities and accountabilities for risk-mitigation and controls are defined across the Group through a three lines of defence model, which ensures effective independent oversight and assurance in respect of key decisions. This model clearly defines how responsibilities for managing risk are assigned as follows:

- Business functions (first line) have overall accountability and ownership of risk. This includes the identification and management of risks, and ensuring adequate controls are operating effectively. The first line is also responsible for implementing corrective actions to address any process and control deficiencies
- The Compliance function (second line) provides oversight and constructive challenge to the first line, coupled with advice and support regarding the risk profile of the Group. It also has a key role in promoting the implementation of a strategic approach to risk management
- Internal Audit (third line) provides independent and objective assurance and advice on the adequacy and effectiveness of governance, internal controls, and risk management. Internal Audit's independence from the responsibilities of management is critical to its objectivity, authority, and credibility.

All roles working together contribute to the creation and protection of value. Alignment of activities is achieved through communication, cooperation, and collaboration, which ensures the reliability, coherence, and transparency of information needed for risk-based decision making.

Rightmove's three lines of defence model



The Audit Committee receives and analyses regular reports from management and the outsourced internal audit function on matters relating to risk and control and reviews the timeliness and effectiveness of corrective action taken by management. The Audit Committee on behalf of the Board also considers the findings and recommendations of the external auditor throughout the year in relation to the design and implementation of effective financial controls. Further detail of these activities is included within the Audit Committee report.

Risk management framework and risk appetite

Rightmove's Risk Management Framework ensures that rigorous and consistent risk management is embedded across the Group. It is designed to support the identification, assessment, management and control of the material risks that threaten the achievement of the Group's strategic and business objectives. The key principle of the Framework is to promote risk management as a positive and enabling process, helping to maximise opportunities whilst identifying and mitigating risks as they emerge.

Decisions are made with reference to the risk appetite of the Group and an assessment of the balance of risk and reward. Risk appetite is defined within the Group as 'the level of risk that the Group is prepared to accept in pursuit of its strategic objectives and business plan'. It links business and financial objectives and risk management in a way that guides and empowers the business to serve its customers well, meet

obligations to its stakeholders and achieve performance targets. In summary, the Group has:

- zero tolerance for breaching legal and/or regulatory requirements;
- zero tolerance for criminal events such as fraud, bribery and corruption;
- a low tolerance for operational risk; and
- a higher tolerance for risks flowing from the delivery and communication of strategic priorities, where the work is innovative and with the potential to deliver broader beneficial outcomes.

The Risk Committee is responsible for assisting the Audit Committee and Board in its oversight of risk, assessing and reviewing the Group's risk appetite and risk profile, and the effectiveness of the Group's risk management framework. This committee is chaired by the CFO and attended by the Director of Legal & Compliance and the Head of Compliance, with a variety of senior management attending on a regular or as required basis.

Significant and emerging risks are identified and incorporated into the Group's Risk Register which is reviewed by the Audit Committee and Board semi-annually. The Risk Register captures the assessment of each risk, related response, and progress made against any actions. The Board performs a robust review and assessment of the risks, and considers potential emerging risks over a three-year period, in line with the Group's Viability Statement timeframe.

Key risk and description	Impact	Changes in the year	Monitoring and mitigation	Change from prior year
1 Macroeconomic environment The Group derives almost all its revenues from the UK and is therefore dependent on the macroeconomic conditions surrounding the UK housing market and consumer confidence, which impacts property transaction levels.	<p>Substantially fewer housing transactions than is normal may lead to a reduction or consolidation in the number of Agency branches or a reduction in the number of New Home developments advertised; both of which are a major determinant of the Group's revenues.</p> <p>A more uncertain macro and political environment may also lead to a lengthening of the typical property transaction cycle, resulting in cash flow issues for smaller agents with lower stock levels.</p> <p>In addition, a contraction in the volume of transactions in the UK housing market could lead to a reduction in advertisers' marketing budgets which could reduce the demand for the Group's property advertising products.</p>	<p>Housing transactions in 2021 were up 41% year on year versus 2020 ending the year at 1.44m⁽¹⁾. Transactions were up 26% on 2019.</p> <p>Overall membership numbers were down 1% since December 2020 reflecting a 1% increase in Agency branches and a 13% reduction in New Homes developments year on year. Membership was down 4% compared to December 2019.</p> <p>ARPA⁽²⁾ was up 53%/£411 from 2020 to £1,189, reflecting the discounts given to customers during Q2 and Q3 of 2020, and ARPA was up 9%/101 on 2019.</p>	<ul style="list-style-type: none"> Monitoring of the housing market including leading indicators and membership trends. Continuing to provide the most significant and effective exposure for customers' brands and properties. Remaining the largest source of high-quality leads, offer value-adding products and packages and helping to drive operational efficiencies for our customers; thereby embedding the value of our membership. <p>Maintaining a flexible cost base that can respond to changing conditions.</p>	
2 Competitive environment The Group operates in a competitive marketplace, with attractive margins and low barriers to entry, which may result in increased competition from existing competitors, or new entrants targeting the Group's primary revenue markets.	<p>Increased competition may impact Rightmove's ability to grow revenues due to the potential loss of audience, advertisers or demand for additional advertising products.</p>	<p>Rightmove continued to retain the largest and most engaged audience of any UK property portal and its market share of the top four property portals was 88.0% in 2021⁽³⁾ – a 1.5% increase from 2019 (86.5%)⁽³⁾ and a slight increase on 2020 (87.8%)⁽³⁾.</p>	<ul style="list-style-type: none"> Communication of Rightmove's value to advertisers. Continued investment in our account management teams to help customers run their businesses more efficiently. Sustained marketing investment in the Rightmove brand. <p>Sustained investment and innovation in serving all of our audiences.</p>	

Key risk and description	Impact	Changes in the year	Monitoring and mitigation	Change from prior year
3 New or disruptive technologies and changing consumer behaviours Rightmove operates in a fast-moving online marketplace. Failure to innovate or adopt new technologies or failure to adapt to changing customer business models and evolving consumer behaviour may impact the Group's ability to offer the best products and services to its advertisers and the best consumer experience.	Failing to innovate may impact Rightmove's ability to grow revenues due to the potential loss of audience engagement, advertisers and demand for additional advertising products.	To further enhance our speed to market we have commenced a Cloud migration programme, allowing us to more easily leverage some of the latest technological innovations and improve our development turnaround times. In 2021 we successfully completed a proof of concept and will be migrating key areas of the platform over to Cloud through 2022 and beyond.	<ul style="list-style-type: none"> Continual improvements to our platforms. Developing our product proposition to continue meeting our customers' needs and evolving business models. Large in-house technology team with culture of innovation. Ongoing monitoring of consumer behaviour and annual 'Hackathons' which allow employees to spend time during work hours to develop their own online property related ideas. <p>Regular contact with the start-up and prop-tech communities to stay abreast of market innovations.</p>	
4 Cyber security and IT systems The Group has a high dependency on technology and internal IT systems. In today's digital world there are increased risks associated with external cyber-attacks which could result in an inability to operate our platforms. A security breach, such as corruption or loss of key data, may disrupt the efficiency and functioning of the Group's day to day operations.	Any loss of website availability, or theft or misuse of data held within the Group's databases and IT systems, could result in reputational damage to the Group from loss of consumer and customer confidence in the Rightmove brand; and financial loss arising from potential penalties and fines.	We have invested in several protection and detection systems to protect our website during the year. These include, on site and Cloud based DDoS mitigations; increasing capacity on our internet links; and upgrading network and web application fire walls. We have also invested in several security controls to further protect the internal IT systems including fully implementing two factor authentication (2FA). Our incident response capabilities have continued to be developed and we have also set up new systems to improve our visibility of our internet facing 'digital footprint'.	<ul style="list-style-type: none"> Disaster Recovery and Business Continuity Plans subject to regular testing and review. Use of three data centres to load-balance and ensure optimal performance and business continuity capability. Regular testing of the security of the IT systems and platforms including penetration testing. Ongoing investment in security systems. Ongoing monitoring of external threats. <p>Regular internal information security training and 'speарphishing' tests.</p>	

Key risk and description	Impact	Changes in the year	Monitoring and mitigation	Change from prior year
5 Securing and retaining the right talent Our continued success is dependent on our ability to attract, recruit, retain and motivate our highly skilled workforce.	The inability to recruit and retain talented people could impact our ability to maintain our financial performance and deliver growth. When key staff leave or retire, there is a risk that knowledge or competitive advantage is lost.	In addition to regular Group-wide interactive webinars hosted by our Executive Directors and Senior Leadership Team, our Non-Executive Directors have increased their in-person employee engagement activities during the year. The specialist recruitment team has been increased to support the growth in our Technology, Sales and Customer Experience Teams. There has been significant investment in employee development, particularly performance management, and a continued focus on employee wellbeing with a variety of new internal and external support services offered. Our hybrid working policy was introduced to keep people connected and productive, preserving Rightmove's culture. In addition to many team activities designed to stimulate a sense of belonging, an all-employee Company Day was organised when restrictions were lifted enabling everyone to meet in person. Employee sentiment remains strong, with our 'great place to work' score at 89% (2020: 93%).	<ul style="list-style-type: none"> Ongoing succession planning and development of future leaders. Payment of competitive reward, including a blend of short and long-term incentives for senior management. The ability for all employees to participate in the success of the Group through the SIP and SAYE schemes. Regular staff communication and engagement. 	

Small increase in risk

Risk unchanged

(1) Source: HMRC transactions for the UK as published in January 2022.

(2) Revenue from Agency and New Home advertisers in a given month divided by the total number of advertisers during the month, measured as a monthly average over the year.

(3) Source: Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, ONTHEMARKET.COM, January – December 2021, United Kingdom

Based on the going concern assessment discussed in note 1 of the financial statements, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the 12 months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

In accordance with the requirements of the 2018 UK Corporate Governance Code, the Directors have assessed the long-term viability of the Group, taking into account the Group's current position and the potential impact of the principal risks and uncertainties set out on pages 30 to 32. Based upon the robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity, the Directors have a reasonable expectation that the Group and the Company will be able to continue in operation and meet its liabilities as they fall due over the three-year period to 31 December 2024.

The Directors have determined that a three-year period to 31 December 2024 constitutes an appropriate period over which to provide its viability statement, as the Group operates within an online digital marketplace, and projections looking out further than three years become significantly less meaningful in the context of the fast-moving nature of the market. Three years is also the period considered under the Group's current strategic business plan.

The strategic business plan is developed on a segment-by-segment basis using a bottom-up model and is reviewed by the Board. The plan makes certain assumptions about Agency and New Homes customer numbers, ARPA growth and other revenue streams and considers the Group's cost base, profitability, cash flows and dividend cover over the three-year period.

The strategic plan has been subject to robust downside stress-testing, which involved flexing several of the main assumptions underlying the plan to assess the impact of severe but plausible scenarios. Analysis was performed to evaluate the potential financial impact over the period of the Group's principal risks actually occurring. Specific scenarios that have been modelled include downside scenarios in relation to the key drivers of revenue, namely customer numbers, ARPA and any downturn in the macro economy that impacts the level of housing transactions, together with the impact of plausible combinations of these scenarios. In all plausible scenarios tested, the Group remains cash positive over the three-year period.

Other facts that provide the Directors with comfort around the Group's long-term viability in the face of adverse economic or competitive conditions include: that the Group is not overly reliant on a concentrated customer base, with no single customer constituting more than 2.5% of Group revenue; that the Group has high operating profit margins, significant free cash flow generation and no external debt; and the Group has the ability to adjust the discretionary dividend and share buyback programme to enhance liquidity.

This statement explains how the Board has fulfilled its duty to promote the success of the Company and considered the interests of Rightmove's key stakeholders when making decisions in accordance with Section 172 of the Companies Act (the Act).

Rightmove's purpose is to make home moving easier in the UK by bringing together the UK's largest audience of home hunters and the largest selection of available properties. Our ambition is to be the place that consumers and customers turn to and return to as their property portal of choice, and to deliver that objective. Rightmove needs to be a business in which people want to work and invest and with which people want to partner.

Led by the Board and Senior Leadership Team, Rightmove has a values-based, sustainable approach to strategic, financial and operational decision-making. Doing the right thing for our stakeholders – customers, consumers, shareholders and employees – and balancing all their interests drives everything we do.

Rightmove's long-term business success relies on delivering a sustainable, innovative and effective service to our customers and consumers through our skilled employees, working closely with suppliers, to provide long-term benefits to the UK property market and our shareholders. The Board leads the business in maintaining high standards of business conduct and regularly approves Group policies to ensure adherence to best practice in anti-corruption, fraud and bribery. There has been a continued Board focus on the Group's dynamic environmental and social strategy, which is explained in the Sustainability Report.

Further information can be found throughout the Strategic Report on how the Board's consideration of strategy and performance impacts the long term sustainability of the business. Our key stakeholder groups are Rightmove's shareholders, customers, consumers, employees, suppliers, regulators and industry bodies. In this statement, we explain how the Board engages with and manages Rightmove's relationship with our stakeholders, illustrated with details of some of the Board debate and decisions in 2021.



Shareholders

Rightmove enjoys long-standing relationships with our largest shareholders. Our top 10 shareholders currently own over 58% of shares in issue, with a geographic split for all shareholders of 52% held in the UK, 38% held in North America and 10% in the Rest of the World. Rightmove's shareholders, including all our employees, own a stake in the Company and expect to earn a good return on their investment.

Strategy

Our strategy is one of sustainable, long-term growth through the successful execution of our business strategy, producing strong shareholder returns.

Our policy is to return all surplus cash to our shareholders through dividends and share buybacks.

Engagement

We aim to have an ongoing, constructive dialogue with our shareholders through online results presentations, question and answer sessions, investor calls and meetings and our investor relations team.

In 2021, our Executive Directors continued their "open door" approach for current and potential shareholders, holding many online and, where possible, in person meetings covering a range of topics including the Group's approach to environmental, social and governance policy.

Our Investor Relations team provides information to investors and arranges calls and meetings with management all year, subject to Closed Period restrictions.

Board decisions

The Board considers the interests of all shareholders when making decisions which may affect them and acts fairly as between members of the Company.

- The Company's capital management policy is to return all excess free cash to shareholders and we are pleased to report that £174.4m was returned through the share buyback programme (2020: £30.1m) and £64.5m paid in dividends (2020: £nil) during the year.
- The Board established the Corporate Responsibility Committee to increase Directors' focus on environmental and social targets and reporting. This area continues to be influenced by our shareholders' feedback and requirements for consistent reporting to ensure their investment in sustainable businesses (see the Sustainability Report).
- The Nomination Committee reviewed the Board and business succession plan, including gender and ethnic diversity, ensuring that all key roles have current contingency and longer term successors from a diverse pipeline of talent.
- The Remuneration Committee Chair contacted Rightmove's largest shareholders to explain the executive remuneration proposals for 2022 (see the Directors' Remuneration Report).



Customers

Our customers are principally estate and lettings agents or new home developers who advertise properties for sale or to rent on Rightmove platforms and property professionals using our valuation and property data tools.

Strategy

Our strategy is to provide our customers with the best platforms to promote their services and to support them with effective online products, tools, market intelligence and training to achieve their business objectives.

Engagement

We actively seek to understand and respond to our customers' business requirements by engaging regularly with them through our research into new tools and services, account management and customer experience teams, webinars and training.

Board decisions

In 2021, the Board engaged with and received feedback from our customers and considered the requirements of new customer groups. The Board approved:

- the strategic plan and product development roadmap which focuses on customer retention and on demonstrating the value of Rightmove's products and packages;
- rebranding Van Mildert as Rightmove Landlord and Tenant Services to provide improved referencing, insurance and tenant services to our lettings agent customers;
- significant investment in our product development, customer support, training and compliance teams.

In addition, the Board receives updates on customer sentiment and retention from the Chief Executive at every meeting. One of Rightmove's New Homes customers was invited to speak at the Board away day and gave valuable insights into the market, customer product use and data requirements.



Consumers

Our consumers are home hunters, home sellers and researchers who rely on Rightmove for their property search and sales, spending over 18 billion minutes on Rightmove platforms in 2021.

Strategy

Our strategy is to provide the largest and highest quality online marketplace for property buyers, home sellers and landlords together with market intelligence and research tools and advice to help make home moving easier.

Engagement

We engage with consumers directly through market research, our consumer newsletters and webinars. Our consumer support teams responded to consumer enquiries, acting on feedback and concerns about property advertisements, data quality and protection and staying safe online. Our Product Development team responded to consumer suggestions and feedback about the functionality and design of our platforms, which led to enhancements to our search functionality, MyRightmove accounts and property details pages.

Board decisions

The Board received business presentations on new products and business areas and continued to focus on consumer choice, experience and regulatory compliance. The Board approved the business and strategic plans, which provide for continued investment in:

- tenant services, including referencing, insurance and utilities;
- affordability tools and development of an online mortgage Decision in Principle service with Nationwide Building Society;
- environmental information and home improvements and enhanced display of EPC certificates in property advertisements (see the Sustainability Report);
- cyber security, fraud prevention and data protection to help keep our users safe online; and
- product development to continually improve property search and information available on our platforms.

The Board also endorsed the use of consumer information designed to make the home moving process easier in a buoyant, fast moving property market.



Employees

Rightmove directly employs over 600 people across the UK, including a field-based account management team and employees based at offices in London, Milton Keynes and Newcastle. Rightmove's success relies upon the shared commitment, skills and values of our employees.

Strategy

Our strategy is to make Rightmove a great place to work through an open, collaborative culture, based on the belief that we are all in it together. Rightmove aims to be a supportive and inclusive employer with a diverse workforce.

Engagement

Directors engaged directly with employees during 2021, received their feedback and discussed the issues raised at Board meetings. The Board also received regular updates on employee sentiment, including survey results. Regular Town Hall webinars, with question and answer sessions continued throughout the year.

Board decisions

The Board continued to focus on employee welfare and sentiment:

- Employee mental health and wellbeing continued to be a priority during the year, with prolonged Covid restrictions, remote working and the gradual return to office-based work. A full employee-support package was approved in 2020, including tailored webinars on practical coping strategies, and enhanced in 2021 to include trained mental health first aiders and online therapy sessions.
- Non-Executive Directors engaged with employees, meeting:
 - members of the Customer Experience and Account Management Teams to observe and receive feedback on their work with customers;
 - new employees, to ask them about their experience of joining Rightmove during and following a prolonged period of remote working;
 - managers who had completed an extensive development programme in performance management; and
 - the Remuneration Committee Chair met with employees to discuss their views on pay and executive remuneration.

The feedback received from each engagement activity was discussed at the subsequent Board meeting and, if appropriate, action taken by the management team.

The Board also approved:

- Charitable giving and community support guidelines were approved by the Corporate Responsibility Committee, with increased donations and matched funding for employee nominated charities, including a significant donation to the Trussell Trust and food banks nominated by employees throughout the UK;
- a SIP free share award and Sharesave grant of options for all employees;
- significant investment in training and development, detailed in the Sustainability Report; and
- action plans which continue to improve diversity in the succession pipeline and address Rightmove's gender pay gap.



Suppliers

Rightmove works closely with our larger suppliers, principally in relation to the provision of technology, marketing, recruitment and professional services. We aim to build strong relationships with suppliers so we can successfully deliver our projects whilst maximising cost efficiencies and enhancing outcomes.

Strategy

Our strategy is to select suppliers who meet our ethical standards, can deliver excellent service, pay them promptly and work closely to ensure close alignment of interests.

Engagement

We engage with suppliers before entering into agreements, both throughout the contract period and on renewal.

Board decisions

- The Audit Committee has approved a new risk and compliance framework, which will oversee the supplier risk management framework to ensure a consistent and compliant procurement policy in relation to key areas of spend or risk.
- The Board endorsed the Payment Practices Report and the prompt payment of suppliers, with no payment delays arising directly from the Coronavirus pandemic.



Regulators and industry bodies

Rightmove is regulated by the Information Commissioner's Office for data protection and the FCA for rent guarantee insurance and the provision of certain mortgage services. We work with professional property organisations including The Property Ombudsman and Propertymark to support our customers in meeting all relevant regulations and codes of best practice.

Strategy

We work in an open and co-operative manner with our regulators and professional bodies to ensure we meet all the Group's regulatory responsibilities and our platforms offer a safe and transparent market for consumers. We also help our customers to comply with their regulatory responsibilities.

Engagement

We engage with regulators and professional bodies through direct and indirect consultation, sometimes via recognised industry representatives, and through feedback, regulatory reporting and volunteering business information to support research and consultation activities.

Board decisions

- The Board implemented the 2021 Business Plan and approved the 2022 Business Plan, both with significant investment in people and systems focused on regulatory compliance, cyber security, fraud prevention and data protection.
- The Board received detailed presentations on the Group's current and planned regulated activities in Tenant Services and Mortgages.
- The Audit Committee approved the implementation of a new risk management framework and received reports from the Risk Committee on operational risk management and review of the effectiveness of internal controls (see the Risk Management section of the Strategic Report).
- The Board received updates on the Group's cyber security plan and approved a ransomware policy as part of a wider incident response plan.

Our commitment**Rightmove is committed to being a responsible, sustainable business, operated for the benefit of our stakeholders.**

Rightmove's Environmental, Social and Governance (ESG) strategy embodies two primary aims:

- to continue to make our business better and more sustainable, by securing our platforms, minimising our environmental impact, ensuring meaningful diversity in the workforce and strong governance; and

- to make a difference beyond the direct operation of our business, through the reach of our platforms and contribution to wider society.

We are pleased to report on progress against the Group's ESG objectives during 2021 and our ambitions for the future.

Social progress**Our employees**

Our objectives for diversity, inclusion, equality of opportunity and employee engagement.

Headline:

89% Great place to work

A sustainable future**Protecting the environment**

Our progress against environmental targets, the climate plan to achieve our science-based targets submitted to SBTi and our strategic alignment to the UK Green Taxonomy.

Headline:

Targets set to achieve Net Zero in direct operations by 2030

**Supporting communities**

We aim to make a difference to our communities in the UK and support the causes that reflect our values and purpose.

Headline:

42 food banks funded via employee nominations for our Festive Food Bank Fund

**Strong corporate governance**

As a trusted marketplace, we are committed to operating in a transparent, responsible and ethical manner, within a strong governance and compliance framework.

Headline:

Two dedicated environmental risk meetings held in 2021

Reporting framework

To report clearly and comprehensively on the Group's ESG performance for our investors and other stakeholders, we have sought to align with the Task Force on Climate-related Financial Disclosures (TCFD) and the principles of the Sustainability Accounting Standards Board (SASB) framework

for Internet and Media Services. Disclosure indices for these frameworks can be found on pages 41 and 61.

We continue to be guided by the UN's Sustainable Development Goals, to which we believe Rightmove can meaningfully contribute.

Making a difference beyond our direct operation

Rightmove's business model and our environmental objectives are aligned to the UK's environmental ambitions. While our business model is compatible with these environmental aims, we are also choosing to be an overall 'system-positive' business by using the reach of our platforms to inform and encourage homeowners and property professionals to move towards energy efficient homes. In 2021 our work to highlight Energy Performance Certificates (EPC) in property details, increased home hunter engagement with EPC's by 35%.

We are committed to becoming a **Net Zero business in our direct operations by 2030** and have submitted fully verified science-based targets to the SBTi which are scheduled for validation in 2022 under our 1.5°C commitment, including:

- converting our car fleet to ultra-low emissions by 2028 and moving to all electric vehicles by 2030;
- powering our offices with entirely renewable energy from 2022;
- moving to a hybrid cloud solution for our technology platforms, increasing the use of renewable energy;
- recycling over 50% of office waste and a 10% reduction in water consumption;
- moving to more efficient and renewable energy solutions in our supply chain; and
- reducing business travel, focusing on energy efficient transport.

We are continuing to develop our business strategy in line with being an overall 'system-positive' business. In this context, we are focusing on the **UN's Sustainability Goals** on Equality & Opportunity and Sustainable Housing & Climate Action.

Key objectives and targets for Rightmove's Social and Governance agendas were agreed in 2020 and enhanced in 2021, including employee welfare, diversity and inclusion, community support, anti-corruption, data security and tax transparency. Progress against our Environmental, Social and Governance targets is set out under the relevant section of this report.

UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) aim to end poverty, protect the planet and ensure prosperity for all. We have identified the goals which have most relevance to our business and will ensure that we make a positive contribution to these areas in the UK, the home of our business.



Sustainable Development Goal

4 Quality Education

Playing our part

We believe in opportunity and education for all, and operate a fair and inclusive working environment where gender and ethnic equality are celebrated.

5 Gender Equality

8 Decent Work and Economic Growth

11 Sustainable Cities and Communities

12 Responsible Consumption and Production

13 Climate Action

We believe that we can help to drive the UK's net zero agenda by continuing to digitise home moving and by helping consumers to understand the options to make homes more energy efficient.

FTSE4Good Index



FTSE4Good

Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong ESG practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investments.

We are pleased to confirm that, having been independently assessed under the FTSE4Good criteria, Rightmove is a member of the FTSE4Good Index Series.



Protecting the environment

TCFD compliance statement and disclosure index	Pages 40 - 41
Sustainability Governance	Pages 41 - 42
Climate Strategy – risks and opportunities	Pages 42 - 45
Environmental targets and metrics	Pages 46 - 47
Carbon Neutral	Page 47
Greenhouse Gas Emissions report	Page 48
Emissions intensity metric and renewable energy	Pages 48 - 49
Climate Action Plan and Net Zero Targets	Pages 49 - 50



Protecting the environment

Overview

Rightmove's near-term commitment is to achieve net zero carbon emissions in our direct operations by 2030, and in our value chain in the longer term.

In this section of the report we describe how we have analysed the Group's carbon emissions and established science-based targets to achieve our net zero goal. We report on performance against our environmental targets set in 2020 and have restated the Group's carbon emissions for market-based emissions, taking account of renewable energy consumed. The Board's oversight and governance of Rightmove's environmental strategy, risks and opportunities are explained below.

TCFD compliance statement

The Board is pleased to confirm that, for the year ended 31 December 2021, the Group's environmental disclosures are reported in a TCFD framework. We have started the journey to net zero in earnest, working with our consultants Carbon Footprint on SBTi target submissions for near-term and net zero targets. We have made good progress on our existing near-term targets and completed an initial assessment of risks and opportunities and their potential financial impact. Moving forward, we will work with our suppliers to reduce Rightmove's climate impact, further integrate positive environmental actions into our business strategy and evolve our reporting under the TCFD recommendations and recommended disclosures.

TCFD disclosure index

The table below shows where recommended TCFD disclosures can be found in this report and areas where we are working to increase our TCFD compliance:



Our employees

Diversity and inclusion	Pages 52 - 53
Gender diversity and pay	Pages 53 - 54
Development and training	Pages 54 - 55
Employee benefits and well being	Pages 55 - 56



Making a difference to our communities

Charitable giving and community support	Page 57
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Governance and Compliance

Tax transparency	Page 58
Platform security	Page 58
Compliance	Page 59

Corporate Responsibility Committee Report	Page 60
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Sustainability Accounting Standards Board (SASB)

Disclosure index	Page 61
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Non-Financial Information Statement	Page 61
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Protecting the environment

TCFD recommended disclosure	Reporting and compliance
Governance <ul style="list-style-type: none"> 1. Describe the board's oversight of climate-related risks and opportunities 2. Describe management's role in assessing and managing climate-related risks and opportunities 	<p>The Board's oversight of climate risks and opportunities is described in the Corporate Responsibility Committee report and the Climate Risk Management section of this report below.</p>
Strategy <ul style="list-style-type: none"> 3. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term 4. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning 5. Describe the resilience of the organisation's strategy, taking into consideration different climate scenarios 	<p>The material climate-related risks and opportunities we have identified are described in the Climate Risk section of this report below.</p> <p>The impact of these risks and opportunities has been modelled and is illustrated below.</p> <p>The Risk and Audit Committees have reviewed the methodology and analysis of risks and opportunities, which is described below.</p>
Risk Management <ul style="list-style-type: none"> 6. Describe the organisation's processes for identifying and assessing climate-related risks 7. Describe the organisation's processes for managing climate-related risks 8. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management 	<p>Rightmove's approach to climate risk identification and management is described in the Climate Risk Management section of this report below and the Risk Management report. An ESG risk register has been compiled and will be monitored under Rightmove's new Risk Management Framework in 2022. Climate-related risks are subject to the same identification, analysis and mitigation processes as all identified operational risks.</p>
Metrics and Targets <ul style="list-style-type: none"> 9. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process 10. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks 11. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets 	<p>Rightmove's environmental targets and metrics are set out in this report, together with performance against our targets and our climate action plan to transition to a lower carbon business model and net zero in our direct operations (Scope 1, 2 and Scope 3 Data Centres) by 2030.</p>

Sustainability Governance

Board oversight and executive responsibility

In 2021, the Board established the Corporate Responsibility Committee in order to increase its focus on the Group's environmental and social strategy, risks and opportunities. The Committee, which meets twice a year, is chaired by Andrew Fisher and comprises all the directors.

The Committee terms of reference are available at plc.rightmove.co.uk/governance/committees

The Committee is supported by the Risk Committee, which also reports on climate-related disclosures to the Audit Committee.

Our Chief Financial Officer (CFO), Alison Dolan, has executive responsibility for implementing Rightmove's ESG strategy and is supported by the Senior Leadership Team. Alison chairs the Risk Committee and in 2021 held two meetings dedicated to identifying and analysing climate-related risks and to creating an ESG Risk Register. The Risk Committee's work on the financial analysis of climate-related risks has been reviewed by the Audit Committee and reported to the Corporate Responsibility Committee. Our CFO's executive responsibilities and advocacy for the Group's environmental goals is brought to each Committee and to the Board, creating a continuous focus on climate-related risks and opportunities.



Protecting the environment

Governance Structure



Our CEO and CFO meet weekly with the Senior Leadership Team to discuss financial and operational performance, including risk management. Actions to achieve our climate-related targets are agreed at this forum and built into the Business Plan. A dashboard of ESG objectives and performance is updated and shared with the Senior Leadership Team at least quarterly to ensure progress against agreed targets.

An example of major capital and operational expenditure approved by the Board in 2021 is Rightmove's investment in the transition to a hybrid cloud solution for our platforms. The Board considered the potential processing capacity, security and efficiency of this model as part of the Group's longer term business strategy and approved the move to a cloud provider which uses 100% renewable energy. This strategy will accelerate Rightmove's achievement of Net Zero emissions and ensure our platforms are sustainable in the long term.

Climate strategy

Rightmove's purpose is to make home moving in the UK easier through continuous innovation to help our consumers and customers to use technology to save time and resources, reducing their own environmental impact and carbon footprint. Our ability to reach the largest UK property market audience and professionals gives Rightmove a rare opportunity to contribute to the reduction of the UK's carbon footprint, as well as focusing on our own operational efficiency and emissions.

Climate related risks

As Rightmove is a digital media company, our carbon footprint and environmental impact is low, and our Business Model is sustainable in a low-carbon environment.

The Group's ongoing risk management process ensures that emerging risks are identified and assessed by the Group's management to determine the impact on the business.

Emerging risks, including climate related risks and environmental reporting, were reviewed by the Risk Committee during the year and reported to the Audit Committee and the Board.

The Audit Committee has considered the risk and financial impact assessments and concluded that the financial impact of climate-related risks on the Group's operations is low (<1% of annual revenue).

The Audit and Corporate Responsibility Committees will continue to monitor and analyse climate-related risks and make recommendations to the Board, so that appropriate adjustments can be made to the Business Plan and strategy.

In association with our sustainability and carbon management consultants, Carbon Footprint Limited, the Risk Committee has identified a range of potential transitional, physical and investor-related risks, across Rightmove's value chain, including platforms, customers, consumers and employees, which have been monitored during the year.

As required by TCFD, the Risk Committee commissioned scenario analyses on the identified risks to measure the likely financial impact and potential threats and opportunities relating to the Group's strategic objectives. In 2021, we developed this climate scenario analysis framework and will continue to expand and refine it in 2022, as best practice in this field evolves.

We have used the Bank of England's guidelines on short, medium and long-term time horizons, aligned to Government policy action and legislation, to analyse the impact of risks across our key business areas (Agency, New Homes and Breadth) and our internal resources (technology platforms and employees). In each case, the likely impact on costs or revenues was assessed by reference to the Business Plan and Rightmove's experience of past events.



Protecting the environment

Scenarios and key assumptions

Timeframe of impact	Early Policy Action < 2 degrees	Late Policy Action < 2 degrees	No Policy Action > 3 degrees
	Early policy action Smooth transition Short term 2020-2025	Late policy action Disruptive transition Medium term 2025-2035	No policy action Business as usual Longer term 2035-2050
Peak UK shadow carbon price (2010 US\$/tonne carbon dioxide equivalent)	900	1,100	30
Mean global warming relative to pre-industrial times by the end of the scenario	1.8°C	1.8°C	3.3°C
Mean sea level rise in the UK (m)	0.16	0.16	0.39
Physical risk in the UK	Low	Low	High
Impact on annual output growth in the UK	Temporary lower growth	Sudden contraction (Recession) in years 2030-2035	Permanent lower growth and higher uncertainty

Source: Bank of England report

The resulting scenario analysis and financial impact assessment highlighted the increased risk of failure to comply with emerging regulation and the impact on consumer behaviour and customer economics.

The Risk Committee considered detailed analysis of the financial impact of climate-related risks to Rightmove's business; the risks which could have a material financial impact are summarised in the table below:

Climate-related risk analysis and financial impact

Type of Risk	Specific Risk	Early Policy Action < 2 degrees Early policy action Smooth transition 2020-2025	Late Policy Action < 2 degrees Late policy action Disruptive transition 2025-2035	No Policy Action > 3 degrees No policy action Business as usual 2035-2050
Transition Risks	EPC ratings required on property portals	●	●	●
	Property details require additional environmental information	●	●	●
	New boiler regulations	●	●	●
Physical Risks	Data centre disruption owing to extreme weather	●	●	●
Opportunities	Increased direct 3rd party advertising for eco-friendly organisations	●	●	●

Climate-related risk analysis and financial impact

Magnitude of Financial Impact	Description
●	Immaterial one-off financial impact
●	Low one-off financial impact and immaterial ongoing financial impact
●	Medium one-off financial impact or low ongoing financial impact
●	High one-off financial impact or medium ongoing financial impact

In 2022, we will continue to expand on our assessment of climate-related risks and opportunities in Rightmove's operations and supply chain to enhance our TCFD reporting.



Protecting the environment

Primary climate-related risks

The primary risks and opportunity identified through the financial analysis are described in more detail below:

Transitional risks

- Early, mandatory EPC regulation may result in our customers requiring additional resources to complete due diligence on EPC ratings, reducing their capacity to increase marketing expenditure on Rightmove.
- Consumers require property details to include additional environmental data, such as flood data or alternate energy sources, which may incur additional third-party data costs.
- New boiler regulations
 - gas heating ban restricts the stock of properties that agents can advertise for sale or to rent, reducing their capacity to increase marketing expenditure on Rightmove, and
 - New Homes stock delayed causing a one-off shortage of new homes, reducing developers' capacity to increase expenditure on Rightmove.

Physical risks

- Impact of extreme weather and flooding in the long term (no policy action) on our Data Centres or cloud providers may result in:
 - intermittent website or internet availability;
 - loss of consumer engagement and related revenue from consumer services; and
 - potential loss of revenue from a reduction in customer numbers and third-party revenues, plus potential litigation costs arising from customer contract disputes.

Opportunity

- Actively sell third-party advertising to climate-friendly service providers on Rightmove platforms.

The following transitional and physical risks and opportunities were considered in our wider assessment of climate-related scenario testing:

Type of Risk	Specific Risk
Transition Risks	1 Energy Performance Certificate (EPC) ratings required on property portals
	2 Property detail reporting becomes more onerous for agents
	3 New boiler regulation results in reduced Agency and New Homes stock on the market
	4 Increased environmental administration for agents
	5 Legacy properties become unavailable to advertise
	6 New environmental regulation reduces mortgage availability
	7 Requirement for additional 'green' search filters on Rightmove platforms
	8 New petrol / diesel car ban in 2030
	9 Regulatory restrictions on energy use
	10 Change in Rightmove's environmental supplier strategy
Physical Risks	11 Data centre disruption owing to extreme weather
	12 Heatwaves increase cooling costs in offices and data centres
	13 Extreme weather affects availability of website
	14 Travel restrictions placed on staff as a result of extreme weather
	15 Raw materials cost increase for hardware suppliers
	16 Home working disruption due to extreme weather
	17 Office availability issues due to extreme weather
	18 Travel disruption due to extreme weather
	19 Extreme cold increases utility costs
	20 Extreme weather limits land use for New Homes
	21 Commercial customer disruption due to extreme weather
	22 Extreme heat affects demand for some overseas regions
Opportunities	23 Increased direct third party advertising for eco-friendly organisations
	24 Eco-friendly market segmentation
	25 Environmental risk data sales
	26 Agents require Rightmove digital products for environmental / administration efficiencies.
	27 Insurance Premium reduced for greener businesses
	28 Investor Relations improved by positive environmental reporting



Protecting the environment

Aggregated risks

In addition to analysis of the above individual risks, we considered aggregated risks, of which two are detailed below. The resulting financial impact of these aggregated risks are not necessarily additive as there can be overlap in the resulting Rightmove impact:

Changing consumer behaviour

This relates to changes to consumer behaviour resulting in an increased demand for environmentally friendly property, which ultimately affects the way people search for property and resulting property price changes. The following risks and opportunities were considered:

- EPC ratings required on property portals (1)
- Property details reporting becomes more onerous for agents (2)
- Requirement for additional 'green' search filters on Rightmove platforms (7)
- Increased direct third party advertising for eco-friendly organisations (23)
- Eco-friendly market segmentation (24)

The outcome of the above analysis indicates a low financial impact to Rightmove in early and no policy action scenarios, and a positive revenue opportunity in the late policy action scenario.

New Homes regulation

This relates to changes in regulation that specifically impact New Homes developments. The following risks and opportunities were considered:

- EPC ratings required on property portals (1)
- Property detail reporting becomes more onerous for agents (2)
- New boiler regulation results in reduced Agency and New Home stock on the market (3)
- Increased environmental administration for agents (4)
- Eco-friendly market segmentation (24)

The financial impact of New Homes aggregated risks and opportunities to Rightmove results in a low risk for both the early and no policy action scenarios and a net positive revenue opportunity in the late policy action scenario.

Climate-related opportunities

The opportunities for an innovative, digital business are cumulative and material over time and include:

- Enhancing property details and search criteria on our platforms to enable home hunters to identify all relevant information about a property, including energy efficiency.
- Enabling home hunters to use environmental search filters when looking for a property on our platforms.

- Digitising the consumer home-moving journey by adding transactional functionality to our platforms, for example, tenant referencing, insurance and utility services.
- Providing proprietary data analysis and enhanced property valuation services and insights into the value of sustainable home improvements (see example below).
- Developing more customer tools to increase efficiency and reduce reliance on physical resources, for example, enhancements to the Best Price Guide, appointment booking and virtual viewings.

A home's green credentials are becoming increasingly important as the UK strives to hit Net Zero by 2050, which makes predictive data vitally important to help businesses plan for the years ahead. For example, we recently developed a new climate solution driven by data from leading flood and climate data specialist Ambiental Risk Analytics, which represents a future commercial opportunity for our Data Services business. Our first customer, Skipton Building Society, is provided with flood, subsidence, coastal erosion and EPC data to help them meet ongoing regulatory compliance requirements.

We have placed the net zero agenda at the forefront of our data analytics and continue to work with industry experts and partners to develop our climate change solution and support our customers further in this area.

The Risk Committee will continue to dedicate time at meetings to the analysis of the financial impact of climate-related risks and opportunities in 2022.

Climate risk management

The Board has overall responsibility for risk management and, within Rightmove's risk management framework, the Risk Committee is responsible for identifying, analysing and agreeing the mitigation, transfer, acceptance or control of climate-related risks.

In 2021, the Risk Committee dedicated a third of its meetings to the analysis of climate-related risks and has now created a separate, detailed ESG Risk Register, which is reviewed twice annually by the Board. Each member of the Senior Leadership Team has endorsed the risk management framework and, as risk owners, are responsible for assessing and managing all operational, financial and climate related risks for their respective business areas.

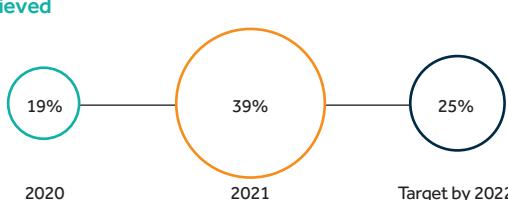
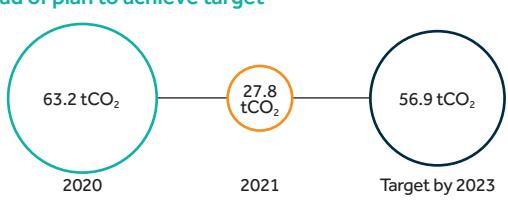
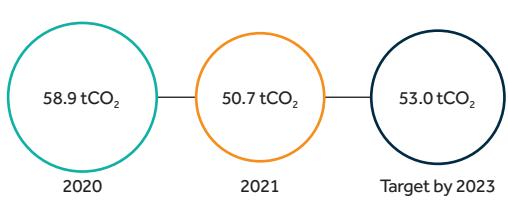
Rightmove's risk management framework, including the processes for identifying, assessing and managing risk, together with the Risk Committee's work, is described in the Risk Management report.



Protecting the environment

Environmental targets and metrics

Goals and performance

2020/21 Targets	Action	Achieved								
Carbon neutral	Achieved with enhanced disclosure of emissions and offset for 2021.	Achieved								
										
Scope 1 25% of company cars to be ultra-low emission by 2022, 75% by 2025, 100% by 2028	Through a matched contribution scheme where Rightmove pays to offer more ULEV options to employees. We are on track to achieve our next target of a 75% ULEV fleet by 2025, with 39% (2020: 19%) of the fleet converted to ULEV vehicles.	Achieved  <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>19%</td> </tr> <tr> <td>2021</td> <td>39%</td> </tr> <tr> <td>Target by 2022</td> <td>25%</td> </tr> </tbody> </table>	Year	Percentage	2020	19%	2021	39%	Target by 2022	25%
Year	Percentage									
2020	19%									
2021	39%									
Target by 2022	25%									
Scope 2 Reduce office carbon emissions by 10% in 3 years	Our Milton Keynes office operated on 100% renewable energy throughout 2021 and our London office moved to a green energy supplier in November 2021. On a market basis, taking into account renewable energy our 2021 office emissions were 27.83 tCO ₂ e, compared to 63.23 tCO ₂ e in 2020, a reduction of 56% (reflecting a full year of renewable energy use in our largest office).	Ahead of plan to achieve target  <table border="1"> <thead> <tr> <th>Year</th> <th>Emissions (tCO₂)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>63.2 tCO₂</td> </tr> <tr> <td>2021</td> <td>27.8 tCO₂</td> </tr> <tr> <td>Target by 2023</td> <td>56.9 tCO₂</td> </tr> </tbody> </table>	Year	Emissions (tCO ₂)	2020	63.2 tCO ₂	2021	27.8 tCO ₂	Target by 2023	56.9 tCO ₂
Year	Emissions (tCO ₂)									
2020	63.2 tCO ₂									
2021	27.8 tCO ₂									
Target by 2023	56.9 tCO ₂									
Scope 3 Reduce the carbon footprint of the data centres by 10% in 3 years	Two out of three of our data centres (c75% of energy consumed) are powered by entirely renewable energy. We continue to invest heavily in a hyper-converged infrastructure to reduce our rack space and consume less energy. In addition, our hybrid cloud data strategy will further transfer energy use to an entirely green supplier. On a market basis, taking into account renewable energy our 2021 data centre emissions were 50.65 tCO ₂ e, compared to 58.85 tCO ₂ e in 2020, a reduction of 14% (reflecting the migration to more efficient infrastructure).	Ahead of plan to achieve target  <table border="1"> <thead> <tr> <th>Year</th> <th>Emissions (tCO₂)</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>58.9 tCO₂</td> </tr> <tr> <td>2021</td> <td>50.7 tCO₂</td> </tr> <tr> <td>Target by 2023</td> <td>53.0 tCO₂</td> </tr> </tbody> </table>	Year	Emissions (tCO ₂)	2020	58.9 tCO ₂	2021	50.7 tCO ₂	Target by 2023	53.0 tCO ₂
Year	Emissions (tCO ₂)									
2020	58.9 tCO ₂									
2021	50.7 tCO ₂									
Target by 2023	53.0 tCO ₂									
Reduce unnecessary travel	All employees (both office based and mobile) worked from home two days a week, following a resumption of business as usual post-lockdown, maintaining the low level of emissions in 2020. In 2022, employees can choose to work from home three days a week. Business travel and commuting data has been assessed for 2021 and added to Scope 3 emissions.	On track								



Protecting the environment

2020/21 Targets	Action	Achieved						
Reduce water consumption by 10% in the next 3 years	Water consumption in 2021 for our Milton Keynes and London offices was 1,016 cubic metres (2020: 1,523 cubic metres), a reduction of 33% has been achieved year on year. We will monitor water usage over the longer term (3 years) to assess the impact of our hybrid working policy.	<p>Ahead of plan to achieve target</p> <table> <tr> <td>2020</td> <td>1,523m³</td> <td>2021</td> <td>1,016m³</td> <td>Target by 2023</td> <td>1,370m³</td> </tr> </table>	2020	1,523m ³	2021	1,016m ³	Target by 2023	1,370m ³
2020	1,523m ³	2021	1,016m ³	Target by 2023	1,370m ³			
Increase waste recycling to 50% by 2022	Our current recycling rate is 50% (2020: 44% for Milton Keynes and London offices). We will monitor waste recycling over the longer term (3 years) to assess the impact of our hybrid working policy. We are working with our employees and recycling partners to increase our recycling.	<p>Ahead of plan to achieve target</p> <table> <tr> <td>2020</td> <td>44%</td> <td>2021</td> <td>50%</td> <td>Target by 2022</td> <td>50%</td> </tr> </table>	2020	44%	2021	50%	Target by 2022	50%
2020	44%	2021	50%	Target by 2022	50%			

Where original targets have been exceeded earlier than expected, particularly employee related targets, they will either be superceded through our SBTi validated targets in 2022 (see below) or will be kept under review for a further year whilst we assess the impact of our hybrid flexible working policy.

Carbon neutral business

Our sustainability and carbon management consultant, Carbon Footprint, identified a number of suitable carbon offsetting initiatives, which are verified carbon standard projects, for Rightmove to support. We have funded a biodiversity project in Rimba Raya, Borneo ("The Infinite Forest"), to help combat deforestation and preserve the habitat of many endangered species. The cost for offsetting the Group's 2021 carbon footprint of 559 tCO₂e greenhouse gasses, including all Scope 3 emissions identified in the review of our supply chain, was £9,073 (2020: £4,892 to offset 515 tCO₂e greenhouse gasses). In addition, we have contributed to a quality assured tree planting scheme in the UK, which increased the Group's carbon offset for 2021 to £10,000.

Science-based targets

In 2021, we completed a comprehensive review of the Group's 2020 emissions, in preparation for our SBTi target submission. Rightmove's Scope 3 emissions for Data Centre electricity have been recalculated on a market basis, net of renewable energy, and all indirect emissions arising from our business operations and supply chain have been identified and added to Scope 3.

In addition, 2020's Scope 2 emissions have been restated on a market basis, as our offices convert to renewable energy. Overall, Scope 1, 2 and 3 emissions have increased to 559 tCO₂e in 2021, due to the inclusion of all Scope 3 emissions.

The targets and climate action plans described above and below have been verified by Carbon Footprint and submitted to SBTi for validation in 2022.

Energy and Greenhouse Gas Report



Carbon Footprint has independently assessed Rightmove's Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.

The GHG emissions have been assessed following the ISO 14064-1:2018 standard and has used the 2021 emission conversion factors published by the Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the market-based approach for assessing Scope 2 and Scope 3 Data Centre emissions from electricity usage. The financial control approach has been used.



Protecting the environment

Environmental targets and metrics

Greenhouse Gas Emissions

The table below summarises the Group's GHG emissions for the latest financial reporting year and prior year comparison:

Scope	Activity	Tonnes CO ₂ e (market based)	
		2020 ⁽¹⁾	2021
Scope 1	Company car travel	214.45	171.33
Scope 2 ⁽²⁾	Electricity generation	63.23	27.83
Scope 3	Grey Fleet	0	14.98
Total CO₂e		277.68	214.14
Tonnes of CO ₂ e per employee ⁽³⁾		0.50	0.37
Tonnes of CO ₂ e per £million turnover ⁽⁴⁾		1.35	0.70
Total kWh ⁽⁵⁾		1,306,266 ⁽⁶⁾	1,253,812
Additional Scope 3 ⁽⁷⁾	Supply Chain	228.42	222.6
	Data Centres	58.85	50.65
	Other (T&D, homeworking, commuting, flights, rail and taxis, water and waste)	82.30	71.49
Total CO₂e (with additional Scope 3)		647.25	558.88

(1) 2020 figures have been restated for market based emissions, taking account of renewable energy consumed, in line with our SBTi target submission.

(2) Scope 2 electricity generation location based emissions were 70.64 tCO₂e for 2021 (2020: 95.40 tCO₂e).

(3) Based on 558 employees in 2020 and 572 employees in 2021, taken as the average number of employees in the Group throughout each year.

(4) Based on turnover of £205.7m for 2020 and £304.9m for 2021.

(5) Total kWh includes UK Electricity, Company Owned Vehicles and grey fleet as required for SECR.

(6) Corrected for a 100,000 kWh overstatement of electricity consumed in 2020.

(7) Scope 3 emissions include Data Centre electricity restated on a market basis; other outsourced services include business travel, commuting, homeworking and transmission and distribution; supply chain emissions include all purchased goods and services, the largest of which are advertising and market research and information technology services.

Energy efficiency

In 2021 we completed a project to upgrade the lighting in our Milton Keynes office to energy-efficient LED lighting.

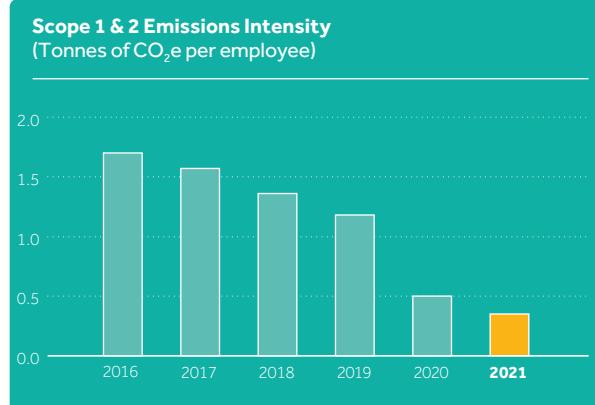
We continue to encourage all of our employees to maintain an awareness of energy usage both in the offices and when home working, for example powering down laptops, monitors and printers when they are not in use. We always promote the use of public transport between our offices and the use of virtual meetings to reduce energy usage and have included ultra-low emission cars as an option for those individuals entitled to a company car.

We will continue to review all possible energy efficiency improvement measures and report on our progress in future Annual Reports. The Group's Stage 3 ESOS review will be brought forward to 2022, to improve energy efficiency in our offices.

Emissions intensity metric

Emissions have also been calculated using an intensity metric, to enable us to monitor how well we are controlling emissions on an annual basis, independent of fluctuations in the levels of business activity. In respect of Scopes 1 and 2, our use of

energy is driven by our people and therefore the most suitable metric is 'Emissions per Employee', based on the average number of employees during the year.



Emissions per employee for 2021 have decreased by 70% compared to 2019 emissions, mainly due to increased use of renewable energy, Covid-related restrictions on travel and office working during both 2020 and 2021, and the introduction of our flexible working policy from September 2021.



Protecting the environment

We have been committed to reducing our carbon emissions for many years and the table above shows our progress.

Renewable energy

In 2021, we reviewed the energy supply agreements for which we are directly responsible. In addition to our Milton Keynes office, our London office also converted to entirely renewable energy from November 2021. We are relocating our Newcastle office in 2022 and will endeavour to use green energy at this location, subject to the landlord's co-operation. Two of our data centres also use renewable energy and our cloud data services provider is entirely powered by renewable energy.

64% of electricity directly consumed by the Group in 2021 was from renewable sources (2020: 63%). Our net zero commitment will require us to work with our key suppliers to encourage the move to renewable energy.

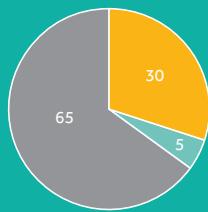
Climate action plan and net zero targets

In 2021, we conducted a comprehensive analysis of our 2020 Scope 3 (indirect) emissions. As a digital business, Rightmove's Scope 3 outsourced and purchased services, including Data Centre electricity, create a high proportion (65%) of our overall emissions. The proportions of our Scope 1, 2 and 3 emissions are illustrated below.

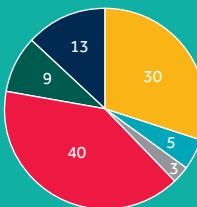
Carbon Footprint has also worked with us to apply the appropriate methodology and carbon conversion rates to Scope 3 emissions and verify our 2020 data for SBTi base year submission, which has been applied to 2021 emissions.

A breakdown of Group emissions for 2021, is shown below:

Breakdown by Scope (%)



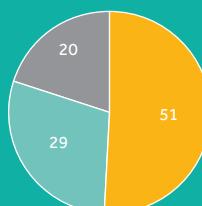
Breakdown by Element (%)



- Company car travel
- Electricity generation
- Grey Fleet
- Supply chain
- Data centres
- Other

The Group's Scope 3 supply chain emissions have been analysed by expenditure and converted to emissions data. In 2021 our supply chain emissions comprised:

Scope 3 Supply Chain Emissions (%)



- Suppliers
- Data Centres
- Other*

The Group's two largest supply chain contributors to carbon emissions in 2021 were advertising and market research, and information services. Other suppliers include telecommunications, legal, accounting and auditing services, management and other technical consultancy, insurance, accommodation, postal and courier services, employee health services, and other professional, scientific and technical services.

*Other emissions include transmission and distribution, air, rail and taxi travel, commuting, homeworking, water and waste.



Protecting the environment

Long-term targets to achieve Net Zero

In order to meet our 1.5°C and net zero commitments we will conduct annual analysis of the Group's Scope 1, 2 and 3 emissions, and have committed to the following climate action plans:

Emissions	Action
Scope 1	Company Car travel Company cars to be ultra-low emission - 75% by 2025 - 100% by 2028 Customer contact policy to allow a minimum of two days a week on the road. Replace company cars with electric vehicles or equivalent emissions by 2030
Scope 2	Office electricity – transfer to renewables Working with our landlords and suppliers: - Milton Keynes office electricity renewable from April 2020 - London office electricity renewable from November 2021 - Newcastle office electricity renewable in mid 2022 ESOS stage 3 review will be brought forward from 2023 to 2022 with the objective of realising further energy reduction in our London and Milton Keynes offices.
Scope 3	Outsourced Data Centres - Two out of three data centres are powered with renewable energy - We will work with one data centre provider to move to renewable energy Continue rack reduction in all data centres Transition to hybrid cloud data solution over 1-3 years with a cloud provider using entirely renewable energy.
Scope 3	Commuting and homeworking Hybrid working policy – a minimum of two days a week in the office is being trialled in 2022. We will carefully monitor and review our hybrid working policy in 2022 to optimise the use of home and office working for operating performance, employee welfare and environmental impact. Marketing and Information Services The two largest outsourced services by category of expenditure are: - marketing and market research, which covers a wide range of digital and traditional marketing and data analysis activity; and - Information Services, which covers cyber security, cloud services, software infrastructure and licences. In 2022, we will analyse marketing expenditure and work with our agencies and suppliers to minimise the carbon footprint associated with marketing activities. We will actively reduce expenditure on marketing channels associated with high emissions intensity, such as taxi advertising in London. We will review our information services suppliers and work with them to move to renewable energy, as we have with cloud services.

(Items greyed out have already been achieved)

Rightmove's near-term environmental targets, based on the above plan, have been submitted to the SBTi and are scheduled for validation in 2022. Going forward, we will report progress against Rightmove's SBTi validated targets under the TCFD framework.



Our employees

Our Social Goals

We are committed to driving diversity, inclusion and equality and ensuring that Rightmove's platforms are safe and accessible.

2021 Targets	Action	Achieved
Progress towards an employee ethnic mix in proportion to UK ethnicity	Overall, the ethnic diversity of our employees reflects the UK population. The proportion of people in each pay quartile is also close to the national ethnicity mix. Further work on ethnicity data collection and analysis will be undertaken in 2022.	On track
Reduce the gender pay gap year-on-year until parity is reached	Our gender pay gap has widened between 2020 and 2021 as our workforce changed slightly in response to the pandemic. Our long-term initiatives will continue to address the pay gap and our commitment to parity remains unchanged.	More to do
All employees to receive mental health support and training by 2021	All employees have access to trained mental health first aiders, Thrive webinars (a programme of workshops on subjects covering mental health, wellbeing and personal and professional development) and one-to-one counselling sessions.	Achieved
Employee engagement: 90% or more of employees agree that Rightmove is a great place to work	This target is directly linked to our Executive Directors' and management remuneration. 2021 Have Your Say Survey results: 89% of respondents agreed that Rightmove is a great place to work.	On track
Be a Living Wage Employer	Rightmove was accredited as a Living Wage Employer in 2020 and has maintained its accreditation, ensuring that all employees and contractors working in our offices receive at least the Living Wage. The Board has also confirmed the Group's adherence to the Living Hours standard.	Achieved
Support and encourage STEM initiatives	Support for STEM graduates, mentoring volunteers and supporting organisations like Generating Genius.	Achieved
Support communities and individuals through increased charitable giving and matched funding	Rightmove has donated £153,000 to local and national charities and organisations which align with our guidelines for charitable giving and community support. Details of our guidelines and the organisations we have supported in 2021 are set out below.	Achieved

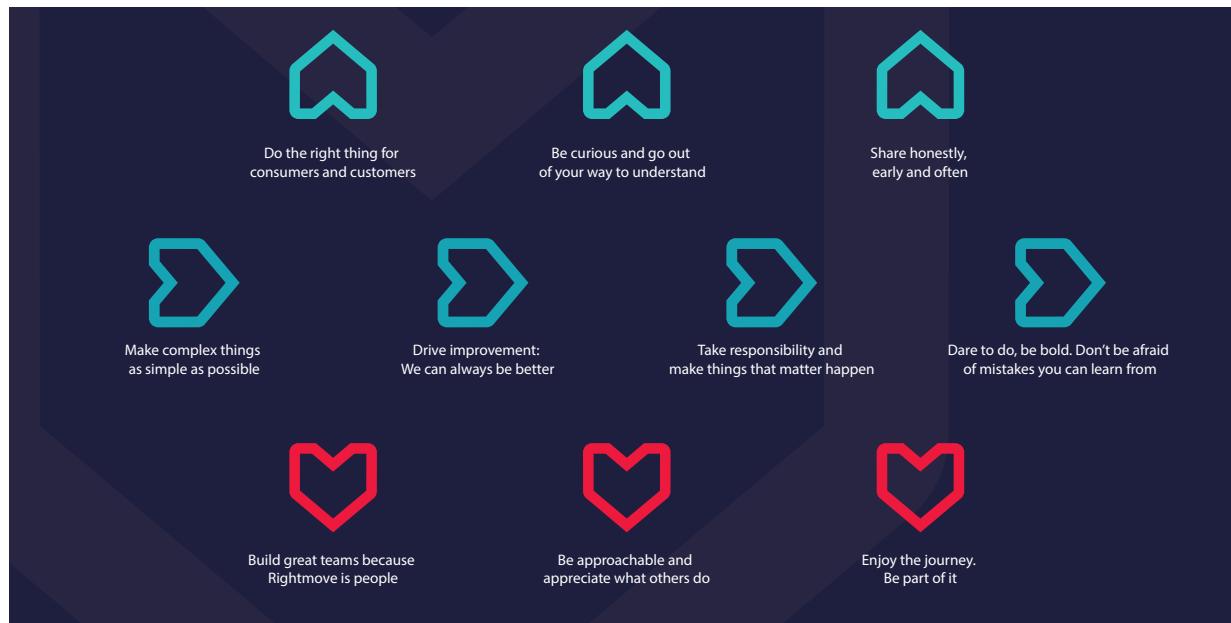


Our employees

Culture and values

At the heart of everything we do is Rightmove's open, innovative and supportive culture, which reflects the values of our Board and Senior Leadership Team. Our culture has been

shaped by our values, the Rightmove 'hows', which support our fast-paced, customer-oriented business and benefit Rightmove and the wider communities in which we operate.



Living Wage

Rightmove Group was accredited as a Living Wage employer in January 2020. All Rightmove employees have historically been paid in excess of the Real Living Wage and we ensure that all of our contractors who regularly work from our offices are paid the living wage. The Board has also confirmed the Group's adherence to the Living Hours standard.

Diversity, inclusion and equal opportunities

In 2021, we have continued to promote inclusion and diversity in our workforce and have increased our focus on ethnic diversity.

In line with the Parker Review recommendation that all FTSE 100 Boards should have at least one director from an ethnically diverse background by 2021, we are pleased to confirm that Rightmove is ahead of this target with three out of eight (37%) Directors from ethnically diverse backgrounds as at 31 December 2021.

Rightmove has an all-inclusive hiring process, ensuring that individual names, places of study and gender references are

removed from CVs. We have continued our 'someone like me' initiative to ensure interviewees can feel represented, and we talk about diversity and inclusivity at Rightmove during the interviews. We have expanded our direct hiring platforms to include those that attract a higher diversity of candidates identifying with a protected characteristic.

Employee engagement activity with the Board is described in our S172 Stakeholder Statement. In 2021, all our employees had access to our executive team through regular Town Halls and interactive Q&A sessions, and at a Company Day in September.

Ethnicity mix and remuneration

Over 70% of our employees were happy to volunteer information about their ethnicity, choosing from 23 ethnic categories (defined by ACAS) with 9.8% of Group employees selecting 'prefer not to say'. All new employees are now asked to volunteer their ethnicity when they join Rightmove.

Our aim is to have an employee base representative of the wider UK population, including in each hourly pay quartile. Data has been collected according to the 18-way profile used in the 2011 UK census, however, to ensure anonymity we have analysed our employee data under the five summary groups used in the Government's Race Disparity Audit, 2017.



Our employees

	White	Mixed/multiple ethnic groups	Asian/Asian British	Black/African/Caribbean/Black British	Other ethnic group
UK Population ⁽¹⁾	86.0%	2.2%	7.5%	3.3%	1.0%
Rightmove	81.8%	5.5%	6.4%	4.2%	2.1%
Pay Quartile	Top	84.3%	4.8%	7.2%	0.0%
	Upper middle	77.2%	5.1%	10.1%	7.6%
	Lower middle	79.1%	3.5%	7.0%	7.0%
	Lower	86.7%	8.4%	1.2%	2.4%

(1) Taken from the 2011 Census date, the most reliable dataset available

The percentage of Rightmove employees who are foreign nationals is 6%.

We are partnering with Generating Genius to support the next generation of STEM talent. Our partnership is providing sponsorship and mentoring support to young people who are underrepresented in higher education and industry, particularly in STEM careers. Our partnership with Generating Genius has been very successful in the first year and has inspired us to expand our participation in 2022.

Employees with disabilities

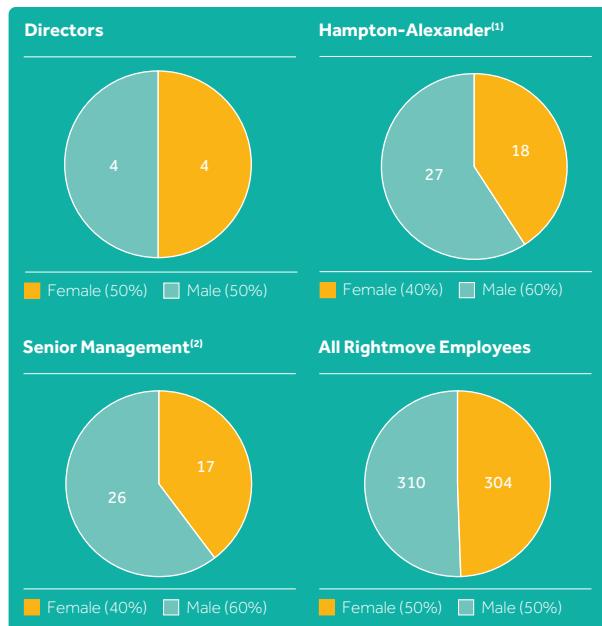
Rightmove is committed to its policy of giving full and fair consideration to people with disabilities for all vacancies. We continue to support and retain employees who become disabled during their employment with us.

Gender diversity

As at 31 December 2021, female employees made up 40% (2020: 40%) of the Rightmove leadership team⁽¹⁾. The Board is keen to strengthen and maintain female representation in senior roles and Rightmove is a contributor to the Hampton-Alexander Review.

Our commitment to gender equality emanates from our leadership team and 50% of our Board consists of female Directors, with equal representation at an Executive Director level. This, combined with our strong female leadership team representation, resulted in Rightmove being placed sixth in the 2021 Hampton-Alexander FTSE 100 Women Leaders table.

A breakdown by gender of the number of Directors and employees as at 31 December 2021 by various classifications as required by the Companies Act is set out below:



(1) The Hampton-Alexander cohort comprises members of the Executive Committee and their direct reports.

(2) The Senior Leadership Team comprises the Hampton-Alexander cohort, excluding the Executive Directors.

Gender pay

Rightmove has published its gender pay gap report for Rightmove employees, based on data as at April 2021, when there were 50% female and 50% male employees.

Rightmove employees are paid equally for working in the same jobs and we are pleased to report that men and women are almost equally represented in our wider workforce.

As in previous years, the main contributor to Rightmove's gender pay gap is the mix in the highest and lowest pay quartiles. Women are less well represented in the higher-paid



Our employees

senior management and technology teams and men are under-represented in the lower-paid customer experience teams. While we have continued in our actions to close the gap, the 2021 increase in both mean and median pay gaps has been significantly impacted by the unprecedented demand across the UK for software developers, web designers and data analysts, with a higher proportion of new hires in Product Development being male.

We have continued to take actions towards closing our pay gap as part of our longer-term action plan, which is having a positive impact:

- a high proportion of customer Account Managers hired in 2021 are female – salaries for this role are within the second highest pay quartile; and
- in Customer Experience, where starter positions are in the lowest pay quartile, a higher proportion of new joiners were male.

Below is our gender pay gap as at April 2021 and some of the actions on which we continue to focus our efforts to improve our gender balance going forward.

Difference between male and female pay

	2021		2020	
	Mean	Median	Mean	Median
Difference in hourly rate of pay ⁽¹⁾	23.8%	33.5%	20.4%	29.6%
Difference in bonus pay ⁽²⁾	43.9%	0.0%	36.0%	59.1%

(1) Calculated using Rightmove Group Limited pay data from April 2021.

(2) Calculated using 12 months of Rightmove Group Limited bonus pay data to 5 April 2021. Both our mean and median bonus pay gap continues to be influenced by gender, with more men participating in bonus schemes than women.

We work hard to create an environment where everyone has the opportunity to build a career throughout the business and believe that our open, collaborative culture is key to that objective. We are committed to a number of actions to balance our teams in a fair and transparent way, including:

- Continuous review of all job specifications to ensure our hiring and interview processes have universal appeal and allow for fair progression for all
- Maintain bias-free selection and promotion processes
- To continue in our commitment to close the mean and median pay gaps
- Remain focused on addressing the under-representation of women in technology and senior positions by continuing to promote and support technology careers for women and other less represented groups. During 2021, 47% of internal promotions were female, predominately across Customer Experience, Technology and Sales roles.

- Continued participation in the 30% Club cross company mentoring programme, which supports our aim of bringing better talent diversity into senior manager roles.

Recruitment and retention

Recruiting people with the right skills, capabilities and experience to build our business and embrace the 'How's' is essential to Rightmove's business. The market for individuals with technology and customer-centric skills remains highly competitive and challenging, with high salary inflation. We have strengthened our HR team with two specialist recruiters, focussed on technology roles. We work continuously to maintain a happy, supportive working environment and providing a comprehensive range of benefits to attract and retain the best people. In 2021, our employees returned to the office and to normal customer contact under a Hybrid Working policy.

Graduate programme

We welcomed four graduates from different backgrounds into our Product Development team during 2021, two of whom were through our work with Makers Academy.

Development and training

We are committed to ensuring that learning and development is accessible to all our employees and have invested in extensive training and leadership programmes, designed to equip managers and employees with all the necessary skills to provide exceptional service to our customers and consumers. Following a hiatus in our induction programme during a year of remote working, all new Rightmove employees will be introduced to the business in 2022 by attending 'How Rightmove fits together' courses based at our Milton Keynes and London offices to support Rightmove's culture and values.

We recognise that our employees have different learning styles and we tailor training opportunities to individual requirements in both technical and non-technical skills. Our development programmes include workshops, on-the-job training, attendance at conferences, coaching and mentoring, online learning and professional qualifications. We aim to ensure that employees are provided with access to at least as much developmental training as they are with mandatory training. In 2021, total hours of developmental training were 64% (2020: -11%) greater than those of mandatory training. The higher increase in developmental training reflects a major investment in developing performance management skills through a workshop-based programme for all our managers and team leaders.



Our employees

In 2021, Rightmove provided employees with an average of 25 hours of training. In total, almost 5,500 hours of mandatory training were delivered, primarily covering data protection, information security and FCA compliance, and over 9,000 hours of developmental training, including performance management, customer experience and sales training. Online employee support and engagement webinars have continued to augment training workshops, which resumed in 2021, with fortnightly Town Halls (not included in the table below), hosted by our CEO continuing to be popular and well attended. The majority of our customer support and sales training is provided in-house by expert-led trainers. The annual cost of training in 2021 was £742 per employee, including all external trainer and platform costs but excluding our own trainers' employment costs.

In addition to technical and mandatory training we provide sponsorship for professional qualifications and access to continuing professional development for our finance, legal and compliance and technical teams.

Summary of training provided in 2021	Value
Average hours of training per employee	25
Percentage of employees who received training	100%
Total number of training hours provided to employees	14,509
Number of mandatory training hours	5,499
Number of technical development training hours	9,010
Average training cost per employee	£742

Employee survey

We conduct a 'Have your Say' people survey twice a year to gauge how our employees feel about working for Rightmove. The survey results are shared at a company level with team reports shared with teams, supported by our HR team to facilitate discussion and team action plans. We place great importance on the feedback of our employees, and we are proud of the fact that our 'Great Place to Work' score for 2021 is 89% (2020: 93%). With 96% of employees trusting action will be taken based on responses provided to the questions.

We place particular importance on the factors which create positive employee sentiment, and are pleased that they remain strong:

- 93% of respondents enjoy working in their teams;
- 89% are proud to tell people that they work at Rightmove, and would recommend Rightmove to others;
- 82% have trust in the people leading Rightmove; and
- 85% feel motivated to deliver in their roles.

An employee satisfaction target will again help to determine executive management's bonus in 2022, demonstrating the value of employee engagement to the continuing success of Rightmove.

Employee benefits

Rightmove offers a comprehensive range of competitive benefits to our employees.

Pensions

A group stakeholder pension plan is offered to all employees, under which they can contribute 3% or more of their salary and Rightmove contributes 6%.

Employee share schemes

To enable employees to benefit directly from their contribution to Rightmove's success, we offer two all-employee share plans, which help align the interests of employees with those of our shareholders.

- **Sharesave:** Every Group employee can join the Rightmove Save As You Earn Scheme (Sharesave), which allows employees to save money from their salary with the option to purchase shares at a discount after three years. Over 54% of Group employees currently participate in Sharesave and many have benefitted from the strong share price growth over recent years.
- **SIP:** Every eligible Group employee received a Free Share Award of 400 shares under the Share Incentive Plan (SIP) in December 2021. Over 96% of employees participate in the SIP and can sell their shares, subject to tax, after three years or tax free after five years.

Hybrid working policy

In 2021, we introduced a Hybrid Working Policy, which allows all employees the flexibility to work up to two days a week from home. In the spirit of our open and collaborative culture, all our teams have co-ordinated their office attendance to optimise their time together, maintaining strong team links and productivity. Having considered employee feedback, in 2022 we are trialling up to three days a week working from home, with employees in each office location all attending on the same two days. Our offices remain open five days a week for our employees.

We also support other flexible working arrangements, part-time working and reduced hours to allow our employees to balance their home and work commitments.



Our employees

Well-being and mental health

We are committed to supporting our employees in all aspects of their health and well-being and offer private healthcare and a complementary cash plan scheme for all Rightmove employees' medical needs.

We also help our people with a range of mental health support initiatives introduced during the pandemic.

Health & Safety

The health and well-being of all employees and visitors to our sites is a priority for the business, and during the year we have ensured that our premises continue to provide a safe working environment, with all Covid risk and safe keeping measures maintained according to Government Guidelines in 2021.

Rightmove has a fully compliant Health and Safety Policy and appropriate insurance for all its employees. We ensure the maintenance of plant and equipment, safe handling and use of all substances and the prevention of accidents and causes of ill-health.

We are pleased to report that we have had no fatalities or serious injuries reported during the year, and there was no lost time due to work-related incidents or work-related occupational disease.

Wider workforce engagement

In response to the requirements of the 2018 Corporate Governance Code (Code), the Board agreed that an alternative, tailored approach to employee engagement would be appropriate for Rightmove and that our Non-Executive Directors (NEDs) should be involved in a variety of engagement sessions with Rightmove teams to gain direct feedback from employees.

In 2021, Covid restrictions limited face to face engagement for the first half of the year. As normal working patterns resumed, our Non-Executive Directors have attended informal employee engagement sessions with our teams in Milton Keynes and London. In September, directors joined our customer service and sales teams to listen to customer calls and talk about our employees' roles. In November, our directors met with a group of new employees to hear their experience of joining Rightmove, and a group of managers who have completed our extensive performance management workshops to hear how useful the development has been.

Employee engagement with our executive directors has continued throughout the year with fortnightly Town Hall webinars for all employees, hosted by the Chief Executive and members of the Senior Leadership Team. The Board receives feedback from the CEO at each Board meeting on the questions and issues raised at these meetings, in addition to updates from our HR team.

The key messages and insights from the Chief Executive's Town Hall updates during the year have supplemented our Non-Executive Directors' understanding of the challenges and opportunities facing Rightmove's employees and informed some of the Board's decision-making, particularly in relation to our investment in technology, remote and hybrid working and recruitment policies.



Making a difference to our communities

We are committed to supporting the communities in which we operate. In 2021, we developed our Guidelines for Charitable Giving and Community Support, to help focus our resources on causes that matter to our employees, customers and consumers. Our two key pillars of giving are:

- helping people to be happy in their home – including wellbeing and mental health, and
- increasing opportunity, equality and inclusion in education, particularly STEM careers.

We have continued to engage with our local communities on an ongoing basis through local connections, charitable support and sponsorship.

In 2021 we are pleased to report that charitable donations, including matched funding and sponsorship, totalled £153,000 (2020: £133,000). In addition, we have ring-fenced £50,000 of unclaimed dividends returned to the Company to spend with our charity partners in 2022.

Happy in your home

We are proud to have supported the following organisations during 2021 which reflect our objective of helping people to be happy in their homes:

Charity	Purpose	Rightmove's contribution
	CALM is a national charity raising awareness of mental health and suicide prevention and in 2021 over 157,000 calls and chats were answered.	Funds donated to ensure that CALM can continue to be there for more people struggling with all of life's problems.
	Harry's Rainbow is a local Milton Keynes charity dedicated to supporting bereaved children. A task that was made even harder due to Covid restrictions.	Funds donated to support bereaved children during the year and send over 200 families on a Christmas excursion.
	The Trussell Trust supports a network of more than 1,300 food bank centres across the UK to provide emergency food and support to people in crisis, and campaigns to end the need for food banks.	Funds donated to The Trussell Trust to help families with emergency food parcels, training, logistics and providing financial advice through their Help through Hardship Helpline.

Increasing opportunity, equality and inclusion in education – STEM (Science, Technology, Engineering and Mathematics)

A number of our employees working in IT systems and product development are STEM ambassadors, giving their time to mentor and support individuals who want to pursue STEM careers.

We have already made commitments to foster gender and ethnic diversity in our own business and we want to increase opportunities for people regardless of their ethnicity or background. We have therefore partnered with Generating Genius in 2021 to contribute to raising the next generation of STEM leaders from disadvantaged backgrounds through the award of a scholarship for a Generating Genius student to study a STEM degree, which will be taken up in 2022.



Generating Genius a charity which has been working for 15 years to ensure that talented and able students from disadvantaged backgrounds are positioned to excel in STEM careers and whose mission is 'To change the world by supercharging young minds to realise their potential'.

Other initiatives we have supported:

- Black Women into Tech programme – 19 Rightmove mentors supporting this programme alongside Generating Genius
- Partnering Year 13 programme – helping to create the Top 100 STEM Future leaders.



Governance and Compliance

As described in the Board oversight and responsibility section, our Board has overall responsibility for the Group's Environmental and Social policies.

Further details of our Board governance framework and policies can be found in the Corporate Governance Report and

the report on the Corporate Responsibility Committee at the end of this Sustainability Report.

Our Governance and Compliance Goals

We are committed to operating in a responsible, compliant and ethical manner with honesty and integrity.

2021 Targets	Action	Achieved
Be tax transparent	Rightmove is committed to paying its fair share of tax, at the right time. The consolidated effective tax rate for 2021 was 18.9% (2020: 18.5%) with income tax of £42.6m (2020: £25.0m).	Achieved
Zero reportable data protection incidents	There was one reportable data breach in 2021 involving unauthorised access to a customer's RightmovePlus account. No Rightmove system was compromised and no action taken by the ICO. Rightmove has not been involved in any legal proceedings in relation to user data privacy.	On track
Zero tolerance of bribery and corruption, modern slavery or human rights breaches	There was one reported incident of a third party unsuccessfully attempting to bribe a Rightmove employee (which was properly resisted and reported), there have been no other reported incidences of bribery, fraud, corruption, modern slavery or human rights breaches in our business.	Achieved

Trusted Marketplace

As a leading digital platform, Rightmove strives to provide a reliable, efficient and fair marketplace for our customers and consumers. Every modification to our platforms, every new service or innovation is tested to ensure it delivers a valuable service for our customers, protects consumer data and providing the most engaging user experience.

Tax transparency

Rightmove is committed to being a responsible taxpayer acting in a transparent manner at all times.

Rightmove's total tax contribution in 2021 was £113.8m (2020: £96.3m). Further details on our tax strategy can be found in the Financial Review.

Our platform security

We carry out vetting checks on all new Rightmove customers to ensure they can meet all relevant regulations and best practice standards before we allow them to advertise on Rightmove.

We have upgraded our comprehensive, automatic detection system to identify any anomalous images or text uploaded to Rightmove in any property which has allowed us to work more effectively with our customers to rectify property listings and remove potentially misleading or incorrect images and property descriptions. We subscribe to threat advisory services and monitor multiple external data sources to ensure we are proactive in dealing with cyber threats.

Protecting customer and consumer data

Protecting customer and consumer data is of paramount importance. During 2021, we have continued to invest heavily in data security and protection, including an increase of c.£300,000 on software to enhance cyber protection.

In 2021, we responded to a number of consumer data privacy incidents which were fully mitigated and did not result in any financial loss to consumers. Rightmove's fraud prevention team has the ability to respond to incidents promptly at any time of the day or night, minimising the risk to our consumers.

Rightmove's employees are required to complete mandatory training in data protection and information security and are subject to periodic phishing tests, which are followed by specific remedial training. Our policies are reviewed and updated annually, and all employees have certified that they have read and understood the core policies (covering Data Protection, Breach Reporting, Information Security, Appropriate Use of IT and Bring Your Own Device). Additional specialised policies and standards are required for employees in technical roles, such as PCI payments.

Our Chief Information Security Officer is a member of the Group Risk Committee and co-ordinates actions across the organisation, to ensure our security posture remains strong.

Rightmove has two Data Protection Officers (DPOs) and a Deputy Data Protection Officer, who are responsible for data privacy, data breach prevention and reporting, policy compliance, record keeping and data subject rights. They are supported by a dedicated team handling data protection enquiries from consumers and customers via DPO@rightmove.co.uk.



Governance and Compliance

We have continued to invest in cybersecurity and data security aligned to our risk appetite and in 2021, completed the following actions to strengthen Rightmove's cyber security position:

- two-factor authentication has been implemented for all access to our key customer and administrative systems;
- enhanced backup solutions have been implemented across consumer facing and internal systems, to guard against the increasing threat of ransomware;
- a variety of incident response exercises have been completed, with tests to ensure our processes for responding to a cyber incident are robust and fit for purpose; and
- third party monitoring and alerting systems have been onboarded to improve visibility of Rightmove's wider 'digital footprint'.

We perform annual penetration tests and 'red team' exercises to understand our biggest risks. Rightmove's incident response team meets frequently to run through potential high-risk scenarios, including major cyber incidents and data loss, testing our response and identifying any areas requiring investment or improvement.

Recognising the importance of maintaining a secure supply chain we have continued to extend our cyber risk assessment activities in 2021 to include more formal due diligence of suppliers and now have a framework in place to manage and track that work.

Further details on our approach to the risk management of our Cyber Security and IT systems can be found in the Principal Risks and Uncertainties section of this Report.

Anti-bribery and corruption

We do not tolerate any form of bribery and corruption within our business and/or in any dealings with our customers, suppliers and other third parties who we deal with in the course of our business, and do not conduct business with any service provider, customer or supplier which does not meet the principles of our Anti-Bribery Policy, which can be found on our website plc.rightmove.co.uk. During 2021 no employees were disciplined or dismissed due to non-compliance with the Policy and no fines were levied on the Company.

Human rights

We are committed to supporting human rights through our compliance with national laws and through our internal policies which adhere to internationally recognised human rights principles. Our Code of Conduct and associated policies require respect and equal and fair treatment of all persons we come into contact with, in line with our Group values the 'hows'. We safeguard our employees through a framework of policies and statements including Modern Slavery; Gender Pay; Flexible Working, Equal Opportunities and inclusion policies.

Modern Slavery

Rightmove is committed to preventing slavery and human trafficking in its business and supply chains. We require the highest standards of honesty and integrity in all our business dealings and relationships. We will not tolerate the mistreatment of people in our employment and, wherever possible, employed in our supply chain. Our Modern Slavery Act Statement can be found on our website plc.rightmove.co.uk. During 2021, no incidents of Modern Slavery or human rights abuse have been identified in our business or supply chain.

Whistleblowing

We follow clear and transparent business practices and strive to apply high ethical standards in all our business dealings. We believe this contributes to a fair and honest marketplace where customers and consumers know that we can be trusted. We operate an anonymous, independent whistleblowing facility available to all Group employees, supplemented by an internal reporting facility for employees if they suspect anything inappropriate or experience any serious misconduct or wrongdoing in our business. During the year, a new online Whistleblowing training module was rolled out across the Group, which all employees were required to complete.

Corporate Responsibility Committee Report

Overview

The Board established a Corporate Responsibility Committee, comprising all directors, to increase focus on sustainability, meeting twice a year to review the Group's:

- environmental strategy, policy, targets and performance
- social strategy and commitments
- employee diversity, gender pay gap progress and employee engagement
- risk and benefit analyses from the Risk Committee associated with ESG

The Committee's terms of reference can be found at plc.rightmove.co.uk/governance/committees

Progress in 2021

The Committee met in September 2021 and February 2022 to:

- approve enhancements to the Group's 2020 ESG strategy
- review the ESG dashboard, indicating progress against targets
- approve Rightmove's SBTi targets for submission in 2022, under the Group's 1.5°C commitment
- review the analysis conducted by the Risk Committee on material ESG risks and opportunities
- receive an update on social initiatives and approve new Guidelines for Charitable Giving and Community Support
- review and approve the 2021 Sustainability Report

Focus for 2022

- Receive SBTi validation of the environmental targets we have set to achieve for our near-term and Net Zero commitments
- Deliver the next phase of our climate action plan for Scope 1, 2 and 3 emissions
- Enhance and refine our scenario analysis of climate-related risks and opportunities
- Continue to develop our data analysis for environmental and social targets
- Adapt and develop our environmental and social strategies in line with best practice

25 February 2022

Sustainability Accounting Standards Board (SASB) disclosure index

The table below summarises the recommended SASB disclosures. Where we have provided the information, the location in the Annual Report is indicated below.

Area	Recommended disclosure	Location
Environmental footprint of hardware infrastructure	<ul style="list-style-type: none"> Total energy consumed, including percentages from National Grid and renewable energy Total water consumed Integration of environmental considerations into strategic planning for data centres 	Scope 1, 2 and 3 GHG emissions and water usage disclosed in the Environment section of the Sustainability Report Recommended move to a cloud-based solution – Board oversight and Executive responsibility section
Data Privacy, Advertising Standards and Freedom of Expression	<ul style="list-style-type: none"> Description of policies relating to behavioural advertising and user privacy Monetary loss arising from legal proceedings relating to user privacy List of Countries where core products or services are subject to government required monitoring, blocking, content filtering or censoring Number of government requests to remove content 	Governance & Compliance – Our Platform security and Protecting customer and consumer data sections of the Sustainability Report No monetary losses as a result of legal proceedings None. Rightmove is a UK based company with a predominantly UK target audience None
Data Security	<ul style="list-style-type: none"> Description of approach to identifying and mitigating data security risks 	As above
Employee Recruitment, inclusion and performance	<ul style="list-style-type: none"> Percentage of employees that are foreign nationals Employee engagement, as a percentage Gender and racial/ethnic group representation 	Social Progress – our employees section of Sustainability Report

Non-Financial Information Statement

Rightmove aims to comply with the Non-Financial Reporting Directive requirements. The table below sets out where relevant information can be found in this Annual Report.

Reporting Requirement	Policies	Relevant Information
Environmental matters	The Company has a policy and specific targets on environmental issues	Information on our business impact on the environment can be found in this Sustainability Report, including statutory greenhouse gas emissions data
Employees	Employee Handbook, which includes: – Code of Conduct – Whistleblowing Policy	Strategic Report: Chief Executive Officer's review Sustainability Report Corporate Governance Report
Human rights	Modern Slavery Statement Data Retention Policy Privacy Policy	Sustainability Report
Social matters	The Company does not have a specific policy on social matters but information on how our business supports the local and wider community can be found in the Sustainability Report	
Anti-bribery and corruption	Employee Handbook, which includes: – Anti-Bribery and Corruption Policy – Code of Conduct	Sustainability Report
Business model	Strategic Report: Business model	
Principal Risks	Strategic Report: Principal risks and uncertainties	
Non-financial key performance indicators	Strategic Report: Operational key performance indicators	



I am pleased to introduce our Corporate Governance Report, which explains how the Company has applied the provisions of the UK Corporate Governance Code 2018 (the Code) during the year, through a framework of governance policies, procedures and initiatives.

Andrew Fisher Chair

Our Corporate Governance Report includes

- A statement of compliance with the Code
- Rightmove's corporate governance structure
- Our Directors' biographies
- Key Board and committee activities

and reports from the

- Audit Committee
- Nomination Committee
- Remuneration Committee; and
- Directors

Corporate Responsibility Committee

The Board understands that climate change is an area of increasing focus for shareholders and to ensure continued emphasis on the environmental, as well as the social and governance aspects of our business, the Board has established a Corporate Responsibility Committee, which comprises the full Board. Our first Corporate Responsibility Report is included within the Sustainability Report. One of the main areas of focus for this Committee and the newly created Risk Committee has been the evaluation of environmental risks and our reporting under the Taskforce for Climate Related Financial Disclosures (TCFD). Further details of these activities can be found in the Sustainability Report.

Company Purpose, Values, Strategy and Culture

Rightmove's purpose is to make home moving easier in the UK. This is achieved through the delivery of our strategy, supported by an effective system of governance and risk management throughout the Group and our culture and values. We are fortunate to have an open and supportive culture at Rightmove, and the Board recognises the value of this strong company culture to the success of the business and is satisfied that our culture is aligned with the Company's purpose, values and strategy.

Board priorities

In 2021, the Board has focused on ensuring a smooth return to business as usual, following the disruption of 2020, investing in our core business and in two key strategic workstreams aimed at improving and increasingly digitising tenants' rental journeys and providing home buyers with an effective digital journey towards selecting a mortgage.

A key priority was the competitive tender for the new external auditor, overseen by the Audit Committee, and the recommendation to appoint EY LLP in place of KPMG LLP, which the Board has agreed.

The Board has continued to enhance its oversight of environmental risks, employee welfare and governance.

The Board also updated the matters reserved for its decision.

Board membership

There have been no changes to Board membership during 2021 and we continue to have a strong and balanced Board with appropriate skills, knowledge, experience and diversity.

Board Evaluation

Independent Audit Limited facilitated our external Board evaluation during the year. The review included briefings with the Board Chair and Company Secretary, the completion of a detailed questionnaire by each Board member and presentation of the results by Independent Audit to the whole Board. The Board discussed the results and formulated an action plan, which is summarised in the Nomination Committee Report.

Statement of compliance

The Code sets out the principles and provisions relating to good governance of UK listed companies and can be found on the FRC's website at frc.org.uk.

The Board is committed to good governance and we are pleased to confirm that for the year under review, the Company has complied with the principles and provisions of the Code. Details of our approach to corporate governance and compliance with the Code is summarised at the beginning of this report and throughout the Governance section of the Annual Report.

Directors' duties

An explanation of how Directors have engaged with and have taken into consideration the requirements of Rightmove's key stakeholders, in accordance with S172 of the Act, can be found in the S172 Working with our Stakeholders section of the Strategic Report.



Andrew Fisher

Chair

Corporate Governance Code Overview

The schedule below provides an overview of where the application of Principles (A to R) and associated provisions of the Code have been reported in the Annual Report.

1. Board Leadership and Company Purpose	Location in Annual Report
A. Promoting the long term sustainable success of the Company	Corporate Governance Report – Board Leadership – Board activities
B. Purpose, Values, strategy and culture	Chair's Governance Letter and Strategic Report (Business Model)
C. Governance framework and controls	Corporate Governance Report – Board Leadership
D. Engagement with stakeholders	Strategic Report – S172 statement: working with our stakeholders
E. Oversight of employment policies and practices	Sustainability report
2. Division of Responsibilities	
F. Role of Chair and Board Information	Corporate Governance Report – Board Leadership
G. Division of Responsibilities	Corporate Governance Report – Division of Responsibilities
H. External Commitments and Conflicts of Interest	Corporate Governance Report – Board Leadership
I. Role of Company Secretary	Corporate Governance Report – Board Leadership
3. Composition, succession, and evaluation	
J. Appointments to the Board and succession Planning	Nomination Committee Report
K. Board composition and length of tenure	Board Leadership and Board Composition
L. Board Evaluation	Board Composition and Evaluation; Nomination Committee Report
4. Audit, risk and internal control	
M. Financial reporting – integrity of financial and narrative statements	Audit Committee Report
N. Fair, balanced and understandable assessment	Audit Committee Report and Directors' Report
O. Risk management and internal control framework	Audit Committee Report and Strategic Risk Management Report
5. Remuneration	
P. Reward Structure reflecting achievement and contribution to long term strategy	Remuneration Committee Report
Q. Remuneration Policy	Remuneration Committee Report
R. 2021 Remuneration Outcomes	Remuneration Committee Report

1 Board Leadership | Board governance structure

Shareholders of Rightmove plc

The Board (primarily through the Chief Executive Officer and the Chief Financial Officer, supported by the Chair and the Senior Independent Director) actively engaged with the Company's investors during the year. Details of the Board's engagement with shareholders can be found on the following pages and in the Section 172 Statement – Working with our Stakeholders in the Strategic Report..

The Board of Rightmove plc (8 Directors)

The Board is collectively responsible for promoting the long-term success of the Group for the benefit of the Company's stakeholders. It agrees the overall strategy, direction and culture of the Group and has the powers and duties set out in the Companies Act 2006 (the Act) and the Company's Articles of Association. The Board delegates certain matters to the Board committees and delegates the day-to-day operation of the business to the Executive Directors.

Chair

The Chair is responsible for leadership and governance of the Board, planning the Board's agenda and ensuring that Directors receive sufficient, relevant, timely and clear information and that all subjects requiring discussion are allocated sufficient time to support effective decision making. He also ensures that the Board remains effective by encouraging constructive relationships between the Executive and Non-Executive Directors and ensures ongoing and effective communication between the Board and its key stakeholders.

Executive Directors (2)

Responsible for:

- the day-to-day management of the Group, and its operations and results; and
- implementation of the Group strategy.

Led by the Chief Executive Officer and supported by the Chief Financial Officer and their Senior Leadership Team.

The roles of Chair and Chief Executive Officer are separate with clear written guidelines on the division of responsibilities.

Non-Executive Directors (5)

Responsible for:

- constructively challenging the Executive Directors; and
 - monitoring the delivery of the strategy within the risk and control framework set by the Board.
- One of the Non-Executive Directors is appointed as the Senior Independent Director, who is responsible for:
- acting in an advisory capacity to the Chair;
 - deputising for the Chair if required;
 - serving as an intermediary for other Directors when necessary;
 - being available to shareholders if they have concerns which they have not been able to resolve through the normal channels; and
 - conducting an annual review of the performance of the Chair.

The Company Secretary

The Board and its Committees are supported by the Company Secretary, who is responsible for advising the Board and assisting the Chair in all corporate governance matters.

Matters reserved to the Board

- | | |
|--|--|
| <ul style="list-style-type: none"> • Rightmove's business strategy and annual business plan • capital management and dividend policies • the system of internal control and risk management | <ul style="list-style-type: none"> • Environmental, Social and Governance policies • the annual and half-year results and shareholder communications • major acquisitions and disposals • appointment and removal of officers of the Company |
|--|--|

Details of Board activities during the year can be found later in this report.

The Board Committees (composed of Non-Executive Directors (NEDs) only, with the exception of the Corporate Responsibility Committee which is composed of all Directors)

The Board delegates certain matters of business to its four Committees. The Committees review and report back to the Board on the matters within each of their remits. Only Committee members are entitled to attend Committee meetings. Other Board members may attend Committee meetings by invitation only.

Audit Committee (Quorum: 2 independent NEDs)

Responsible for:

- the oversight of accounting, financial reporting and internal control processes;
- Rightmove's internal audit function; and
- ensuring the effectiveness and quality of the work produced by the Group's external auditor

Remuneration Committee (Quorum: 2 independent NEDs)

Responsible for:

- making recommendations to the Board for the overall policy and framework for the remuneration of the Chair, Executive Directors and the Senior Leadership Team.

Nomination Committee (Quorum: 2 NEDs, majority must be independent)

Responsible for:

- keeping the structure, size and composition of the Board and its Committees under review;
- matching the skills, knowledge and experience of Directors to Rightmove's business strategy and requirements; and
- consider succession planning and the development of a diverse pipeline for senior roles.

Corporate Responsibility Committee (Quorum: 3 Directors)

Responsible for:

- the oversight of the Group's ESG strategy;
- monitoring progress against ESG objectives and targets; and
- approving the Sustainability Report.

Terms of reference for each of the Board Committees are available on the Company's corporate website at plc.rightmove.co.uk

Senior Leadership Team

The Senior Leadership Team (SLT) supports the Chief Executive Officer and Chief Financial Officer in the development and delivery of Rightmove's business strategy, and meets regularly to discuss operational and financial performance. The Board also receives presentations from the SLT to provide a deeper understanding of the business, our customers and products, and the market in which Rightmove operates.

Risk Committee

To enhance our governance and risk management framework, a Risk Committee was established in 2021, comprising the Chief Financial Officer, and members of the SLT, with the objective to continually assess emerging, existing and changing risks, monitor the effectiveness of corresponding controls and report to the Audit Committee.

**Andrew Fisher OBE****Chair****Nationality**

British

Appointment to the Board

1 January 2020

Committee membership

Nomination (Chair)

Current external commitments

Non-Executive Director of Marks and Spencer plc

Previous roles and relevant skills and experience

Andrew has a background in building digital, media and entrepreneurial businesses and executing a high growth strategy. He also has experience of serving on the Boards of a number of listed companies as a non-executive director.

Andrew was previously CEO and Executive Chairman of Shazam, where he was instrumental in developing and executing a growth strategy to establish one of the world's leading mobile consumer brands. He was also European Managing Director of Infospace Inc and the founder and Managing Director of TDLI.com. Andrew was a non-executive director of Moneysupermarket.com Group plc until May 2020 and Merlin Entertainments plc until November 2019.

**Peter Brooks-Johnson****Chief Executive Officer****Nationality**

British

Appointment to the Board

10 January 2011

Current external commitments

Non-Executive Director of Adevinta ASA

Previous roles and relevant skills and experience

Peter joined Rightmove in 2006 and became Chief Operating Officer in April 2013 having been Managing Director of rightmove.co.uk since 2011 and Head of the Agency business since 2008. He was promoted to Chief Executive Officer in May 2017. Prior to joining Rightmove, Peter was a management consultant with Accenture and the Berkeley Partnership.

Peter has substantial experience and understanding of the online media and property markets, developing Rightmove's business plan and strategy over many years, with strong leadership and stakeholder management skills.

**Alison Dolan****Chief Financial Officer****Nationality**

Irish

Appointment to the Board

7 September 2020

Current external commitments

None

Previous roles and relevant skills and experience

Alison was the Chief Strategy Officer at News UK from 2016 until May 2020, where she was at the forefront of the business's digital transformation. Before News UK, Alison held a number of senior positions at Sky plc from 2002 – 2016, including Group Treasurer, Director of Finance and Deputy Managing Director Sky Business.

Alison is an Irish national, but has lived in London since 1994. She has a Masters in Business Studies from University College Dublin.



Jacqueline de Rojas CBE
**Senior Independent
Non-Executive Director**

Nationality

British

Appointment to the Board

30 December 2016

Committee membership

Audit, Nomination, Remuneration

Current external commitments

President of techUK

Non-Executive Director of Costain Group plc

Non-Executive Director of FDM Group (Holdings) plc

Previous roles and relevant skills and experience

Jacqueline is a recognised technology leader with many years' experience in the software, technology and digital sectors, working in enterprise and sales-focused businesses. She has extensive knowledge and skills in promoting technology-based solutions and cyber security and is a passionate advocate for diversity and inclusion.

Jacqueline has been employed throughout her career by global blue-chip software companies and has held senior positions at Citrix, CA Technologies, McAfee and Ascential Software. She was a non-executive director of Home Retail Group from 2012 to 2016, and of AO World plc from 2017 to 2019.

Jacqueline is the co-chair at the Institute of Coding, President of Digital Leaders Technology Group and advisor to the board of Accelerate-her, which addresses the under-representation of women in technology. She is a passionate advocate for diversity and inclusion in the workplace with a particular focus on getting women and girls into digital careers and studying STEM subjects. Jacqueline is especially delighted to lend her support to the Girlguiding Association for technology transformation. She was awarded a CBE for services to international trade in the technology industry in 2018.



Rakhi Goss-Custard
Non-Executive Director

Nationality

American/British

Appointment to the Board

28 July 2014

Committee membership

Nomination, Remuneration

Current external commitments

Non-Executive Director of Kingfisher plc

Non-Executive Director of Schroders plc

Previous roles and relevant skills and experience

Rakhi has extensive knowledge of the customer and consumer experience and innovation across a wide range of digital products, desktop and mobile platforms, augmented by a varied non-executive portfolio in other customer-centric businesses and sectors.

Rakhi was a non-executive director of Be Heard Group plc until August 2018 and of Intu Properties plc to May 2019, and a Director of UK Media at Amazon to June 2014. She held various other senior positions during her 12-year tenure at Amazon including Media, Entertainment, General Merchandise and Book divisions as well as advising Zappos. Prior to Amazon, Rakhi held strategy roles at TomTom and Oliver Wyman.



Andrew Findlay
Non-Executive Director

Nationality

British

Appointment to the Board

1 June 2017

Committee membership

Audit (Chair), Nomination

Current external commitments

Chief Financial Officer of M Group Services Limited

Previous roles and relevant skills and experience

Andrew is a chartered accountant with a wealth of financial expertise, proven commercial experience and strong consumer-centric background. He has a deep knowledge of financial reporting and risk management, technological solutions and consumer platforms. Andrew is currently the Chief Financial Officer of M Group Services Limited, a leading essential infrastructure services provider in the UK and Ireland. He was previously the Chief Financial Officer of easyJet plc from 2015 until February 2021. Before joining easyJet, Andrew was Chief Financial Officer of Halfords plc and prior to that Director of Finance, Tax and Treasury at Marks and Spencer Group plc. He formerly held senior finance roles with the London Stock Exchange and Cable & Wireless, in the UK and US. Andrew qualified as a chartered accountant with Coopers & Lybrand.



Lorna Tilbian
Non-Executive Director

Nationality

British

Appointment to the Board

1 February 2018

Committee membership

Remuneration (Chair), Nomination

Current external commitments

Non-Executive Director of Proven VCT plc

Non-Executive Director of Finsbury Growth & Income Trust PLC

Previous roles and relevant skills and experience

Lorna has extensive experience as a media analyst and investment adviser to the media sector with strong financial analysis and leadership skills. She was Executive Director and Head of the Media Sector in Corporate Broking & Advisory at Numis Corporation PLC until September 2017. She was a founder of Numis when it launched in 2001 having worked at Sheppards, as a director of SG Warburg and executive director of WestLB Panmure. Lorna sits on the Advisory Panel of TechNation's Future Fifty programme and has served as a Cabinet Ambassador (for Creative Britain) for the Department of Culture, Media & Sport. She has also served as a non-executive director of M&C Saatchi PLC, Euromoney Institutional Investor PLC and Jupiter UK Growth plc.



Amit Tiwari
Non-Executive Director

Nationality

American

Appointment to the Board

1 June 2019

Committee membership

Audit, Nomination

Current external commitments

Managing Director of Vitruvian Partners LLP

Previous roles and relevant skills and experience

Amit has a strong understanding of the online classified sector and innovation across a range of online marketplace businesses, with extensive knowledge of finance and capital markets. He was Head of International Developed Equities at Harvard Management Company and prior to that Head of Equities at the Lakshmi Mittal Family Office. He previously held senior investment management roles at Morgan Stanley & Co International plc, Ziff Brothers Investments and KKR & Co. Amit has an MBA with Distinction from Harvard Business School and a Bachelor's degree in Economics with Honours from Harvard College.



Sandra Odell
Company Secretary

Appointment as officer of the Board

1 November 2016

Current external commitments

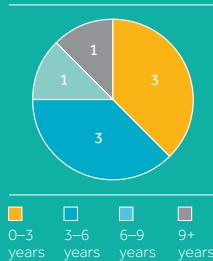
None

Previous roles and relevant experience

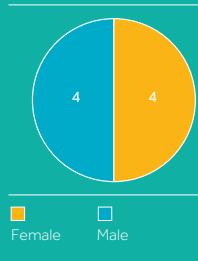
Sandra is a Fellow of the Chartered Governance Institute. Prior to joining Rightmove, Sandra was Company Secretary of Quintain, the London property developer, and before that held various senior company secretarial positions in listed financial services companies.

Board Composition and Diversity

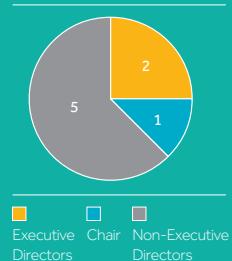
Board tenure



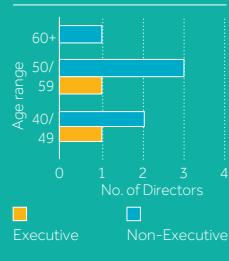
Board gender



Board composition



Board age



Board skills & experience



We recognise the benefits of diversity on our Board to ensure effective engagement with Rightmove's key stakeholders and a variety of thinking in relation to our business strategy.

The age, gender, tenure and skills of Board members as at 1 January 2022 are set out above.

Board activities

At each scheduled meeting the Board considers the minutes and actions raised at previous meetings, updates from the CEO and CFO, and reports on each Committee's activities from the respective Chairs.

The key responsibilities and actions carried out by the Board during the year are set out below:

	Strategy	Performance	People	Shareholders	Governance
Regular reports and activities ⁽¹⁾					
	Analysis and implementation of strategic initiatives	Monthly management report	Employee update and feedback	Investor relations update and share register reports	Governance and regulatory updates
February	Product development Roadmap Traffic Update	Full-year results and Final Dividend	Group employee satisfaction scores 'Have your say' survey results	Remuneration Committee update on shareholder feedback	Risk Register review ESG Report review Gender Pay Report review Tax Strategy review Modern Slavery Act Statement Payment Practices Report
May	Mortgages update			AGM – analysis of shareholder voting and feedback	
June	Off-site away day: Estate Agency and New Homes Update New Strategic Models ⁽²⁾ Customer presentation Trends in the online classified sector Trends in the property market			Analyst view – how investors value Rightmove	Approval of Ransomware Policy Revised Schedule of matters reserved for Board approval
July		Half-year results and Interim Dividend			Risk Register review
September	Strategy update: Tenant Services and Mortgages		Employee engagement with sales and customer services teams Update on Group succession plan, gender pay and diversity from the Nomination Committee Annual approval of SIP and Sharesave awards		ESG Strategy update and performance review
November	2022 three-year business plan approved Phase 1 of new ERP system reviewed and approved		Employee engagement with new employees, and managers giving feedback on performance development training		Recommendation on appointment of EY as external auditor Policy review Internal controls and risk management update from the Audit Committee Insurance review and renewal
December	Cyber security update Breadth Business update Update from the Remuneration Committee on 2022 performance targets		Discussion of employee engagement format and responsibilities for 2022		Board and Committee evaluation feedback and actions agreed Legal and Corporate Governance update Report from Audit Committee on review of 2021 Sustainability Report Policy approval

(1) Frequency coincides with Board meetings, unless otherwise indicated.

(2) New strategic models include new business initiatives or products such as the Market Intelligence Centre, Online Conditional Auctions and consumer services, in addition to Tenant Services and Mortgage Services.

There are seven scheduled Board meetings each year including one meeting or away day devoted to consideration of the Group's strategy. In addition to scheduled Board meetings, there was online and informal communication between the Directors and management.

Directors receive Board papers in the week before meetings to allow sufficient time for review. At each Board meeting, the Chair holds a brief informal 'executive session' with the Non-Executive Directors to consider key questions and feedback for management. The Company Secretary records Directors' questions and challenges and agreed actions in the Board minutes. In addition to formal Board papers, Directors receive an update from the CEO and CFO at each Board meeting, in addition to a more detailed monthly management report on the operational and financial performance of the business, setting out actual and forecast financial performance against approved plans and other key performance indicators. The Board has access to broker reports, research analyst reports and market reviews relating to Rightmove.

Shareholder engagement

The Board welcomes opportunities to engage with current and potential shareholders and answer any questions about the performance and activities of the Group.

Within the regulatory framework, the Executive Directors have conducted regular and open dialogue with shareholders through ongoing meetings with major investors and analysts to discuss strategy and operational and financial performance, environmental, social and governance matters. The Chair, Committee chairs and Senior Independent Director were also available to answer shareholder questions, typically received via our Company Secretary and investor relations team.

The Board is kept informed of the views and opinions of shareholders and analysts. Directors receive an update at each Board meeting from the Chief Executive Officer and the Chief Financial Officer on their interaction with investors, as well as share register analyses and market reports from the Company's brokers, UBS and Numis.

Shareholders are also kept up to date with the Group's activities through the Annual Report, full and half year results presentations. The investor relations section of the Company's website, at plc.rightmove.co.uk provides details of all the Directors, the financial calendar, latest news including financial results, investor presentations, corporate governance, and Stock Exchange announcements.

Annual General Meeting

The AGM provides an opportunity for shareholders to vote on aspects of the Company's business, meet the Directors and ask them questions. The next AGM is scheduled to be held on 6 May 2022 at the offices of UBS Limited at 5 Broadgate, London, EC2M 2QS. As in prior years, shareholders will be able

to raise questions in advance of the meeting through companysecretary@rightmove.co.uk. Each Committee Chair will be available at the AGM to answer any shareholder questions on their respective Committee's activities.

The Company will arrange for the Annual Report and related papers to be available on the Company's corporate website at plc.rightmove.co.uk or, if requested, posted to shareholders at least 20 working days before the AGM.

The Company proactively encourages shareholders to vote at general meetings by providing electronic voting for shareholders who wish to vote online and personalised proxy cards to shareholders electing to receive them, ensuring that all votes are clearly identifiable. The Company takes votes at general meetings on a poll, the results of which are reported after each resolution and published on the Company's website. All resolutions at the Company's 2021 AGM were passed comfortably, and no resolutions received more than 20% of votes against the Board's recommendations.

Stakeholder engagement

Maintaining regular contact with our key stakeholders remains an important part of the Board's activities and is fundamental to good governance. Under the Code, the Board is required to report on how it has considered the interests of its wider stakeholders in accordance with section 172 of the Companies Act 2006. This report can be found in the Section 172 Statement – Working with our Stakeholders, in the Strategic Report.

Employee engagement

In response to the Code requirement, the Board has elected to adopt a bespoke approach to employee engagement, with all Non-Executive Directors engaging directly and regularly with the Company's workforce. During 2021, remote working once again meant that Non-Executive Directors were unable to hold face to face meetings in the first half of the year but did receive employee feedback during Board meetings. In the latter part of the year our programme of engagement continued and details can be found in the Sustainability Report and the Remuneration Committee Report. Our Senior Independent Director will work with the Director of People and Development and Company Secretary during 2022 to further enhance the programme of employee engagement activity.

Rightmove's culture and values

The Board fully supports and reflects Rightmove's open, supportive and innovative culture, described in more detail in the Sustainability Report. Executive Directors lead by example in maintaining Rightmove's open, collaborative culture with a fully open plan office environment, and during 2021 employees had access to regular fortnightly, and latterly, monthly 'Town Hall' webinars to provide updates and answer employees' questions. All Directors have access to Group employees, through a variety of channels, detailed in the Sustainability Report.

The Board assesses and monitors culture through the results of the bi-annual 'Have Your Say' employee survey, with a percentage of the Executive Directors' variable bonus directly dependent on the survey results – more information on this can be found in the Directors' Remuneration Report.

Employee concerns (Whistleblowing)

During the year, the Company reviewed and approved its Whistleblowing policy. The Board ensures that there are arrangements in place for individuals to raise concerns. An independent whistleblowing service continues to be available and communicated to all employees. The service enables individuals to report concerns anonymously and in confidence and can be accessed by telephone, email or via the website. During 2021 no concerns were raised using this facility and no other issues were raised that have been treated as whistleblowing. Further information can be found in the Audit Committee and Sustainability Reports.

Conflicts of interest

Under the Companies Act 2006, the Directors have a statutory duty to avoid situations in which they have, or may have, a direct or indirect conflict of interest with the Company. The Directors must also declare the nature and extent of any interest in any existing or potential conflicting interest. The Company's Articles of Association does have provisions for managing and authorising potential conflicts of interest. The Board approved a revised Conflicts of Interest Policy in 2021 and continues to observe the policy and review the Register of Directors' Interests at least annually.

To safeguard their independence, a Director is not entitled to vote on any matter in which they may be conflicted or have a personal interest. If necessary, Directors are required to absent themselves from a meeting of the Board while such matters are being discussed and if there is any doubt, the Chair of the Board is responsible for determining whether a conflict of interest exists. No such conflicts of interest arose in 2021.

2 Division of responsibilities

The roles of Chair and Chief Executive Officer are separate with clear written guidelines on the division of responsibilities. A summary of the key responsibilities of the Board members is included in the governance structure table at the beginning of this Report.

Board independence

The Board reviews each Non-Executive Director's independence on an annual basis and considers that all Non-Executive Directors are fully independent of management. The review takes into account factors such as Directors' external interests and appointments, and contribution to debate during meetings to determine whether they demonstrate independent judgment and whether there are any other relationships or circumstances which are likely to affect, or could appear to affect, a Director's judgment.

The Board considers that there is an appropriate balance between Executive and Non-Executive Directors.

Directors' external appointments

In line with the Code, Directors' additional external appointments are approved by the Nomination Committee or Board. Our Chair, Andrew Fisher, is also a Non-Executive Director of one other publicly listed company. The Chief Executive holds one other non-executive directorship of a listed company, as permitted under the Code. The Board recognises that non-executive directorships can broaden the knowledge and experience of the Executive Directors, which may benefit the Company.

Board and Committee membership and attendance

The membership of the Committees of the Board and attendance at Board and Committee meetings for the year under review are set out in the table below:

	Board⁽¹⁾	Remuneration	Audit	Nomination	Corporate Responsibility⁽²⁾
Total meetings	7	6	5	2	1
Andrew Fisher	7	–	–	2	1
Peter Brooks-Johnson	7	–	–	–	1
Alison Dolan	7	–	–	–	1
Jacqueline de Rojas	7	6	5	2	1
Rakhi Goss-Custard	7	6	–	2	1
Andrew Findlay	7	–	5	2	1
Lorna Tilbian	7	6	–	2	1
Amit Tiwari	7	–	5	2	1

(1) There were seven scheduled Board meetings in 2021. The Board away day (two days), is included in these numbers.

(2) The Corporate Responsibility Committee was established as a Board Committee in June 2021.

All of the Board have attended all Board and relevant Committee meetings during the year and have shown continued commitment to their roles.

In addition to the above meetings, the Chair conducts meetings with the Non-Executive Directors without the Executive Directors being present. Jacqueline de Rojas, the Senior Independent Director, chaired a meeting of the Non-Executive Directors in December 2021, at which the performance of the Chair was also reviewed without him present.

3 Board composition and evaluation

At the date of this report, the Board comprises two Executive Directors and six Non-Executive Directors, including the Chair. The Executive Directors are Peter Brooks-Johnson (Chief Executive Officer) and Alison Dolan (Chief Financial Officer) and the Non-Executive Directors are Andrew Fisher (Chair),

Jacqueline de Rojas (Senior Independent Director), Andrew Findlay, Rakhi Goss-Custard, Lorna Tilbian and Amit Tiwari.

All Directors will retire and offer themselves for re-election at the next AGM. The Board is satisfied that the Directors retiring and standing for re-election are well qualified for re-appointment by virtue of their skills, experience and contribution to the Board, described in their biographies. The Executive Directors have service contracts with the Company which can be terminated on 12 months' notice. The appointments of the Non-Executive Directors can be terminated on three months' notice.

The interests of the Directors in the share capital of the Company as at the date of this report, the Directors' total remuneration for the year and details of their service contracts and Letters of Appointment are set out in the Directors' Remuneration Report. At the date of this report, the Executive Directors were deemed to have a non-beneficial interest in 1,151,109 ordinary shares held by The Rightmove Employees' Share Trust (EBT).

Biographical details of all Directors at the date of this report and details of Committee membership appear earlier in this Report.

The Board's size and composition is kept under regular review by the Nomination Committee.

Board changes

There have been no Board changes during the year.

More information on the usual selection and appointment process for new Directors, can be found in the Nomination Committee Report.

Board diversity and experience

Rightmove is committed to a diverse Board comprised of directors from different backgrounds with relevant experience, perspectives, skills and knowledge. We believe that diversity, including gender and ethnic diversity, amongst directors and employees contributes towards a high performing and effective Board and business and promotes the Company's ongoing success. We strive to maintain the optimal balance, using a meritocratic appointment process.

At 31 December 2021, 50% of both executive and non-executive Board members were female, along with the strong female representation amongst the Senior Leadership Team. We remain committed to our policy of recruiting the best people and appropriate talent for the business whilst seeking to maintain as near 50:50 gender balance on the Board as possible.

We are pleased to report that as at 31 December 2021, 37% of Board members are from ethnically diverse backgrounds, exceeding the Parker Review target for FTSE100 boards, which we are committed to meeting or exceeding in future.

The range of skills and experience the Board considers necessary to deliver Rightmove's business strategy, as identified in the Board Strategy Review, includes:

- finance and governance
- technology and innovation
- voice of the customer and property market
- voice of the consumer and retail
- digital marketing and online media
- corporate transactions

Further information can be found at the beginning of this report and in the Sustainability Report.

Board evaluation

The Board last completed an externally facilitated performance evaluation in 2018. Therefore, the evaluation conducted in 2021 was externally facilitated by Independent Audit and details can be found in the Nomination Committee report. The 2022 Board and Committee evaluations will be internally facilitated by questionnaire and direct feedback.

Re-election to the Board

Directors are appointed and may be removed in accordance with the Articles of Association of the Company and the provisions of the Act. All Directors are subject to election at the first AGM following their appointment and in accordance with the Code, all Directors will seek re-election at the 2022 AGM.

Indemnification of Directors

The Articles of Association of the Company allow for a qualifying third-party indemnity provision for the purposes of S234 of the Act between the Company and its past and present Directors and officers, which remains in force at the date of this report. The Group has also arranged directors' and officers' insurance cover in respect of legal action against the Directors. Neither our indemnity nor the insurance provides cover in the event that a Director is proven to have acted dishonestly or fraudulently.

The Company has a Dealing Code setting out the process and timing for dealing in shares, which is compliant with the Market Abuse Regulation. The Dealing Code applies to all Directors, who are persons discharging managerial responsibility, and other insiders.

4 Audit, risk and internal control

The Board accepts responsibility for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives and monitors and reviews the effectiveness of the Company's risk management and internal control systems. Further details can be found in the Audit Committee Report in the Governance section and the Risk Management section of the Strategic Report.

5 Remuneration

The Annual Remuneration Report describes the policies and practices in place to ensure that the Company leadership is motivated to deliver long-term sustainable growth and the work of the Remuneration Committee can be found later in this Governance section.

Audit Committee Report Summary



Andrew Findlay

Chair of the Audit Committee

Committee's remit

The Committee is an essential part of Rightmove's governance framework, to which the Board has delegated oversight of the accounting, financial reporting and internal control processes, the outsourced internal audit function and the review of the effectiveness and quality of the external auditor.

Committee members and auditors

The Committee members are independent Non-Executive Directors and comprise:

- Andrew Findlay (Chair) • Jacqueline de Rojas • Amit Tiwari

The Group's external auditor is KPMG LLP. PwC LLP provide internal audit services.

2021 Activities

The Committee met five times during 2021 and its key activities were to:

- conduct a competitive tender for the provision of external audit services to the Group
- assess the integrity of the Group's half-year report and annual financial statements, considering the application of financial reporting and governance standards, including the use of Alternative Performance Measures
- review management's approach to any key judgmental areas of reporting and the related comments of the external auditor
- confirm that the Annual Report is as a whole fair, balanced and understandable
- review the effectiveness of Rightmove's internal control processes
- consider the structure and approach of the newly formed Risk and Compliance function, including reviewing the terms of reference of the Risk Committee
- evaluate the reporting requirements of the new TCFD framework and agreeing the scope and review of the new reporting for climate-based financial disclosures (TCFD)
- agree the scope and terms of reference for the reviews undertaken by Internal Audit
- assess the progress, and or conclusions, and recommendations of the Internal Audit reports on customer vetting and onboarding, purchase to payables financial controls, and GDPR processes
- evaluate the effectiveness of the external auditor and the Internal Audit function, and
- review and challenge the Internal Audit plan for 2022.

2022 Priorities

- continued focus on key risk areas such as compliance, cyber and data security
- review of product development, cloud security, FCA compliance, the implementation of a new finance ERP system and transition to the new auditor.

Dear Shareholder

As Chair of the Audit Committee (the Committee), I am pleased to present the Committee's report for the year ended 31 December 2021. In this report we aim to provide an overview of the principal activities of the Committee and an update on the key areas of review as the Committee discharged its responsibilities during the year.

The Committee's key responsibilities are set out in the Corporate Governance Report on page 64.

The Committee has overseen a detailed programme of work during 2021, including agreeing the scope – and reviewing the results – of the work delivered by the PwC-outsourced internal audit function, Rightmove Assurance. This year, PwC reported on customer onboarding; third party supplier management; the purchase to payments financial controls; GDPR, and the mobilisation of the project to select and implement a new finance system. A key focus of the Committee has been the continued enhancement of the risk and compliance framework, including the formation of a new Legal and Compliance function and a new Risk Committee, which supports the Committee. Other activities undertaken by the Committee during the year were to evaluate the reporting requirements of the new TCFD framework; to agree the scope and review of the new reporting for climate-based financial disclosures (TCFD) and Science Based Target initiative (SBTi); to conduct a competitive tender for the provision of external audit services from 2022; to assess the Rightmove response to the BEIS consultation on audit reform; and to consider the letter received from the Financial Reporting Council in relation to its review of Rightmove's 2020 annual report and accounts.

The Committee, as part of its annual governance cycle, also reviewed the Group's Treasury, Bribery and Whistleblowing policies, the Gifts and Hospitality Register, and the Non-Audit Services Policy.

Looking forward to the next 12 months, the Committee will continue to focus on key risk areas such as cyber security and regulatory compliance, and to support the Company's overall risk management framework. The implementation of the new finance system will also be a key priority for the Committee in 2022. Other areas of focus will include Internal Audit reviews of operational product development; cloud security; the customer experience within the Overseas business; and the implementation of the new finance system. The Committee will also monitor the transition to, and the effectiveness of, the new external auditor, EY LLP.

In addition to its annual performance evaluation, the Committee carried out a review of its terms of reference in relation to the 2018 UK Corporate Governance Code. These are published on the investor relations section of the Group's website at plc.rightmove.co.uk and are available in hard copy form from the Company Secretary.

I will be available at the AGM to answer any questions about the work of the Committee.



Andrew Findlay

Chair of the Audit Committee

Audit Committee membership and meetings

All the members of the Audit Committee are Independent Non-Executive Directors in accordance with provision 24 of the UK Corporate Governance Code (the Code). The Board has determined that Andrew Findlay, as the Committee Chair, has the recent and relevant financial experience required by the Code, given his several executive finance roles, including his current role as Chief Finance Officer at M Group Services. Andrew is also a chartered accountant with the Institute of Chartered Accountants in England and Wales. In line with the Code, the Committee possesses experience relevant to the business, through the digital, consumer and financial experience of Andrew Findlay, the technology background of Jacqueline de Rojas and the deep financial and capital markets expertise of Amit Tiwari.

Biographies of the members of the Committee are set out in the Corporate Governance Report.

The Committee met five times during 2021 and attendance of the members is shown in the Corporate Governance Report. In order to maintain effective communication between all relevant parties, the Committee invited the Chief Financial Officer, together with appropriate members of the management team, and the external and internal auditors, to meetings as necessary. The Committee periodically set time aside to seek the views of the external auditor, without the presence of management. The external auditor had direct access to the Chair to raise any concerns outside formal Committee meetings. The Committee also met separately with the internal auditor during the year, and in between meetings the Chair maintained contact with the Chief Financial Officer, external audit partner and other members of the management team.

After each meeting, the Chair reported to the Board on the main issues discussed by the Committee and minutes of the Committee meetings were circulated to the Board once approved.

Audit Committee effectiveness

The effectiveness of the operation of the Committee was reviewed in December 2021 as part of the internal Board and Committee evaluation process. The feedback on the Committee was unanimously positive and affirmed that the Committee is effective and provides appropriate challenge.

Financial reporting

The Committee is responsible for reviewing the appropriateness of the Group's half-year report and annual financial statements. The Committee has considered, among other things, the accounting policies and practices adopted by the Group; the correct application of reporting standards and compliance with broader governance requirements including the new reporting for climate-based financial disclosures (TCFD); the use of Alternative Performance Measures; the approach taken by management to any key judgmental areas of reporting; the comments of the external auditor on management's chosen approach; and the information, underlying assumptions and stress-test analysis presented in support of the Going Concern status and Viability Statement.

Significant accounting matters

The key significant accounting matter in the context of the 2021 Group financial statements is revenue recognition. The Committee considers this area to be significant given the volume of transactions and the fact that revenue is the most material figure in the income statement. The Committee discussed revenue recognition in detail, including the underlying policies, processes and controls, to ensure that the approach taken to accounting and disclosure was appropriate.

In relation to the parent Company financial statements, the key significant accounting matter is the recoverability of the investment by the parent Company in its subsidiary Rightmove Group Limited, given its materiality in the context of the total assets of the parent Company.

Key accounting matters	Committee review
<p>Revenue recognition</p> <p>As more fully described in note 1 to the accounts, the majority of the Group's revenue is derived from membership subscriptions for core listing fees and advertising products on Rightmove's platforms. Customers are able to tailor their packages. The Group recognises this revenue over the period of the contract or the point at which advertising products are used.</p>	<p>Revenue is a prime area of audit focus, in particular the timing of recognition in relation to the billing of subscription fees, additional products and the accounting for any material membership offers to customers.</p> <p>During the year, management performed data analytics procedures on the amounts billed to the two largest customer groups (Agency and New Homes). This included investigating anomalies such as billing gaps and single bills raised and reporting to the Committee in this regard.</p> <p>The Committee discussed any anomalies with management in relation to the data analytics work performed. The Committee was satisfied with the explanations provided and conclusions reached.</p> <p>As part of the financial statement audit, KPMG performs data analytics work, using computer-assisted audit techniques to identify any unexpected or unusual revenue postings, considering in particular whether the opposite side of the journal entry was as expected, based on the characteristics of the journal. The results of this work were reported to the Committee.</p>
<p>Investment by the Company Rightmove plc in Rightmove Group Limited (RMGL)</p> <p>The investment by the Company in RMGL is carried at cost, adjusted for subsequent additions to the investment. Cost was initially assessed at 28 January 2008 when Rightmove plc became the parent company of RMGL. Share-based payments awards to RMGL employees are accounted for as a deemed capital contribution by Rightmove plc to RMGL, with the value of the share-based payments charge for those awards increasing the value of the investment. Further details are provided in Note 15 to the financial statements. The investment is not considered at risk of material misstatement or subject to significant judgement, however it is considered significant due to its size in relation to the Company balance sheet.</p>	<p>The Committee reviewed the assumptions made by management, including the strong track record of profitable growth and cash generation by RMGL. Furthermore, the Rightmove plc share price has increased significantly in the 12 years since 2008, resulting in a current market value exceeding £6 billion, significantly higher than the investment carrying value of £0.6 billion. As RMGL is the main trading entity of Rightmove plc, we therefore see no evidence of impairment. The Committee was satisfied with the assumptions made.</p>

The Committee also reviewed and considered the following areas in relation to the 2021 financial statements.

Accounting matter	Committee review
Going concern and viability statements	<p>In assessing the validity of the viability and going concern statements detailed on pages 33 and 122 to 123, the Committee reviewed the work undertaken by management to assess the Group's resilience to the Principal Risks set out on pages 29 to 32 under various stress test scenarios. The Committee concluded that the viability time-period of three years remained appropriate. The Committee were satisfied that sufficient rigour was built into the process to assess going concern and viability over the designated periods.</p>

Fair, balanced and understandable

One of the key governance requirements is for the Annual Report and the Financial Statements, taken as a whole, to be fair, balanced and understandable, and to provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Committee was provided with an early draft of the Annual Report in order to assess the strategic direction and key messages being communicated. Feedback was provided by the Committee in advance of the February 2022 Board meeting, highlighting any areas where the Committee believed further clarity was required. The draft report was then amended to incorporate this feedback prior to being tabled at the Board meeting for final comment and approval.

To help the Committee in forming its opinion, management presented a fair, balanced and understandable paper to the February 2022 Audit Committee, which identified the key themes in the Annual Report and assessed whether each of the governance requirements were met.

When forming its opinion, the Committee reflected on the information it had received and its discussions throughout the year. It considered the key messages for 2021 and whether these are appropriately and consistently disclosed throughout the Annual Report, with equal prominence of front half reporting and financial statements; with no bias or omissions, and with clear language within a structured framework. The key matters considered by the Committee and its conclusion were:

Is the report fair?

- Is the whole story presented and has any sensitive material been omitted that should have been included?
- Are key messages in the narrative aligned with the KPIs and are they reflected in the financial reporting?
- Are the KPIs being reported consistently from year to year?
- Is the reporting on the business areas in the narrative reporting consistent with the financial reporting in the financial statements?

Is the report balanced?

- Do you get the same messages when reading the front end and back end of the Annual Report independently?
- Are threats identified and appropriately highlighted?
- Are the alternative performance measures explained clearly with appropriate prominence?
- Are the key judgements referred to in the narrative reporting and significant issues reported in this Committee Report consistent with disclosures of key estimation uncertainties and critical judgements set out in the financial statements?
- How do these judgements compare with the risks that KPMG are planning to include in their Auditors' Report?

Is the report understandable?

- Is there a clear and cohesive framework for the Annual Report?
- Are the important messages highlighted appropriately throughout the Annual Report?
- Is the Annual Report written in easily understandable language and are the key messages clearly drawn out?
- Is the Annual Report free of unnecessary clutter?

Conclusion

Following its review, the Committee is of the opinion that the 2021 Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

FRC Review

During the year the Financial Reporting Council ('FRC') reviewed Rightmove's 2020 Annual Report and Accounts in relation to their review of UK corporate reporting in 2020/21 (in accordance with Part 2 of the FRC Corporate Reporting Review Operating Procedures). Rightmove received a letter from the FRC informing them that, based on that review, the FRC had no questions or queries that they wished to raise. The letter included a schedule of minor improvements to consider in the preparation of the Company's next annual report and accounts, where the FRC believed that users of the accounts could benefit from increased disclosure. No response to the letter was required from Rightmove, other than acknowledgement of receipt of the letter.

The FRC's review provides no assurance that the annual report and accounts are correct in all material respects. The FRC's role is not to verify the information provided but to consider compliance with reporting requirements. Rightmove's management and the Audit Committee welcomed the comments received by the FRC, have incorporated the matters raised into the Annual Report where appropriate and are supportive of its goal of increasing transparency in corporate reporting.

External Audit

The Committee has primary responsibility for overseeing the quality and effectiveness of the external auditor, KPMG LLP (KPMG), who is engaged to conduct a statutory audit and express an opinion on the financial statements. The Committee reviews the scope of KPMG's audit, which includes the review and testing of the systems of internal financial control used to produce the information contained in the financial statements.

The Committee approves the terms of engagement and fees of the external auditor, ensuring it has appropriate audit plans in place and that an appropriate relationship is maintained between the Group and the external auditor. The Committee approved the audit fees of £300,000 for the year as set out in Note 6 of the financial statements.

The Committee is responsible for making recommendations to the Board in relation to the appointment of the external auditor. KPMG was reappointed as auditor of the Group at the 2021 AGM. The current external audit engagement partner is Anna Jones, who has held this role since the beginning of 2018. KPMG was first appointed auditor to the Group in 2000 and was reappointed in 2013 following a competitive tender. This is the final year of KPMG as auditors given the audit tender conducted during the year and appointment of new auditors from the year ending 31 December 2022.

External Audit Tender

During the year, the Committee led a formal competitive tender process for external audit services for the 2022 financial year onwards. The Group has therefore complied with the UK Competition and Markets Authority's Statutory Audit Services Order 14, which states, among other matters, that FTSE 350 listed companies should put their external audit contract out to public tender at least every ten years.

KPMG was not invited to re-tender, as reappointment would mean it would exceed the allowed maximum period in office. The Board and the Committee have remained satisfied with both KPMG's quality of service and their independence and objectivity throughout their tenure.

The Audit Committee led a rigorous tender process, including agreeing the selection criteria against which the tendering firms would be assessed, the tender timetable and requirements for the firms' proposal documents and presentations. An outline of the process undertaken is included in the table below.

The Committee, following an assessment of the tender process and consultation with management, recommended the Board appoint EY LLP as external auditor, with effect for the full year ended 31 December 2022, including the half year ended 30 June 2022. The Board accepted the Committee's recommendation to appoint EY LLP as external auditor and a resolution for the appointment of EY LLP will be put to shareholders at the Annual General Meeting in May 2022.

The Committee confirms this recommendation is free from influence by a third party and that no contractual term has been imposed on the Company which would limit the choice of auditor. KPMG will cease to hold office following the completion of the audit of the Group's Financial Statements for the current year ended 31 December 2021.

The steps that were undertaken as part of the process are set out below:

Expression of interest	Rightmove management held meetings with the Big Four firms, excluding KPMG, and one challenger firm to capture expressions of interest
Invitation to tender	Rightmove issued a formal Request for Proposal to the three firms who had confirmed a willingness to participate in the tender process, detailing the evaluation criteria which would be used by the Committee in informing its decision, which included but was not limited to: <ul style="list-style-type: none"> • Tendering firm's approach to ensuring overall audit quality • Capability and experience of the lead partner, team and firm and their ability to provide a high-quality audit • Firm's proposal to managing the audit, including: <ul style="list-style-type: none"> - Overall audit approach, including risk assessment - Management of the day-to-day process - Coordination and communication - Approach to transition from KPMG - Impact of potential changes arising from the government's BEIS proposals • The performance of the firm during the tender process
Independence	In order to ensure auditor independence and objectivity, all firms and Rightmove management reviewed the non-audit services provided by the tendering firms. The tendering firms also formally confirmed their ability to comply with applicable independence rules and ability to act as Rightmove's auditor for the year ending 31 December 2022 should they be successful in the tender process.
Preliminary meetings	The Audit Committee created a Tender Committee comprising of the Audit Committee Chair, Chief Financial Officer and Head of Group Reporting/Financial Controller to run the day-to-day tender process. The Tender Committee members individually met the three tendering lead partners and their senior team for introductions and questions.
Data room	The data room was opened to participating firms. Any request for further information was added to the data room for access by all participating firms, not just the firm that requested the information.
Further engagement	The firms were asked to review and comment on the previous year's Annual Report, and this was submitted to the Tender Committee. An audit tender day was set up for each of the firms to visit the Rightmove offices and meet key management. Following this, a final meeting was then arranged for each of the audit firms with the CFO and Financial Controller to discuss any further questions.
Written proposal	Rightmove received a written proposal from each of the three firms. The Tender Committee then agreed, using the selection criteria, which two firms they recommended to invite to the proposal presentation. This recommendation was reviewed, discussed and agreed by the Audit Committee.
Proposal Presentation and Q&A	At the final stage, the participating firms delivered presentations and their proposed audit plan to the Tender Committee members, followed by a question and answer session.
References	Independent references for each firm's lead partner and their senior manager/director were provided and taken by the Tender Committee.
Evaluation, assessment and Committee recommendation	The Tender Committee's view was that each firm could perform a quality audit of Rightmove. However, based on the evaluation criteria above, the Tender Committee recommended EY to the Audit Committee as the preferred choice of auditor. The assessment of the firms' performance against the selection criteria was reviewed and discussed by the Audit Committee who unanimously agreed to recommend EY to the Board as the preferred choice.
Board decision	The Board considered and endorsed the Committee's recommendation to appoint EY as the auditor from 2022.
Announcement	Once the terms of engagement were finalised, the Group was clear on transition arrangements, Rightmove announced the results of the audit tender to the tender firms.
Audit transition plans	EY, as the proposed external auditor, started undertaking transitional activity from January 2022, in preparation for the external audit cycle in 2022, by shadowing the outgoing external auditor and attending the Committee meeting in February 2022. EY also held meetings with key members of the senior management team regularly during this period.

Independence and non-audit services

The Board has policies in place in relation to the provision of non-audit services by the external auditor, and the non-audit fee policy was reviewed by the Committee during the year. The non-audit

fee policy ensures that the Group benefits in a cost-effective manner from the cumulative knowledge and experience of its auditor, whilst also ensuring that the auditor maintains the necessary degree of independence and objectivity.

Non-audit services

Assurance-related services directly related to the audit – for example, the review of the half year Financial Statements.

Permitted non-audit services

Including, but not limited to, accounting advice, work related to mergers, acquisitions, disposals, joint ventures or circulars, sustainability audits and reports required by regulators.

Policy

The half year Review, an assurance-related non-audit service, is approved as part of the Audit Committee approval of the external audit plan, which takes place in May of each year. Management is authorised to incur additional fees for permitted non-audit services of up to £15,000 in any financial year, without any prior approval from the Committee. Thereafter, all additional fees are to be referred to the Audit Committee in advance, subject to the cap of 70% of the fees paid for the audit in the last three consecutive financial years.

Prohibited services

In line with the FRC ethical standards, these are services where the auditor's objectivity and independence may be compromised. Prohibited services are detailed in the FRC Revised Ethical Standards 2019 and include tax services, accounting services, internal audit services and valuation services.

Prohibited, in accordance with the FRC Ethical Standards.

The level of non-audit fees as a proportion of the audit fee has typically been low at Rightmove. During the year, KPMG charged the Group £27,000 for non-audit services, representing 9% of the 2021 audit fee. Of this, £25,000 related to the half-year review and £2,000 for agreed-upon procedures in relation to the 2021 bonus outturn. Further details of these services can be found in Note 6 to the financial statements.

External auditor effectiveness

The Committee places great importance on ensuring that the external audit is both high quality and effective. The Committee considered the quality and effectiveness of the external audit process in line with the FRC's Practice Aid for Audit Committees (updated 2019). The effectiveness of the external audit process is dependent on several factors, including the quality, continuity, experience and training of audit personnel; understanding of the business model, strategy and risks; technical knowledge and degree of rigour applied in the review processes of the work undertaken; communication of key accounting and audit judgements; together with appropriate audit risk identification at the start of the audit cycle.

The Committee also met with KPMG at various stages during the year, at times without management present, to discuss its remit and any issues arising from its work as the auditor.

The Committee evaluated the effectiveness of the audit process using a questionnaire, together with input from management. Areas considered in the review included the quality of audit planning and execution, engagement with the Committee and management, quality of key audit reports and the capability and experience of the audit team. For the 2021

financial year, the Committee was satisfied that there had been appropriate focus and challenge on the primary areas of audit risk and concluded that the performance of KPMG remained efficient and effective in its role.

External auditor independence and objectivity

The Committee considered the safeguards in place to protect the external auditor's independence. KPMG reported to the Committee that it had considered its independence in relation to the audit and confirmed to the Committee that it complies with UK regulatory and professional requirements and that its objectivity is not compromised. The Committee took this into account when considering the external auditor's independence and concluded that KPMG remained independent and objective in relation to the audit.

Statement of Compliance with the Competition and Markets Authority (CMA) Order

The Group confirms that it has complied with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014 (Article 7.1), including with respect to the Committee's responsibilities for agreeing the audit scope and fees and authorising non-audit services.

Internal audit

The Group has an Internal Audit function, Rightmove Assurance, which is fully outsourced to PwC. The aim of Rightmove Assurance is to provide independent and objective assurance on the adequacy and effectiveness of internal control, risk management and governance processes. This includes assurance that underlying financial controls and

processes are working effectively, as well as specialist operational and compliance reviews that focus on emerging risks in new and evolving areas of the business. The Rightmove Assurance plan for 2021 was approved in advance by the Audit Committee and covered a broad range of core financial and operational processes and controls, focusing on specific risk areas. Specialist reviews were undertaken in the following areas:

- Onboarding and vetting of new customers
- Purchase to payments cycle and financial controls
- GDPR processes

The Committee reviewed the reports provided by Rightmove Assurance that set out the principal findings of their reviews and agreed management actions. The Committee also reviewed open actions from previous reviews, and monitored management's progress in completing these actions.

Approach to developing the 2022 internal audit plan

The approach to the 2022 internal audit plan is in line with prior years, in that it includes a combination of traditional internal audit and compliance reviews – primarily with a financial control, regulatory, cyber or GDPR focus – and reviews with more of an advisory focus. Additionally, as the business continues to evolve, with new sources of revenue growth and given the increasing complexity of the environment within which Rightmove now operates, the Board wants to ensure an appropriate level of continuity in the monitoring of risks and controls throughout the year by senior management. Consequently, the 2022 internal audit plan will include some elements of in-house assurance activities, performed by the Compliance function, to supplement the work of PwC. This will strengthen the second line of defence in the risk management model on page 29 and enhance the on-going ownership of risk management by the business.

PwC will continue to work closely with management and have completed their annual detailed review of the audit universe, which highlights the various functional areas within Rightmove, the associated key process areas, related principal or emerging risks and areas in which internal audit work has been carried out already. This review was then used as the basis for developing the Rightmove Assurance plan for 2022, to ensure an appropriate focus on the key risks facing the business and any in-house assurance activities.

Effectiveness of the internal audit process

The work of Rightmove Assurance provides a key source of additional assurance and support to management and the Audit Committee regarding the effectiveness of internal controls, as well as providing guidance and recommendations to further enhance the internal control environment and provide specialist insight into areas of change in the business.

At the end of the year, the Audit Committee undertook a review of the effectiveness of the Rightmove Assurance function during 2021. The evaluation was led by the

Committee Chair and involved issuing tailored evaluation questionnaires which were completed by Rightmove management, KPMG, and the Committee. The evaluation concluded that the function had a sound appreciation of the key issues facing the business, was realistic and robust with audit suggestions and added value to the business.

Risk Management

During the year, the Group established a new Legal and Compliance function, which includes a Risk Committee that supports the Audit Committee, and comprises the CFO, the Chief Product & Technology Officer, the Head of Risk & Compliance, the Director of Group Security and other members of senior management as required, to further strengthen the risk and control framework. These were both assessed by the Audit Committee as it considered the nature and extent of the Group's risk management framework. The Audit Committee reviewed the work undertaken by the Risk Committee and the Board to assess the Group's principal risks and uncertainties, which included an assessment of each risk and the related response, and progress made against any actions. Further details on the Group's approach to risk management are set out in the risk management section of the Strategic Report.

Internal controls

The Board has overall responsibility for the Group's system of internal controls and has established a framework of financial and other controls. This is periodically reviewed in accordance with the FRC Guidance on Risk Management, Internal Control and Related Financial and Business Reporting (which integrates and replaces the earlier FRC guidance and the Turnbull Guidance) for its effectiveness.

The Board has taken, and will continue to take, appropriate measures to ensure that the chances of financial irregularities are reduced as far as is reasonably possible by improving the quality of information at all levels in the Group, fostering an open environment and ensuring that financial analysis is rigorously applied. Any system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's management has established the procedures necessary to ensure that there is an ongoing process for identifying, evaluating and managing the principal risks to the Group. These procedures have been in place for the whole of the financial year ended 31 December 2021 and up to the date of the approval of these financial statements.

To date, Rightmove's Internal Audit function, Rightmove Assurance, has been fully outsourced to PwC, which provides the Group with additional independent assurance on the effectiveness of internal controls.

The key elements of the system of internal control are:

- 1 Major commercial, strategic, competitive, financial and regulatory risks are formally identified, quantified and assessed by senior management, after which they are considered by the Board;
- 2 A comprehensive system of planning, budgeting and monitoring Group results. This includes monthly management reporting and monitoring of performance against both budgets and forecasts, with explanations for all significant variances;
- 3 An organisational structure with clearly defined lines of responsibility and delegation of authority, and an embedded culture of openness where business decisions and their associated risks and benefits are discussed and challenged;
- 4 Clearly defined policies for capital expenditure and investment exist, including appropriate authorisation levels, with larger capital projects, acquisitions and disposals requiring Board approval;
- 5 Ongoing management of cash flow forecasts and cash on deposit and, where appropriate, monitoring of compliance with banking agreements;
- 6 A Compliance Framework to support the Group's FCA regulated subsidiaries in meeting the requirements of the Financial Conduct Authority (FCA);
- 7 A Data Protection Framework to ensure the Group is meeting the requirements of the GDPR and Data Protection Act 2018;
- 8 A Cyber Security plan which identifies and categorises cyber security threats and controls, which are regularly reviewed by the Board and Audit Committee;
- 9 A Legal and Compliance function which has responsibility to oversee legal, compliance, risk and data protection matters;
- 10 An Anti-Bribery Policy outlining the Group's position on preventing and prohibiting bribery;
- 11 A Whistleblowing Policy to encourage employees and others who have serious concerns about any aspect of the Group's conduct to come forward and voice those concerns; and
- 12 A comprehensive disaster recovery plan and business continuity plan based upon:
 - co-hosting of the Rightmove.co.uk website across three separate locations, which is regularly tested and reviewed
 - the ability of the business to maintain business critical activities in the event of an incident
 - the capability for employees to work remotely in the event of a loss of one of our premises, which is regularly tested through planned office closures
 - regular testing of the security of the IT systems and platforms, regular backups of key data and ongoing threat monitoring to protect against the risk of cyber-attack.

Through the procedures outlined above, the Board, with advice from the Audit Committee, has considered all significant aspects of internal control for the year and up to the date of this Annual Report. No significant failings or weaknesses were identified during this review. The control environment will be further strengthened by the implementation of the new finance ERP system which began in 2021.

Anti-bribery and whistleblowing

The Code includes a provision requiring the Committee to review arrangements by which employees of the Group may, in complete confidence, raise concerns about possible improprieties in relation to financial reporting or other matters. The Committee's objective is to ensure that arrangements are in place for the proportionate and independent investigation of such matters and for the appropriate follow-up action.

Rightmove is committed to the highest standards of quality, honesty, openness and accountability. The Group has a whistleblowing process, which enables employees of the Group to raise genuine concerns on an entirely confidential basis, that includes a third-party 'speak up' facility provided by Navex Global. The Committee receives reports on the communication of the Whistleblowing Policy to the business and on the use of the service which contains information on any whistleblowing incidents and their outcomes.

The Board believes that it is important for the Group and its employees to follow clear and transparent business practices and to consistently apply high ethical standards in all business dealings, thereby supporting the objectives of the Bribery Act 2010. A Bribery Policy exists to set out what is expected from employees and other stakeholders acting on the Group's behalf, to ensure that they protect both themselves and the Group's reputation and assets. The Committee reviews the Bribery Policy annually to ensure it reflects best practice. Employees are required to sign up to Rightmove's Bribery Policy on appointment, and any updates are communicated to all employees. Rightmove has a zero-tolerance approach to bribery and any breach of the Bribery Act is regarded as serious misconduct, justifying immediate dismissal.

All corporate gifts and hospitality offered or received valued at more than £50 are recorded in the Group's gifts and hospitality register. Prior approval is required for any gifts or hospitality greater than £100, and the register is examined by the Committee at least annually.



Andrew Fisher
Chair of the Nomination Committee

Dear Shareholder

I am pleased to present the Nomination Committee report for 2021.

The role of the Nomination Committee (the Committee) is to keep the structure, size and composition of the Board and Committees under review. Our primary objective is matching the skills, knowledge and experience of Directors to Rightmove's business strategy and optimise Board performance, manage risk effectively and foster innovation in the business.

The terms of reference of the Committee were reviewed during the year and can be found on the Company's website.

The Committee fulfilled its terms of reference during the year by:

- reviewing the Group organisation and succession plans;
- considering the diversity of the Board and management team; and
- approving the format of the externally facilitated Board and Committee evaluations and agreeing the resulting action plan.

The Committee continued its focus on Board and organisational succession, in view of Rightmove's strategic objectives and new initiatives and the Group's approach to employee diversity, welfare and engagement.

There were no changes to the Board of Directors or Committee membership during the year. The Board currently consists of eight Directors, including six Non-Executive Directors, all of whom are considered to be independent, from diverse backgrounds and with gender balance in both executive and non-executive roles.

I will be available at the AGM to answer any questions about the work of the Committee.

A handwritten signature in black ink, appearing to read "Andrew Fisher".

Andrew Fisher
Chair

Composition and attendance at meetings

The Chair and Non-Executive Directors are members of the Nomination Committee. The Chief Executive Officer, Chief Financial Officer and the Director of People & Development attend meetings at the request of the Chair, to discuss the organisation and succession plans and Board evaluation feedback.

The Committee met twice during the year and attendance at the meetings is shown in the Corporate Governance report.

Membership

The Committee is comprised of Non-Executive Directors, whose biographical details can be found in the Corporate Governance report.

Throughout the year, all our Non-Executive Directors were considered by the Board to be independent.

Principal activities

During the year the Committee has:

- reviewed the composition and diversity of the Board;
- approved the plans for the organisation and succession of the Executive Directors and the Senior Leadership Team;
- reviewed the actions taken to reduce the Group's gender pay gap and the ethnic diversity of the workforce;
- agreed the process for an externally facilitated Board evaluation and agreed an action plan from directors' feedback; and
- conducted the annual review of its terms of reference.

Board induction and training

New Directors joining the Board undertake a tailored induction programme, including meetings with key members of the management team. Non-Executive Directors have full access to our Executive Directors and Senior Leadership Team outside scheduled Board meetings and can attend Company and employee events and briefings.

Individual Board members have access to training and can seek advice from independent professional advisers, at the Group's expense, where specific expertise or training is required to enable them to perform their duties effectively.

Throughout the year the Board received technical briefings on key business activities, new strategies, products and technology; risks including cyber security risks, data protection and other relevant regulations. All Directors are required to complete mandatory information security and data protection training, which is a requirement for all Rightmove employees.

Board diversity and experience

We believe it is essential to maintain a Board with diverse skills and backgrounds. The Committee devoted time to the review of organisational succession plans and the gender and ethnic diversity of employees with the objective of developing a diverse talent pipeline for senior roles.

Details of our Board diversity policy and the skills and experience of our Directors are set out in the Corporate Governance Report.

Board succession and independence

The Nomination Committee takes a long-term view of Board succession and will refresh Board skills to meet the Group's evolving strategy. In 2021, the Committee considered current Board skills and the talent pipeline in light of the Group's strategic plan. All key roles have recognised successors and have been bolstered by new and promoted talent supporting the Senior Leadership Team.

The Board has determined that all Non-Executive Directors are independent in character and judgment and have enough capacity to meet their commitments to Rightmove, including during periods when greater involvement may be required of them. Directors have been able to meet all demands on the Board's time in 2021, evidenced by their full attendance at Board and Committee meetings, detailed in the Corporate Governance Report.

Board effectiveness and evaluation

Progress against 2020 Board evaluation actions

During 2021, improvements in the Board programme were implemented in response to Directors' feedback. The length of Board meetings was extended to allow for more in-depth consideration of business initiatives, and the Board awayday was extended to two days to discuss the core business strategy, new strategic initiatives and receive presentations from a wider range of external speakers. Additional informal meetings of Non-Executive Directors were scheduled, and the Non-Executive Directors concluded each Board meeting with an 'executive session' to share their feedback on the meeting with the Board Chair. In-person employee engagement resumed in September, with the Non-Executive Directors meeting groups of employees to observe and discuss their work (details can be found in the S172 Statement).

2021 Board evaluation

In 2021, our Directors completed an externally facilitated review of the Board and each of its Committees. The review was conducted by Independent Audit Limited, Board evaluation consultants, using a bespoke questionnaire which Directors completed online. Experts from Independent Audit met with the Board Chair and Company Secretary to plan and discuss the questionnaire and, following the evaluation, to discuss directors' feedback.

The results of the evaluation were presented to the Committee in December and an action plan was agreed, with input from Independent Audit, including:

- increasing the opportunities for directors to meet informally between scheduled meetings, following two years of reduced in-person contact;
- the Senior Independent Director taking a lead in liaising with the Director of People and Development and the Company Secretary to increase the variety and frequency of employee engagement activities throughout the year;
- improving the format of business presentations and optimising Directors' time with presenters at Board meetings; and
- reviewing the Board programme to include deeper dives into key strategic initiatives, with business presentations scheduled through the year to provide updates on performance and strategic milestones.

Overall, the evaluation concluded that the Board is performing well with a strong, supportive dynamic between Executive and Non-Executive Directors, well lead and organised Committees and good coverage of risk management and Corporate Governance.

An internally facilitated Board and Committee evaluation will be conducted in 2022.

Annual Statement by the Chair of the Remuneration Committee



Lorna Tilbian

Chair of the Remuneration Committee

Dear Shareholder

I am pleased to present our Directors' Remuneration Report for Rightmove (the Company) for the year ended 31 December 2021.

Our report explains the work of the Committee and how it applied the Remuneration Policy, which was approved by shareholders in 2020. The Remuneration Policy and its application are summarised in 'Remuneration at a glance' below. Full details of the 2020 Remuneration Policy which applies to this Annual Report, can be found on the Company's website at www.plc.rightmove.co.uk/governance

2021 remuneration in the context of stakeholder experience and company performance

The Committee has as usual considered executive remuneration in the light of outcomes for Rightmove's key stakeholders and the Group's financial performance.

Strong financial performance combined with record retention of advertisers, operating efficiency and increased innovation will mean that revenue, margin and operating profit have exceeded consensus for the full year.

- Our customers have continued to benefit from the strong UK property market in 2021, we have delivered package improvements and tools to optimise customers' financial performance and we are making good progress with improvements in our customer support, sentiment and leaver rates.
- Shareholder returns have resumed, with over £174m returned through share buybacks and £64m paid in dividends during 2021.
- Our employees returned to the office and resumed face to face contact with our customers in September, with flexibility to work from home two days a week. The 2021 full-year 'Have Your Say' survey indicates that employee engagement and satisfaction scores remain strong, although just falling short of our very high standards for creating a 'great place to work'. The all-employee pay rise for 2022 will be 3% taking into consideration CPI.

Executive Directors' bonuses for 2021 will be 84% of the maximum award, reflecting Rightmove's strong financial performance and audience share. Our CEO's LTIP award, for which 2021 was the final year of performance, will vest at 25% of the maximum award, reflecting strong TSR performance relative to the FTSE350. EPS growth fell just short of the threshold target 20% growth over three years. Further details are set out in this report.

The Committee considers that these incentive outcomes are a fair reflection of the Group's performance achieved during 2021 and over the past three years, and are appropriate in the context of the stakeholder experience.

2021 incentive outcomes

2021 annual bonus

The Committee reviewed final performance against the bonus plan objectives for 2021 and recommended an annual bonus payment of 84% of the maximum for Executive Directors. The higher bonus for 2021 primarily reflects the growth in underlying operating profit⁽¹⁾ (60% of the maximum award) and strong audience growth⁽²⁾ in time spent on our platforms compared to time spent on Rightmove's closest competitors (15% of the maximum) and a strong recovery in our Breadth⁽³⁾ business revenue growth (10% of the maximum). Following a challenging year for our Tenant Services business⁽⁴⁾, the threshold performance level for our rental services target (10% of the maximum) has not been met. Employee satisfaction (5% of the maximum) has again been strong, with a 'great place to work'⁽⁴⁾ endorsement of 89%, just missing the 90% threshold target.

2019-2021 LTIP award

Rightmove has outperformed the market over the three-year performance period from 1 January 2019 to 31 December 2021. Rightmove's TSR growth over that period has exceeded the FTSE 350 Index by over 50%, resulting in 25% of the Performance Share Plan (PSP) awards granted in 2019 vesting in March 2022 (the maximum award relating to TSR performance). However, Rightmove's underlying EPS⁽⁵⁾ growth has fallen just short of the threshold for EPS growth over three years, therefore 75% of the awards granted to the CEO and our former Finance Director will not vest.

2022 approach

The Committee has approved a 3% increase in Executive Directors' salaries with effect from 1 January 2022, in line with the all-employee pay rise and in accordance with our Policy. There are no changes to the range of benefits described in the 2020 Remuneration Policy.

The 2022 Bonus plan targets have been adjusted and weighted to align with key performance targets in the Group's business strategy. The financial target weighting is 60% (2021: 80%) for underlying operating profit and 40% for operational KPIs, of which 20% are designed to drive revenue in the Group's two key strategic initiatives, mortgages and rental services. The traffic and employee engagement targets are unchanged, as the Board considers that these remain critical to Rightmove's financial performance and strategy:

- 60% for underlying operating profit⁽¹⁾;
- 15% for absolute growth in traffic, compared to all our competitors⁽²⁾;
- 10% for referencing volume in Rental Services;
- 10% for growth in mortgage outcomes; and
- 5% for employee engagement, based on our 'Have Your Say' survey⁽⁴⁾.

The Remuneration Committee has reviewed the EPS⁽⁵⁾ and TSR performance measures which will be applied to the PSP awards granted in 2022, and agreed that a 50:50 weighting remains appropriate. To ensure stretching but achievable revenue targets, the Committee is minded to approve an EPS growth range from a threshold of 38% to a maximum of 44% over the three-year performance period commencing on 1 January 2022, taking into account the Corporation Tax rise from 19% to 25% in 2023.

These targets have been considered in light of the Group's internal financial planning and external market expectations for future growth, and are designed to provide a realistic incentive at the lower end of the performance range and require exceptional performance to achieve full vesting. On this basis, the Committee is satisfied that the range of targets remain appropriately demanding, and no less challenging than for prior year awards.

Shareholder and employee engagement

I have written to investors holding in total over 50% of Rightmove shares to outline the Committee's proposals for 2022 and invited their feedback. Our major shareholders have raised no concerns with our proposals.

I have also engaged directly with employees in relation to their pay and benefits and executive remuneration at Rightmove, including how it aligns with wider Company pay policy. The views I have received were shared with the Committee and indicate that there is a strong sense that 'we're all in it together', hard work is acknowledged and rewarded, and benefits are in line with expectations. There is a strong view that the Group's remuneration policy should reward effort and achievement throughout the workforce. The Committee has also received feedback on employee sentiment, including pay, from employees during the year from our Director of People and Development.

I will be available at the AGM to answer any questions you may have on the application of Rightmove's Remuneration Policy in 2021 and its proposed application in 2022.



Lorna Tilbian

Chair of the Remuneration Committee

25 February 2022

(1) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance).

(2) Time in minutes spent on Rightmove platforms, relative to our nearest competitors (Zoopla.co.uk and PrimeLocation.com). Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, January 2019 – December 2021, United Kingdom

(3) Revenue excluding Agency and New Homes.

(4) Based on employee respondents selecting 'Yes' in response to this question in the annual employee survey.

(5) Underlying earnings per share (EPS) is defined as underlying profit (profit for the year before share based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

2021 Financial performance

Revenue

48%

Underlying Operating profit⁽¹⁾

68%

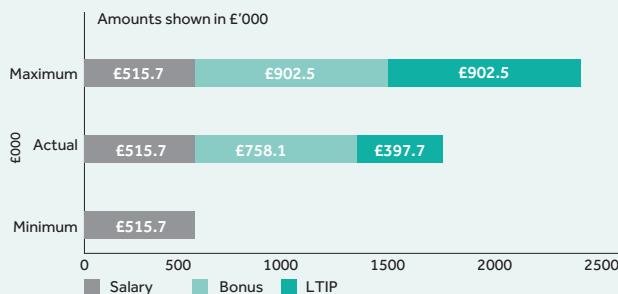
Returns to shareholders

£238.8m

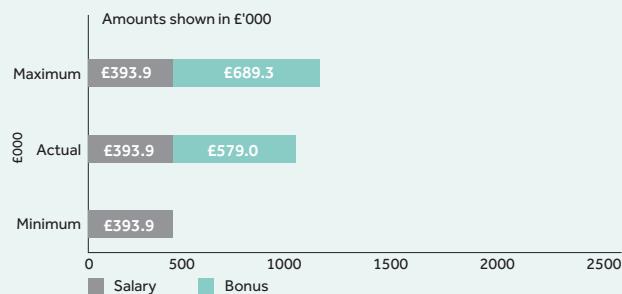
Pay and performance for 2021

The charts below show the actual remuneration for the Chief Executive Officer and the Chief Financial Officer for 2021. The charts include data for salary, bonus and the LTIP (performance shares) granted in 2019, with a performance period ending on 31 December 2021. The charts exclude data for benefits and pensions, details of which can be found in the single remuneration figure table.

Chief Executive Officer – Peter Brooks-Johnson



Chief Financial Officer – Alison Dolan



Annual bonus achievement – 84%

Performance Target	Threshold	Actual	Bonus % achieved
Underlying operating profit ⁽¹⁾	£204.5m	£231.0m	60%
Growth in absolute time on site in minutes relative to our nearest competitors ⁽²⁾	Same absolute growth in minutes	Growth in time on Rightmove platforms in minutes compared to 2019 (and 2020) was over 100% better than our nearest competitors	15%
Innovation – growth in Other revenue ⁽³⁾	£21m	£26.9m	9%
Tenant Services revenue	£4.5m	£3.1m	0%
Employee survey respondents who think 'Rightmove is a great place to work' ⁽⁴⁾	90%	89%	0%

Long-term incentive plan performance – 25%

Underlying EPS⁽⁵⁾

Underlying Earnings per share (EPS) increased by 19.1% over three years, missing the threshold of 20% growth; this element of the 2019 PSP awards will not vest in 2022.

Total Shareholder Return

25% out of a maximum of 25% for this element of the 2019 PSP awards will vest as relative three-year TSR performance exceeded the FTSE 350 index by over 50%.

Underlying EPS



Shareholder alignment

Shareholding guidelines	Proportion of variable awards received in shares
200% of salary for all Executive Directors	80% of performance-related pay for 2021 was awarded in Rightmove shares

(1) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance).

(2) Time in minutes spent on Rightmove platforms, relative to our nearest competitors (Zoopla.co.uk and PrimeLocation.com). Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App, Total Audience, Custom-defined list of Rightmove Sites, RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, January 2019 – December 2021, United Kingdom.

(3) Revenue excluding Agency and New Homes.

(4) Based on employee respondents selecting 'Yes' in response to the question "Is Rightmove a great place to work?" in the annual employee survey.

(5) Underlying earnings per share (EPS): is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

Total Shareholder Return



This graph shows the value, by 31 December 2021, of £100 invested in Rightmove on 31 December 2018, compared with the value of £100 invested in the FTSE 100 and the FTSE 350 Indices on the same date.

2020 Remuneration Policy and application

	Policy	Application in 2021/2022
Base salaries	Executive Directors will normally receive inflationary adjustments to salaries in line with wider workforce increases	Executive Directors will receive a 3% pay rise in line with the wider workforce from 1 January 2022.
Pension	Rightmove contributes 6% of base salary, subject to an employee contributing a minimum of 3% of base salary	The CEO elected not to participate in the Group pension plan during the year. The CFO joined the Group pension scheme, on the same terms as all employees, in December 2020.
Annual bonus and Deferred Share Bonus Plan (DSP)	Maximum 175% of salary, with 40% cash and 60% deferred into Company shares for two years	Executive Directors' 2020 bonus awarded in March 2021 based on a maximum of 125% of salary. The CEO and CFO will be awarded cash and deferred bonuses for 2021 in March 2022 based on a maximum of 175% of salary with 60% deferred into shares.
Performance Share Plan (PSP)	Awards granted at 175% of salary to which a five year holding period applies, comprising a three year vesting and a two-year post-vesting holding period	The CEO and CFO were granted awards in March 2021, based on the three-year performance period from 1 January 2021 to 31 December 2023 at 175% of salary, exercisable from March 2026.
Malus and Clawback	Enhanced malus and clawback apply to DSP and PSP awards	Applied to the 2021 PSP and DSP awards.
Shareholding Guidelines	200% of basic salary	–
Post cessation shareholding requirements	A two-year post-employment holding period will apply to share awards granted from May 2020, with 100% of the shareholding requirement (or actual holding, if lower) retained for the first year, and 50% for the second year	–
Non-executive director fees (including the Company Chair and additional fees for chairing Board Committees)	The fees for Non-Executive Directors are reviewed periodically (normally every three years). Fee levels reflect the responsibility, skills and knowledge required to perform each role and the expected time commitment	Non-Executive Directors will receive a 3% fee increase in line with the wider workforce from 1 January 2022.

Annual Report on Remuneration

Remuneration Committee purpose and membership

Terms of reference

The Committee is primarily responsible for making recommendations to the Board on the Company's overall remuneration policy and framework, setting the remuneration of the Chair, Executive Directors and the Senior Leadership Team. The Committee's primary objective in formulating and applying the Remuneration Policy is the effective recruitment, retention and fair reward of directors and employees.

In accordance with the Code, the Committee also recommends the structure, and monitors the level of remuneration for management, below Board level. The Committee is aware of, and advises on, the employee benefit structures throughout the Group and ensures that it is kept aware of any potential business risks arising from those remuneration arrangements. The remuneration and terms of appointment of the Non-Executive Directors are determined by the Board as a whole.

The Committee has formal terms of reference which are reviewed annually and updated as required. These are available on the Company's website at plc.rightmove.co.uk.

Membership

The following independent Non-Executive Directors were members of the Committee during 2021:

Lorna Tilbian (Chair of the Committee)

Rakhi Goss-Custard

Jacqueline de Rojas

The Committee met six times during 2021 and attendance at meetings is shown in the Corporate Governance Report. The Committee will meet as necessary, but normally at least five times a year. The quorum for meetings of the Committee is two members and the Company Secretary acts as Secretary to the Committee.

Only members of the Committee have the right to attend Committee meetings. The Committee Chair has invited the Chair of the Board to attend meetings except during discussions relating to his own remuneration. The CEO is also invited to meetings when the Committee is considering his recommendations on the remuneration of the Chief Financial Officer and the Senior Leadership Team. No Executive Director is involved in deciding their own remuneration.

External advisors

Deloitte LLP (Deloitte) is the Committee's remuneration advisor. Deloitte is a founding member of the Remuneration Consultants Group and adheres to its code in relation to executive remuneration consulting.

In 2021, the Company paid fees of £22,450 to Deloitte in respect of work and advice which was of material assistance to the Committee. The Committee keeps its relationship with external advisors under review and is satisfied that there are no conflicts of interest. Aside from other remuneration-related support provided in their role as advisors, that was not considered to be of material assistance to the Committee (e.g. provision of accounting fair values for Rightmove share awards), Deloitte did not provide any other services to the Company during the year.

What has the Committee done during the year?

The Committee's work in 2021 included:

Pay and incentive plan reviews

- annual review and approval of Executive Directors' base salaries and benefits;
- review of 2021 business performance against relevant performance targets to determine annual bonus payments and vesting of long-term incentives;
- review and approval of appropriate benchmarks and performance measures for the annual performance-related bonus, DSP awards and 2022 PSP awards to ensure measures are aligned with strategy and that targets are achievable and appropriately stretching;
- approval of share awards granted in March 2021 under the DSP and the PSP;
- ongoing monitoring of remuneration for the Senior Leadership Team; and
- approval of our leaver arrangements relating to share awards for members of the Senior Leadership Team.

Governance and strategy

- review of the 2021 AGM voting and feedback from institutional investors;
- engagement with shareholders on the application of the 2020 Remuneration Policy in 2022;
- review and approval of the Directors' Remuneration Report;
- evaluation of the Committee's performance during the year; and
- review of the Committee's terms of reference.

Remuneration Policy

In formulating the Remuneration Policy approved by shareholders in 2020 ('the 2020 Policy'), the Committee considered the following principles recommended in the Code:

- Clarity – the Policy is designed to allow our remuneration arrangements to be structured in a way that clearly supports the financial objectives and the strategic priorities of the Group. The Committee remains committed to reporting on Rightmove's remuneration practices in a transparent, balanced and straightforward way.
- Simplicity – the Policy consists of three main elements: fixed pay (salary, benefits and pension), an annual bonus award and a long-term incentive award. The annual bonus award is based on a combination of our financial and operational KPIs. The vesting of LTIP awards is based on EPS growth and relative TSR performance.

- Risk – the Policy is in line with Rightmove's risk appetite. The Committee has the discretion to reduce variable pay outcomes where these are not considered to represent overall Group performance or the shareholder experience. Over half (60%) of bonus awards are deferred into shares, and vested shares under the LTIP must be retained for a further two years, ensuring that Executive Directors are motivated to deliver longer-term sustainable performance.
- Predictability – the Committee considers the impact of various performance outcomes on incentive levels when determining overall executive pay levels.
- Proportionality – a substantial portion of the package comprises performance based reward, linked to the delivery of strong Group performance and the achievement of key strategic objectives. The Committee will use its discretion where required to ensure that performance outcomes are appropriate.
- Alignment to culture – in determining executive remuneration policies and practices, the Committee considers the overall remuneration framework for our wider workforce as part of its review, including employee engagement and satisfaction levels, succession plans including diversity, to ensure executive remuneration is aligned to Rightmove's culture.

Directors' remuneration

This section of the report sets out how the 2020 Policy was applied in 2021, along with changes in Directors' share interests during 2021. Information that is audited is clearly indicated.

Directors' Single Figure Remuneration Tables (audited)

The remuneration of the Directors of the Company during 2021 for time served as a Director is as follows:

	Fixed Pay			Performance-related pay				Total remuneration in 2021 £
	Salary/fee £	Benefits ⁽¹⁾ £	Pension ⁽²⁾ £	Fixed pay subtotal £	Annual bonus ⁽³⁾ £	Long-term incentives ⁽⁴⁾ £	Variable pay subtotal £	
Executive Directors								
Peter Brooks-Johnson	515,724	2,172	–	517,896	758,115	397,662	1,155,777	1,673,673
Alison Dolan	393,900	–	23,634	417,534	579,034	–	579,034	996,568
Non-Executive Directors⁽⁵⁾								
Andrew Fisher	202,000	–	–	202,000	–	–	–	202,000
Jacqueline de Rojas	65,550	–	–	65,550	–	–	–	65,550
Rakhi Goss-Custard	55,550	–	–	55,550	–	–	–	55,550
Andrew Findlay	70,700	–	–	70,700	–	–	–	70,700
Lorna Tilbian	70,700	–	–	70,700	–	–	–	70,700
Amit Tiwari	55,550	–	–	55,550	–	–	–	55,550

(1) Benefits in kind for the Executive Directors relate to private medical insurance and the medical cash plan.

(2) Alison Dolan participated in the Rightmove pension scheme on the same terms as all employees.

(3) The annual bonus amount relates to the accrued payment in respect of the full year results for the year ended 31 December 2021 including the deferred element (60% of the annual bonus is deferred in shares with a two-year vesting period).

(4) The value of the long-term incentives includes:

- nil cost PSPs where vesting is calculated by taking the number of nil cost options expected to vest on 6 March 2022 (including dividend roll-up), which are subject to the three-year performance period, ending on 31 December 2021, multiplied by the average share price for the 3 months ending 31 December 2021 of £7.28, and
- the capital gain of £7,059 on the CEO's Sharesave option which vested on 1 November 2021, which reflects the difference between the option grant price of £3.89 and £6.94, being the share price at vesting.

The increase in the value of the CEO's 2019 PSP awards vesting in 2022, due to share price appreciation, was £125,188.

(5) The basic fee for all Non-Executive Directors (excluding the Chair) in 2021 was £55,550. Committee Chairs (excluding Nomination Committee) received an additional fee of £15,150, and the Senior Independent Director received an additional fee of £10,000. The Chair's fee was £202,000.

The remuneration of the Directors of the Company during 2020 (audited) was:

	Fixed Pay			Performance-related pay			Total remuneration in 2020 £
	Salary/fee ⁽¹⁾ £	Benefits ⁽²⁾ £	Pension ⁽³⁾ £	Fixed pay subtotal £	Annual bonus ⁽⁴⁾ £	Long-term incentives ⁽⁵⁾ £	
Executive Directors							
Peter Brooks-Johnson	477,736	2,224	–	479,960	165,312	315,555	480,867 960,827
Alison Dolan ⁽⁶⁾	124,091	–	1,950	126,041	40,793	–	40,793 166,834
Robyn Perriss ⁽⁷⁾	165,868	1,244	–	167,112	23,747	171,873	195,620 362,732
Non-Executive Directors⁽⁸⁾							
Andrew Fisher	187,121	–	–	187,121	–	–	– 187,121
Jacqueline de Rojas	56,136	–	–	56,136	–	–	– 56,136
Rakhi Goss-Custard	51,458	–	–	51,458	–	–	– 51,458
Andrew Findlay	65,492	–	–	65,492	–	–	– 65,492
Lorna Tilbian	65,492	–	–	65,492	–	–	– 65,492
Amit Tiwari	51,458	–	–	51,458	–	–	– 51,458

(1) All directors volunteered a 20% reduction in their salaries and fees for four months (April to July 2020); a total reduction of £83,228.

(2) Benefits in kind for the Executive Directors relate to private medical insurance and the medical cash plan.

(3) Alison participated in the Rightmove pension scheme on the same terms as all employees.

(4) The annual bonus amount relates to the accrued payment in respect of the full-year results for the year ended 31 December 2020 including the deferred element (60% of the annual bonus is deferred in shares with a two-year vesting period).

(5) The value of the long-term incentives has been restated for vested awards and includes:

- nil cost PSPs where vesting is calculated by taking the number of nil cost options which vested on 28 February 2021 (including dividend roll-up), which are subject to the three-year performance period, ending on 31 December 2020, multiplied by the vesting date closing share price of £5.65, and
- the capital gain of £7,890 on the CEO's Sharesave option which vested on 1 November 2020, is the difference between the option grant price of £3.29 (adjusted for the share subdivision) and £6.18, being the share price at vesting on 1 November 2020.

The increase in the value of the PSP awards vesting in 2020, due to share price appreciation, was £90,230 for the CEO and £50,406 for the former Finance Director.

(6) Salary and benefits for four months from 7 September 2020.

(7) Salary and benefits are shown to 30 June 2020, being the period of Robyn's service as a Director; her bonus and performance shares were pro-rated to 30 June 2020.

(8) The basic fee for all Non-Executive Directors (excluding the Chair) in 2020 was £55,000; Committee Chairs (excluding Nomination Committee) received an additional fee of £15,000, and the Senior Independent Director received an additional fee of £5,000. The Chair's fee was £200,000. All fees were subject to a voluntary 20% reduction for four months, from April to July 2020.

Defined contribution pension

The Group operates a stakeholder pension plan for employees under which Rightmove contributes 6% of base salary, subject to the employee contributing a minimum of 3% of base salary. Alison Dolan is a member of the Group pension plan having joined in December 2020, on the same basis as all employees. The Company does not contribute to any personal pension arrangements.

External appointments

With the approval of the Board in each case, Executive Directors may accept one external appointment as a non-executive director of another listed or similar company and retain any fees received.

Peter Brooks-Johnson is a Non-Executive Director of Adevinta ASA, the international online classifieds operation, which is listed on the Oslo Børs. Peter received a director's fee of 842,500 Norwegian Krone from Adevinta for the year to 31 December 2021 (2020: €72,000 received, equivalent to 755,224 Norwegian Krone as at 31 December 2020).

How was pay linked to performance in 2021?

Annual bonus plan

The incentive for the financial year ended 31 December 2021 was in the form of a cash bonus of up to 70% of salary and a DSP bonus of up to 105% of salary (i.e. 175% in total awarded under the 2020 Policy). The bonus, both cash and DSP elements, was determined by a mixture of operating profit performance (60%) and key performance indicators (40%) relating to underlying drivers of long-term revenue growth.

The Committee reviewed the performance targets for the 2021 bonus plan during the year and agreed that the traffic target should be adjusted to compare traffic growth between 2019 and 2021. The Committee considered that 2020 was an exceptional year in terms of traffic, due to the disruption caused by the pandemic to the property market, and therefore 2019 was a more appropriate baseline for this target. The Committee was satisfied that the adjustment represented a no less challenging target, and the traffic comparison for time on site in 2021 was also 100% better than Rightmove's nearest competitors compared to 2020.

When comparing performance against the 2021 bonus targets set, the Committee determined that 84% of the maximum achievable cash and DSP bonus should be paid to the Executive Directors in March 2022. Accordingly, a cash bonus of 59% of base salary (out of a maximum of 70%) will be paid to the executives and 88% of base salary (out of a maximum of 105%) will be granted to the Executive Directors under the DSP, which will be deferred until March 2024.

Details of the achievement of bonus targets are provided in the following table:

Measure	Target	As a % of maximum bonus opportunity	Actual performance achieved	Resulting bonus % achieved
Financial targets				
Underlying operating profit ⁽¹⁾	Growth in underlying operating profit: • £204.5m: 10% payout • £221.5m: 100% payout	60%	Underlying operating profit achieved: £231.0m. This represents growth of 68% on 2020	60%
Strategic targets				
Traffic market share ⁽²⁾	Growth in time in minutes spent on Rightmove platforms as measured by comScore relative to Rightmove's nearest competitors • Same absolute growth: 25% payout • 50% higher absolute growth: 100% payout	15%	Growth in time in minutes spent on Rightmove platforms compared to 2019 (and 2020) was over 100% better than our nearest competitors' platforms	15%
Other business revenue ⁽³⁾	• Growth of £21.0m: 25% • Growth of £27.5m: 100%	10%	Revenue growth of £26.9m achieved	9%
Rental Services Revenue	Target: • £4.5m: 25% payout • £6m: 100% payout	10%	Revenue was £3.1m, which is below threshold	0%
Employee engagement ⁽⁴⁾	Percentage of respondents to the employee survey who say 'Rightmove is a great place to work': • 90%: 25% payout • 95%: 100% payout	5%	89% of respondents agree 'Rightmove is a great place to work', which is below threshold	0%
Total		100%		84%

(1) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance).

(2) Time in minutes spent on Rightmove platforms, relative to our nearest competitors (Zoopla.co.uk and PrimeLocation.com). Source: Comscore MMX® Desktop only + Comscore Mobile Metrix® Mobile Web & App. Total Audience, Custom-defined list of Rightmove Sites. RIGHTMOVE.CO.UK, ZOOPLA.CO.UK, PRIMELOCATION.COM, January 2019 – December 2021, United Kingdom

(3) Revenue excluding Agency and New Homes.

(4) Based on the results of the annual employee engagement survey.

Long-term incentives vesting during the year

The PSP awards granted to Peter Brooks-Johnson and Robyn Perriss, (Rightmove's former Finance Director) in March 2019 were subject to underlying EPS⁽¹⁾ (75% of the awards) and relative TSR (25% of the awards) performance conditions that related to the three-year period ended 31 December 2021. The vesting schedule for the relative TSR element of the 2019 PSP awards is set out below:

Relative TSR condition	% of award vesting (maximum 25%)
Less than the Index	0%
Equal to the Index	6.25%
25% higher than the Index	25%
Intermediate performance	Straight-line vesting

At the end of the performance period, Rightmove's TSR was 88% compared to 26% for the FTSE 350 Index. This performance is over 62% above the Index and therefore this part of the award will vest at the maximum level of 25% on 6 March 2022.

Rightmove's underlying EPS growth is measured over a period of three financial years (2019 to 2021); the vesting schedule is set out below:

Underlying EPS ⁽¹⁾ growth from 2019 to 2021	% of award vesting (maximum 75%)
Less than 20%	0%
20%	18.75%
50%	75%
Between 20% and 50%	Straight-line vesting

(1) Underlying earnings per share is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

At the end of the performance period, underlying EPS was 21.8p which is 19.1% higher than underlying EPS of 18.3p for the base year 2018. Therefore, there will be nil vesting for this part of the award (maximum of 75%).

Share awards granted during the year (audited)

On 3 March 2021 Peter Brooks-Johnson and Alison Dolan were awarded shares under the PSP, which vest in March 2024 and are exercisable from March 2026. The awards are subject to a mixture of EPS (50% of the awards) and TSR relative to the FTSE 350 Index (50% of the awards).

Executive Director	Basis of grant	Number of shares	Face value of award ⁽¹⁾
Peter Brooks-Johnson	175% of base salary	153,062	£893,882
Alison Dolan	175% of base salary	116,906	£682,731

(1) Based on the average mid-market share price for the three consecutive days prior to grant, taken from the Daily Official List, of £5.84

The vesting schedule for the relative TSR element of Executive Directors' 2021 PSP awards is set out below. It is consistent with the TSR condition used for previous grants under the share option plan and will be assessed against the FTSE 350 Index. Performance will be measured over three financial years.

Relative TSR condition	% of award vesting (maximum 50%)
Less than the Index	0%
Equal to the Index	12.5%
25% higher than the Index	50%
Intermediate performance	Straight-line vesting

Rightmove's EPS growth will be measured over a period of three financial years (2021-2023). The EPS figure used will be equivalent to the Group's underlying EPS⁽¹⁾.

The following vesting schedule will apply for Executive Directors' awards granted in 2021:

Underlying EPS ⁽¹⁾ growth from 2021 to 2023	% of award vesting (maximum 50%)
Less than 87%	0%
87%	12.5%
95%	50%
Between 87% and 95%	Straight-line vesting

(1) Underlying earnings per share is defined as underlying profit (profit for the year before share-based payments charges, including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

The benchmark underlying EPS for the financial year 2020 from which these targets will be measured is 12.6p.

Share-based incentives held by the Executive Directors and not exercised as at 31 December 2021 (audited)

Date granted	Share-based incentives held 1 January 2021 ⁽¹⁾	Granted/dividend roll-up	Exercise price ⁽¹⁾	Exercised	Average share price at date of exercise	Lapsed	Share-based incentives held at 31 December 2021	Vesting date	Expiry date
Executive Directors									
Peter Brooks-Johnson									
01/03/2017 (PSP)	165,170	–	£0.00	(165,170) ⁽²⁾	–	–	–	01/03/2020	28/02/2022
09/05/2017 (PSP)	30,549	–	£0.00	(30,549) ⁽²⁾	–	–	–	09/05/2020	08/05/2022
01/10/2017 (Sharesave)	2,730	–	£3.29	(2,730) ⁽³⁾	£6.02	–	–	01/11/2020	30/04/2021
28/02/2018 (PSP)	212,310	1,376	£0.00	(54,454) ⁽⁴⁾	£6.98	(159,232)	–	28/02/2021	27/02/2023
01/10/2018 (Sharesave)	2,313	–	£3.89	–	–	–	2,313	01/11/2021	30/04/2022
06/03/2019 (DSP)	56,498	–	£0.00	(56,498) ⁽⁵⁾	£6.98	–	–	06/03/2021	05/03/2022
06/03/2019 (PSP)	204,746	–	£0.00	–	–	–	204,746	06/03/2022	05/03/2024
04/03/2020 (DSP)	39,282 ⁽⁶⁾	–	£0.00	–	–	–	39,282	04/03/2022	03/03/2023
17/09/2020 (PSP)	143,034 ⁽⁷⁾	–	£0.00	–	–	–	143,034	17/09/2023	17/09/2027
30/09/2020 (Sharesave)	1,754 ⁽⁸⁾	–	£5.13	–	–	–	1,754	01/11/2023	30/04/2024
03/03/2021 (PSP)	–	153,062 ⁽⁹⁾	£0.00	–	–	–	153,062	03/03/2024	03/03/2028
03/03/2021 (DSP)	–	16,989 ⁽¹⁰⁾	£0.00	–	–	–	16,989	03/03/2023	03/03/2024
Total	858,386	171,427		– (309,401)		– (159,232)	561,180		

	Date granted	Share-based incentives held 1 January 2021.	Granted/dividend roll-up	Exercise price	Exercised	Average share price at date of exercise	Lapsed	Share-based incentives held at 31 December 2021	Vesting date	Expiry date
Alison Dolan										
17/09/2020 (PSP)	84,970 ⁽⁷⁾	–	£0.00	–	–	–	–	84,970	17/09/2023	17/09/2027
30/09/2020 (Sharesave)	3,508 ⁽⁸⁾	–	£5.13	–	–	–	–	3,508	01/11/2023	30/04/2024
03/03/2021	–	116,906 ⁽⁹⁾	£0.00	–	–	–	–	116,906	03/03/2024	03/03/2028
03/03/2021	–	4,192 ⁽¹⁰⁾	£0.00	–	–	–	–	4,192	03/03/2023	03/03/2024
Total	88,478	121,098	–	–	–	–	–	209,576		

- (1) The Company's ordinary shares of 1 pence each were divided into 10 new ordinary shares of 0.1 pence each on 31 August 2018. The exercise prices and the number of shares under options granted before 31 August 2018 have been restated for the share subdivision.
- (2) The performance shares awarded to Peter Brooks-Johnson under the PSP on 1 March and 9 May 2017 vested in 2020 subject to EPS and relative TSR performance measures, 85% of the awards vested. Nil cost Options over a total of 195,719 shares (including 7,462 dividend roll up shares) were exercised by Peter Brooks-Johnson on 10 November 2021 and all shares sold at an average market price of £6.98 per share, 33,223 shares lapsed on the vesting date.
- (3) In September 2017, Peter Brooks-Johnson was granted Sharesave options over 2,730 shares which vested in November 2020 at an exercise price of £3.29. Peter Brooks-Johnson exercised the option on 20 April 2021 and retained all the shares.
- (4) The performance shares awarded to Peter Brooks-Johnson under the PSP on 28 February 2018 vested in 2021 subject to EPS and relative TSR performance measures, 25% of the awards vested. Nil cost options over 54,454 shares (including 1,376 dividend roll up shares) were exercised by Peter Brooks-Johnson on 10 November 2021 and all the shares sold at an average market price of £6.98 per share, 157,856 shares lapsed on the vesting date.
- (5) The deferred shares granted under the DSP on 6 March 2019 vested in March 2021. Peter Brooks-Johnson exercised the nil cost option over 56,498 shares on 10 November 2021 and sold all the shares at an average market price of £6.98 per share.
- (6) On 4 March 2020, Peter Brooks-Johnson was awarded nil cost deferred shares under the DSP, which vest in March 2022. The average mid-market share price for the three consecutive preceding days, used to calculate the number of shares awarded, was £6.21.
- (7) On 17 September 2020 the Executive Directors were awarded nil cost performance shares under the PSP, which vest in 2023 and are exercisable from September 2025. The average mid-market share price for the three consecutive preceding days, used to calculate the number of shares awarded, was £6.25.
- (8) On 30 September 2020, Peter Brooks-Johnson and Alison Dolan were granted Sharesave options over 1,754 and 3,508 shares respectively at an exercise price of £5.13. The options will be exercisable from November 2023.
- (9) On 3 March 2021 the Executive Directors were awarded nil cost performance shares under the PSP, which vest in 2024 and are exercisable from March 2026. The average mid-market share price for the three consecutive preceding days, used to calculate the number of shares awarded, was £5.84.
- (10) On 3 March 2021, the Executive Directors were awarded nil cost deferred shares under the DSP, which vest in March 2023. The average mid-market share price for the three consecutive preceding days, used to calculate the number of shares awarded, was £5.84.

Dilution (audited)

All existing executive share-based incentives can be satisfied from shares held in the Rightmove Employees' Share Trust (EBT) and shares held in treasury. It is intended that the 2022 share-based incentive awards will also be settled from shares currently held in the EBT or from shares held in treasury without any requirement to issue further shares.

During 2021, treasury shares were used to satisfy vested DSP and PSP awards over 805,018 shares, representing 0.1% of the issued share capital (less treasury shares) as at 31 December 2021.

Directors' interests in shares (audited)

The beneficial and family interests of each person who served as a Director during 2021 in the share capital of the Company were as follows:

	Interests in ordinary shares of 0.1p		Interests in share-based incentives		
	At 31 December 2021	At 1 January 2021	PSP & DSP awards (unvested)	SAYE awards (vested but unexercised)	Options (unvested)
Executive Directors					
Peter Brooks-Johnson	2,017,302	2,014,553	557,113	2,313	1,754
Alison Dolan	—	—	206,068	—	3,508
Non-Executive Directors					
Andrew Fisher	20,000	20,000	—	—	—
Jacqueline de Rojas	1,880	1,880	—	—	—
Rakhi Goss-Custard	5,440	5,440	—	—	—
Andrew Findlay	—	—	—	—	—
Lorna Tilbian	—	—	—	—	—
Amit Tiwari	—	—	—	—	—
Total	2,044,622	2,041,873	763,181	2,313	5,262

- The Company's shares in issue (including 12,480,472 shares held in treasury) as at 31 December 2021 comprised 859,678,232 ordinary shares of 0.1p each (2020: 886,387,616 ordinary shares of 0.1p each).
- The closing share price of the Company was £7.95 as at 31 December 2021. The lowest and highest share prices during the year were £5.55 and £8.00 respectively.
- The Executive Directors are regarded as being interested, for the purposes of the Act, in 1,158,418 ordinary shares of 0.1p each (2020: 1,395,476 ordinary shares of 0.1p each) in the Company held by the EBT at 31 December 2021 as they are, together with other employees, potential beneficiaries of the EBT.
- The Directors' beneficial holdings represented 0.24% of the Company's shares in issue as at 31 December 2021 (2020: 0.23%), excluding shares held in treasury.
- There have been no changes to the share interests of continuing Directors between the year-end and the date of this report.

Share ownership guidelines (audited)

Executive Director share ownership guidelines are set out in the Remuneration Policy on the Company's website. The interests of the Executive Directors in office at 31 December 2021 in the share capital of the Company as a percentage of base salary were as follows:

	Base salary 1 January 2022	Number of shares held beneficially at 31 December 2021	Number of vested, unexercised share awards	Value of shares at 31 December 2021 ⁽¹⁾	Value of shares as a % of base salary	Guideline met (200% of salary)
Executive Directors						
Peter Brooks-Johnson	£531,196	2,017,302	0	£16,037,551	3,019%	Yes
Alison Dolan	£405,717	0	0	£0	0%	No ⁽²⁾

(1) Based on the closing share price on 31 December 2021: £7.95 per share; multiplied by the number of beneficially owned shares plus vested share awards and shares under awards no longer subject to performance on a net of tax basis.

(2) Executive Directors are required to retain at least half of any share awards vesting or exercised (after selling sufficient shares to meet the exercise price and to pay any tax liabilities due) until they have met the shareholding guideline.

Payments to past Directors and payments for loss of office

There were no payments to past Directors for loss of office during 2021.

Details of outstanding share awards for Robyn Perriss, our former Finance Director who stepped down from the Board on 30 June 2020 are detailed below. Outstanding awards will vest in line with performance conditions for the PSP and the normal vesting dates for DSP and PSP awards.

Rightmove Performance Share Plan (PSP)

Unvested PSP awards were pro-rated for time elapsed from the date of grant to 30 June 2020 and vest on the original vesting dates. Details of the 2018 PSP award which vested in 2021 and was exercised at a market value of £6.24. The 2019 PSP award that will vest in 2022 has been prorated for time and 25% performance. Details of both Awards are set out in the table below.

Award Date	Performance Period	Normal Vesting Date	Award (number of shares)	Pro-rated award (number of shares)
28 February 2018	1 January 2018 to 31 December 2020	28 February 2021	152,490	30,420 ⁽¹⁾
6 March 2019	1 January 2019 to 31 December 2021	6 March 2022	147,056	16,739 ⁽²⁾

All awards are subject to EPS and TSR performance conditions on vesting before dividend roll-up is applied.

(1) Pro-rated by 28/36 for time elapsed from grant and by 25% for performance including 769 shares for dividend roll up.

(2) Pro-rated by 16/36 for time elapsed from grant and by 25% for performance including 399 shares for dividend roll up.

Rightmove Deferred Share Bonus Plan (DSP)

DSP awards granted in respect of prior years' performance will vest or vested in full on the original vesting dates and be exercisable for 12 months.

Award Date	Performance Period	Normal Vesting Date	Award (number of shares)
6 March 2019	1 January 2018 to 31 December 2018	6 March 2021	40,579 ⁽¹⁾
4 March 2020	1 January 2019 to 31 December 2019	4 March 2022	28,213

(1) The deferred shares granted under the DSP on 6 March 2019 vested in March 2021. Robyn Perriss exercised the nil cost option over 40,579 shares on 8 June 2021 and sold all the shares at an average market price of £6.24 per share

Details of Robyn's salary, benefits and cash bonus for 2020 are shown in the 2020 Directors' Single Figure Remuneration Table above.

Review of past performance

Share price performance

The Company's share price ended the year at £7.95, up 22% year on year, compared to the FTSE 100 Index and the FTSE 350 Indices which were both up 14%. On a three-year basis the share price has increased by 84% and the FTSE 100 and FTSE 350 Indices rose by 10% and 14% respectively. Rightmove's Total Shareholder Return performance relative to those indices over three and ten years is shown in the graphs below.

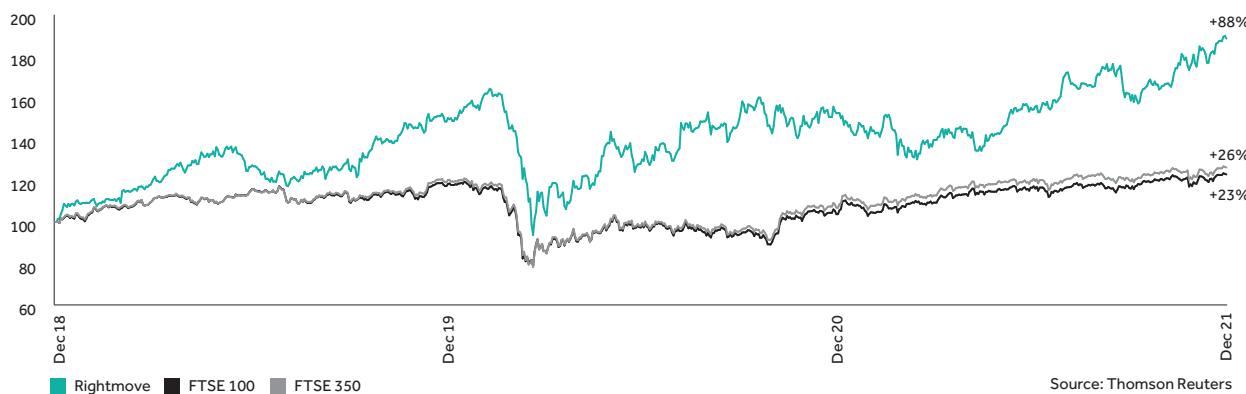
Total shareholder return (TSR)

The first graph below compares the TSR of Rightmove's shares against the FTSE 100 Index and the FTSE 350 Index for the three-year period from 1 January 2019 to 31 December 2021. TSR is the product of movements in the share price plus dividends reinvested on the ex-dividend date. TSR provides a useful, widely used benchmark to illustrate the Company's performance over the last three years. Specifically, it illustrates the value of £100 invested in Rightmove's shares and in the FTSE 100 Index and the FTSE 350 Index over that period.

As required by the Act, the Company's TSR performance is shown against a recognised broad-based share index; the FTSE 100 and the FTSE 350 indices are both considered appropriate comparators.

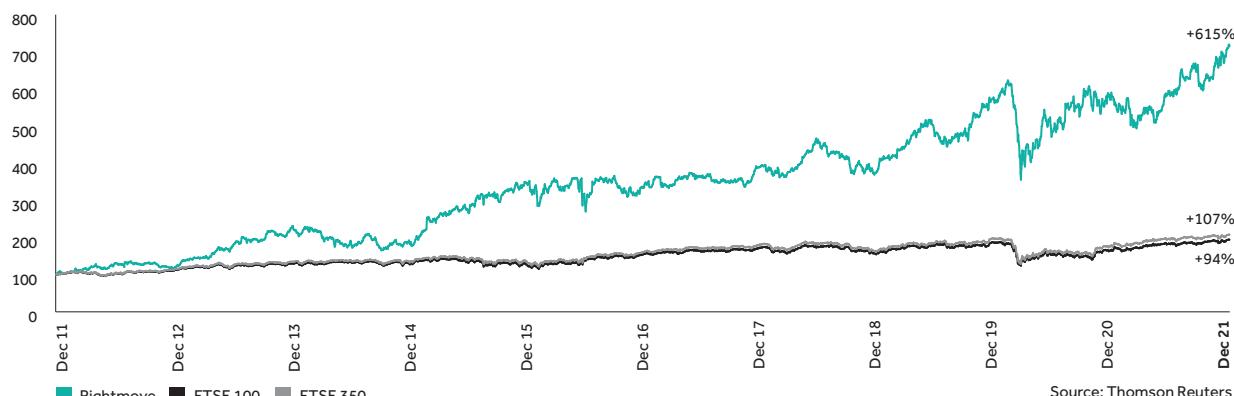
The graphs below illustrate, for statutory purposes, the TSR of Rightmove's shares against the FTSE 100 Index and the FTSE 350 Index for the three and ten years to 31 December 2021.

TSR Graph – three years



This graph shows the value, by 31 December 2021, of £100 invested in Rightmove on 31 December 2018, compared with the value of £100 invested in the FTSE 100 and the FTSE 350 Indices on a daily basis.

TSR Graph – ten years



This graph shows the value, by 31 December 2021, of £100 invested in Rightmove on 31 December 2011, compared with the value of £100 invested in the FTSE 100 and the FTSE 350 Indices on a daily basis.

Total remuneration for the Chief Executive Officer

The table below shows the total remuneration figure for the Chief Executive Officer over a ten-year performance period. The total remuneration figure includes the annual bonus and long-term incentive awards that vested based on performance in those years.

Year	Executive	Total single figure £	Annual bonus outturn (% of maximum)	Long-term incentive outturn (% of maximum)
2021	Peter Brooks-Johnson	1,673,673	84%	25%
2020	Peter Brooks-Johnson	960,827	18.5%	25%
2019	Peter Brooks-Johnson	2,155,759	65%	85%
2018	Peter Brooks-Johnson	1,490,178	78%	67%
2017	Peter Brooks-Johnson ⁽¹⁾	504,557	60%	100%
	Nick McKittrick ⁽¹⁾	1,223,443	n/a	100%
2016	Nick McKittrick	2,126,923	92%	100%
2015	Nick McKittrick	2,300,349	100%	100%
2014	Nick McKittrick	1,599,610	70%	92%
2013	Nick McKittrick	531,371	85%	100%
	Ed Williams ⁽²⁾	1,531,515	n/a	100%
2012	Ed Williams	2,219,882	90%	100%

(1) Nick McKittrick was Chief Executive Officer and a Director until 9 May 2017 and retired from Rightmove on 30 June 2017. Peter Brooks-Johnson was appointed Chief Executive Officer on 9 May 2017.

(2) Ed Williams was Chief Executive Officer until his retirement on 30 April 2013. Nick McKittrick was appointed Chief Executive Officer at this time..

Percentage change in the remuneration of Directors compared with employees

The table below sets out the percentage change in the remuneration of all the Directors of the Company compared with the average of all employees between 2020 and 2021, based on the figures shown in the single figure tables above.

	% increase/(decrease) in remuneration of the Directors compared with the average of all employees between 2020 and 2021			
	Actual increase in salary or fees	Increase in contractual salary or fees ⁽¹⁾	Benefits	Bonus
Peter Brooks-Johnson ⁽¹⁾	8.0%	1.0%	-2.4%	358.6%
Alison Dolan ⁽²⁾	217.4%	1.0%	1,112.0%	1,319.5%
Andrew Fisher ⁽¹⁾	8.0%	1.0%	—	—
Jacqueline de Rojas ⁽³⁾	16.9%	9.3%	—	—
Andrew Findlay ⁽¹⁾	8.0%	1.0%	—	—
Rakhi Goss-Custard ⁽¹⁾	8.0%	1.0%	—	—
Lorna Tilbian ⁽¹⁾	8.0%	1.0%	—	—
Amit Tiwari ⁽¹⁾	8.0%	1.0%	—	—
Employees	6.2%	1.3%	7.8%	-4.3%

(1) Directors volunteered a 20% reduction in their salaries and fees for four months from April to July 2020. Directors' salaries and fees increased by 1% on 1 January 2021, a pay rise that applied to all Group employees.

(2) Alison Dolan was appointed to the Board on 7 September 2020, earned four months' salary and was enrolled for one month's benefits (including pension) in 2020, compared to 12 months in 2021. Her salary increased by 1%, which applied to all Group employees' salaries. Alison's 2020 bonus was pro-rated for time and 18.5% of the maximum payable for performance, compared with a bonus payout of 84% of the maximum for the full year 2021.

(3) The fee for our Senior Independent Director, Jacqueline de Rojas, increased from £5,000 to £10,000 per annum from January 2021. Her Non-Executive Director fee increased by 1%, which applied to all Group employees' salaries.

Pay ratio information in relation to the total remuneration of the Chief Executive Officer

The table below shows the total remuneration of our Chief Executive Officer compared to the equivalent remuneration for our employees, who are all based in the UK.

We have calculated the full-time equivalent remuneration for all Group employees using the Government's preferred Option A and identified the total remuneration figure at the 25th, 50th and 75th percentile. We then compared each percentile figure against our CEO's single figure for total remuneration to determine the pay ratios set out below.

Year	Method	CEO's total remuneration ⁽¹⁾	All employees					
			25 th percentile	Median	75 th percentile	25 th percentile pay ratio	Median pay ratio	75 th percentile pay ratio
2021	Option A	1,673,673 ⁽²⁾	26,730	49,386	72,203	63	34	23
2020	Option A	960,827	29,854	51,155	73,266	32	19	13

(1) The CEO's total remuneration comprises salary, benefits, bonus and the value of long-term incentives, including PSP awards. The 2020 total remuneration figure has been restated for vested PSP and Sharesave awards.

(2) £125,188 of the CEO's remuneration was attributable to share price growth in respect of the PSP award granted in 2019. The share price was £4.89 at the grant date of the 2019 PSP award, and increased to £7.28 being the average share price for the 3 months ending 31 December 2021.

Relative importance of the spend on pay

The table below shows the total pay for all Rightmove's employees compared to other key financial indicators.

Additional information on the number of employees, total revenue and operating profit has been provided for context.

	Year ended 31 December 2021	Year ended 31 December 2020	Year ended 31 December 2019	% change
Employee costs (refer Note 7)	£37,974,000	£34,832,000		9%
Dividends paid to shareholders (refer Note 12) ⁽¹⁾	£64,494,000	£0	£60,173,000	7%
Purchase of own shares (refer Note 23)	£174,369,000	£30,125,000		479%
Income tax (refer Note 10)	£42,555,000	£25,040,000		70%
Average number of employees (refer Note 7) ⁽²⁾	572	558		3%
Revenue	£304,886,000	£205,717,000		48%
Operating profit	£226,100,000	£135,142,000		67%

(1) No dividends were paid in 2020; the percentage increase in dividends paid between 2019 and 2021 is shown as the best comparison.

(2) The average number of employees includes Executive Directors and Group employees.

Application of Policy for the year ending 31 December 2022

Salaries

The Executive Directors' salaries for the 2022 financial year are set out in the table below:

	Salary 1 January 2022	Salary 31 December 2021	Change
Executive Directors			
Peter Brooks-Johnson	£531,196	£515,724	3%
Alison Dolan	£405,717	£393,900	3%

The 3% increase in base salaries for Executive Directors is in line with the increase applied to other Group employees for 2022. Executive salaries remain below the market median for executives in comparable companies. All employee salaries are subject to annual review and market adjustments as

appropriate; the Committee also approves salaries for the Senior Leadership Team and other key roles.

Pension and other benefits

The Group operates a stakeholder pension plan for all employees (including Executive Directors under the same terms) under which Rightmove contributes 6% of base salary, subject to the employee contributing a minimum of 3% of base salary. Alison Dolan, CFO participated in the pension plan during the year. The Company did not contribute to any personal pension arrangements.

The Executive Directors are enrolled on the same terms as all employees in the Group's private medical insurance scheme, the medical cash plan and receive life assurance cover equal to four times base salary.

Annual bonus

The annual bonus for the 2022 financial year will be consistent with the 2020 Remuneration Policy, in terms of maximum bonus opportunity (175% of base salary), deferral (40% cash and 60% shares) and malus and clawback provisions. The mechanism through which the clawback can be implemented (enabling both the recovery and withholding of incentive pay) enables the Committee to:

- (i) reduce the cash bonus earned in a subsequent year and/or reduce outstanding DSP/PSP share awards (i.e. withholding provisions may be used to effect a recovery); or
- (ii) for the Committee to require that a net of tax balancing cash payment be made to the Company.

The performance measures for 2022 have been selected to reflect a range of financial and strategic targets that support Rightmove's key objectives. The Committee will continue to use underlying operating profit as an appropriate performance measure for 2022 bonus awards, because it excludes share-based incentive costs and the related national insurance payments.

The performance measures and weightings for the 2022 financial year are as follows:

Measure	As a % of maximum bonus opportunity
Financial target	
Underlying operating profit ⁽¹⁾	60%
Strategic targets	
Traffic market share ⁽²⁾	15%
Rental services ⁽³⁾	10%
Financial Services ⁽⁴⁾	10%
Employee engagement ⁽⁵⁾	5%

(1) Underlying operating profit is defined as operating profit before share-based payments charges (including the related National Insurance).

(2) Time in minutes spent on Rightmove platforms, measured by Comscore, relative to our nearest competitors (Zoopla.co.uk and PrimeLocation.com).

(3) Based on number of references delivered by Rental Services.

(4) Based on volume of Mortgage outcomes delivered by Rightmove Financial Services.

(5) Based on the results of the annual employee engagement survey.

In relation to the financial target a challenging sliding scale will operate with 10% of the maximum bonus opportunity payable at the threshold operating profit target relative to the 2022 business plan through to 100% payable for significant outperformance relative to the plan.

The performance measures have changed from 2021, reflecting the Group's strategic focus on its Mortgage proposition and Rental Services. The financial target weighting is 60% for underlying operating profit and 40% for key operational performance indicators (traffic, references, mortgages and employee engagement). The new operational targets are designed to directly drive revenue.

The specific financial targets for the 2022 financial year are considered to be commercially sensitive. However, retrospective disclosure of the actual targets and performance against them will be provided as usual in the 2022 Remuneration Report, to the extent that they do not remain commercially sensitive at that time.

Long-term incentives

Awards to Executive Directors under the PSP in 2022 will be consistent with the 2020 Remuneration Policy, with a maximum bonus opportunity of 175% of base salary. The awards will again be subject to a mixture of EPS (50%) and relative TSR (50%) performance conditions and subject to a two year post-vesting holding period.

The 2022 targets are as follows:

EPS performance condition

The Group's EPS growth will be measured over the period of three financial years (2022 to 2024). The EPS figure used will be equivalent to the Group's underlying EPS⁽¹⁾. With a view to ensuring appropriately stretching but achievable targets are set in light of market expectations for the Group, the following range of targets will apply to the 2022 awards:

Underlying EPS growth from 2022 to 2024 ⁽²⁾	% of award vesting (maximum 50%)
Less than 38%	0%
38%	12.5%
44%	50%
Between 38% and 44%	Straight-line vesting

(1) Underlying earnings per share is defined as underlying profit (profit for the year before share-based payments charges, including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue for the period.

(2) The benchmark underlying EPS for the financial year 2021 from which these targets will be measured is 21.8p.

The targets that are intended to operate for the 2022 PSP awards are considered to be demanding in light of the current trading environment, the Group's starting position, internal financial planning and external market expectations for future growth. The Committee is satisfied that the range of targets remain appropriately demanding, and no less challenging than the range of targets set for prior year awards.

Relative TSR performance condition

The vesting schedule for the relative TSR element of Executive Directors' 2022 PSP awards is set out below. Relative TSR will be assessed against the FTSE 350 Index, reflecting the Company's size in terms of market capitalisation.

Performance will be measured over three financial years.

TSR performance of the Company relative to the FTSE 350 Index ⁽¹⁾	% of award vesting (maximum 50%)
Less than the Index	0%
Equal to the Index	12.5%
25% higher than the Index	50%
Intermediate performance	Straight-line vesting

(1) If the FTSE 350 Index's TSR was 50% over the three-year performance period, then the Company's TSR would have to be at least 75% for all 50% of the PSP shares to vest.

Chair and Non-Executive Directors' fees

The Chair's and Non-Executive Directors' fees for 2022 are set out in the table below:

Role	2021 Fees £	2022 Fees £
Chair	202,000	208,060
Non-Executive Director (basic fee)	55,550	57,217
Committee Chair (excluding the Nomination Committee)	15,150	15,605
Senior Independent Director	10,000	10,300

The 3% increase in fees for the Non-Executive Directors is in line with the increase applied to other Group employees for 2022.

Details of the fees paid to Directors in 2021 can be found earlier in this report.

Shareholder voting on the Remuneration Policy and Annual Report

At the AGM on 7 May 2021, shareholders again voted overwhelmingly in favour of the Directors' Remuneration Report, demonstrating a strong level of shareholder support for Rightmove's management and their remuneration.

The table below shows full details of the voting outcomes for the Directors' Remuneration Report at the 2021 AGM and the Remuneration Policy at the 2020 AGM:

	Votes for	% Votes for	Votes against	% Votes against	Votes withheld ⁽¹⁾
Directors' Remuneration Report	650,959,737	94.40	38,616,588	5.60	10,025,867
Remuneration Policy (2020)	684,058,225	96.08	27,900,733	3.92	793,538

(1) A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast 'For' and 'Against' a resolution.

In line with the Company's commitment to ongoing dialogue with its shareholders, the Committee has corresponded with major shareholders to invite their feedback on the 2022 remuneration proposals.

The Directors submit their report together with the audited financial statements for the Company (Number: 06426485) and its subsidiary companies (the Group) for the year ended 31 December 2021.

The Directors' Report includes these pages, the sections of the Annual Report referred to in the Corporate Governance statement and other information below which are all incorporated into the Directors' Report by reference. The Board has included certain disclosures in the Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (the Act).

Corporate governance statement

The Disclosure, Transparency and Guidance Rules (DTR) require certain information to be included in a corporate governance statement in the Directors' Report. Information that fulfils these requirements can be found in the Corporate Governance Report and is incorporated into the Directors' Report by reference.

Strategic Report

The Strategic Report can be found on pages 1 to 61. The Act requires this Annual Report to present a fair, balanced and understandable view of Rightmove's business during the year ended 31 December 2021 and of the position of the Group at the end of the financial period, together with a description of the principal risks and uncertainties facing the business.

For the purposes of compliance with DTR 4.1 the required content of the management report can be found in the Strategic Report and this Directors' Report, including the sections of the Annual Report incorporated by reference.

Directors' Duties

A statement of how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on principal decisions taken by the Company, can be found in the Section 172 Statement (Working with our Stakeholders) in the Strategic Report.

Directors

The Directors of the Company as at the date of this report are Andrew Fisher, Peter Brooks-Johnson, Alison Dolan, Jacqueline de Rojas, Andrew Findlay, Rakhi Goss-Custard, Lorna Tilbian and Amit Tiwari. Biographies of each Director can be found in the Corporate Governance Report.

Share capital and Shareholder Voting Rights

The shares in issue, including 12,480,472 shares of 0.1p held in treasury (2020: 13,285,490 shares) at the year-end, amounted to 859,678,232 shares of 0.1p (2020: 886,387,616 shares), with a nominal value of £859,678 (2020: £886,388).

The rights and obligations attached to each 0.1p ordinary share are as set out in the Company's Articles of Association. The holders of each ordinary share in the Company are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. Other than the usual regulations applicable for UK listed companies, there are no restrictions on the transfer of the Company's shares.

Results and dividends

The Group reported operating profit before tax for the year of £226.1m (2020: £135.1m). The Directors are recommending a final dividend for the year of 4.8p per share (2020: 4.5p) amounting to £40.4m (2020: £38.9m). The interim dividend for 2021 was 3p per share (2020: Nil) bringing the total dividend for the year to 7.8p per share (2020: 4.5p).

Subject to shareholder approval at the Annual General Meeting (AGM) on 6 May 2022, the final dividend will be paid on 27 May 2022 to shareholders on the register of members at the close of business on 29 April 2022.

Share buyback

The Company's share buyback programme resumed in March 2021 and of the 10% authority granted by shareholders at the 2021 AGM, a total of 26,709,384 shares (2020: 5,028,392 shares) were purchased in the year to 31 December 2021, being 3.1% (2020: 0.6%) of the shares in issue (excluding shares held in treasury) at the time the authority was granted. The average price paid per share was £6.53 (2020: £5.99 per share) with a total consideration paid (excluding all costs) of £174,369,302 (2020: £30,124,778).

Since January 2008, 459,375,838 shares have been purchased in total; 12,480,472 shares of 0.1p were held in treasury as at 31 December 2021, the remainder of which were cancelled. A resolution seeking to renew this authority will be put to shareholders at the AGM on 6 May 2022.

Shares held in trust

As at 31 December 2021, 1,158,418 shares (2020: 1,395,476 shares) were held by The Rightmove Employees' Share Trust (EBT) for the benefit of Group employees. These shares had a nominal value at 31 December 2021 of £1,158 (2020: £1,395) and a market value of £9,209,423 (2020: £9,084,549). The shares held by the EBT may be used to satisfy share-based incentives for the Group's employee share plans. During 2021, 237,058 shares (2020: 817,714 shares) were transferred to Group employees following the exercise of share options under the Sharesave plan and the Restricted Share Plan.

Additionally, 148,147 shares (2020: 113,465 shares) were purchased by the EBT for transfer to the Rightmove Share Incentive Plan Trust (SIP). The terms of the EBT provide that dividends payable on the shares held by the EBT are waived. In addition, 20,278 shares of 0.1p (2020: Nil) were purchased by the SIP to partly satisfy the all employee Free Share Award in December 2021.

As at 31 December 2021, 787,000 shares (2020: 757,575 shares) were held by the SIP for the benefit of Group employees. These shares had a nominal value at 31 December 2021 of £787 (2020: £758) and a market value of £6,256,650 (2020: £4,931,813). The shares held by the SIP are awarded as free shares to eligible employees each year and are held in trust for a period of three years before an employee is entitled to take ownership of the shares. During the year, 139,000 shares (2020: 141,020 shares) were transferred to Group employees under the SIP rules.

Research and development

The Group undertakes research and development activity in order to develop new products and to continually improve the existing property platforms. Further details are disclosed in Note 2 to the financial statements.

Political and charitable donations

During the year the Group did not make donations to any political party or other political organisation and did not incur any political expenditure within the meanings of sections 362 to 379 of the Act (2020: £nil). Details of the Group's charitable donations are set out in the Sustainability Report.

Annual General Meeting

The AGM of the Company will be held at the offices of UBS, 5 Broadgate, London EC2M 2QS on 6 May 2022 at 10am. The Notice of Annual General Meeting will be published in March 2022.

The resolutions being proposed at the 2022 AGM include the appointment of a new Auditor (EY LLP), the renewal for a further year of the limited authority of the Directors to allot unissued share capital of the Company and to issue shares for cash other than to existing shareholders (in line with the Pre-Emption Group's Statement of Principles), and a resolution to renew the Directors' authority to purchase a proportion of the Company's own shares. The Company will again seek shareholder approval to hold general meetings (other than AGMs) at 14 days' notice. Resolutions will be proposed to renew these authorities, which would otherwise expire at the 2022 AGM.

Auditor

KPMG LLP will resign and Ernst & Young LLP (EY) will be appointed as the auditor of the Group, subject to shareholder approval at the AGM. In accordance with section 489 of the Act, separate resolutions for the appointment of EY and for the Audit Committee to determine the auditor's remuneration will be proposed at the 2022 AGM.

Audit information

So far as the Directors in office at the date of this report are aware, there is no relevant audit information of which the auditor is unaware and each Director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Substantial shareholdings

As at the date of this report, the following beneficial interests in 3% or more of the Company's issued ordinary share capital (excluding shares held in treasury) held on behalf of the organisations shown in the table below, had been notified to the Company pursuant to DTR 5.1. The information provided below was correct as at the date of notification, where indicated this was not in the 2021 financial year. It should be noted that these holdings are likely to have changed since they were notified to the Company. However, notification of any change is not required until the next applicable threshold is crossed.

Shareholder	Nature of holding	Total voting rights	% of total voting rights ⁽¹⁾
Kayne Anderson Rudnick Investment Management, LLC	Direct American Depository Receipts	67,322,525 34,121,006	7.95% 4.03%
BlackRock Inc ⁽²⁾	Indirect Contracts for difference Stock Lending	50,160,300 5,473,130 16,304,460	5.92% 0.65% 1.92%
Marathon Asset Management LLP	Indirect	42,877,709	5.06%
Baillie Gifford & Co ⁽²⁾	Indirect	58,736,140	6.93%
Standard Life Aberdeen ⁽²⁾	Indirect	45,307,190	5.35%
Generation Investment Management LLP ⁽²⁾	Indirect	45,181,680	5.33%
Axa Investment Managers SA ⁽²⁾	Indirect Contracts for difference	44,413,780 376,620	5.24% 0.04%

(1) The above percentages are based upon the voting rights share capital (being the shares in issue less shares held in treasury) of 847,197,760 as at 25 February 2022.

(2) Date of notification preceded the 2021 financial year.

Articles of association

Any amendment to the Articles may be made in accordance with the provisions of applicable English law concerning companies, specifically the Act (as amended from time to time), by way of special resolution at a general meeting of the shareholders.

Compensation for loss of office

There are no additional agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid, except that provisions of the Company's share plans may allow options and awards granted to Directors and employees to vest on a takeover.

Transactions with Related Parties

During the year under review neither the Company nor its subsidiaries entered into any material transactions with any related parties, other than those disclosed in Note 28 to the financial statements.

Post-balance sheet events

There have been no balance sheet events since the end of the 2021 financial year.

Branches

Neither the Company nor its subsidiaries have branches outside the UK.

Other Information

Information	Location in Annual Report
Financial instruments and financial risk management	Notes 3 and 26, Financial Statements
Appointment, removal and powers of Directors	Corporate Governance Report
Future developments of the Group's business	Strategic Report ⁽¹⁾
Employee engagement	Strategic Report: Sustainability Report ⁽¹⁾
Employee share schemes	Strategic Report: Sustainability Report ⁽¹⁾ and Directors' Remuneration Report
Health and safety and employee-related policies including diversity and disability	Strategic Report: Sustainability Report ⁽¹⁾
Movements in share capital	Note 23, Financial Statements
Share-based incentives	Note 25, Financial Statements
Long-term incentive plans	Directors' Remuneration Report
Energy and Greenhouse Gas Report	Strategic Report: Sustainability Report ⁽¹⁾
Fair, balanced and understandable	Audit Committee report and Directors' statement of responsibilities
Directors' indemnities	Corporate Governance Report

(1) The Board has taken advantage of section 414C(11) of the Act to include disclosures in the Strategic Report on the items indicated above.

The Directors' Report was approved by the Board on 25 February 2022.

Signed on behalf of the Board:

Peter Brooks-Johnson

Chief Executive Officer

25 February 2022

Statement of Directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements on the same basis. In addition, the Group financial statements are required under the UK Disclosure Guidance and Transparency Rules to be prepared in accordance with International Financial Reporting Standards.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the strategic report/directors' report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Signed on behalf of the Board:

Peter Brooks-Johnson
Chief Executive Officer

Alison Dolan
Chief Financial Officer

25 February 2022



1. Our opinion is unmodified

We have audited the financial statements of Rightmove plc ("the Company") for the year ended 31 December 2021 which comprise the Consolidated statement of comprehensive income, Consolidated statement of financial position, company statement of financial position, Consolidated statement of cash flows, Company statement of cash flows, Consolidated statement of changes in shareholders' equity and Company statement of changes in shareholders' equity, and the related notes, including the accounting policies.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors to the Group's previous holding company, prior to becoming a public interest entity, for the financial period ended 31 December 2000. The period of total uninterrupted engagement is for the 16 financial years ended 31 December 2021 as a public interest entity and 22 years in total. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality: Group financial statements as a whole	£9.3m (2020: £5.8m) 4.1% (2020: 4.3%) of profit before tax
Coverage	99.6% (2020: 99.8%) of group profit before tax
Key audit matters	vs 2020
Recurring risks	Agency and New Homes revenue recognition Recoverability of parent Company's investment in subsidiaries

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters (unchanged from 2020), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Agency and New Homes revenue recognition (£274.5m; 2020: £182.3m) Refer to page 74 (Audit Committee Report), page 123 to 124 (accounting policy) and page 133, note 5 (financial disclosure)	<p>Processing error: The key revenue streams, being Agency and New Homes, consist of subscription fees and customer spend on additional advertising products in respect of properties listed on Rightmove platforms.</p> <p>There are a variety of packages and membership offers available and customers are able to tailor both the specific add-on products (purchased in addition to the subscribed membership package) and the volume of these that they receive.</p> <p>The variability of product and pricing combinations available to customers, creates a risk of pricing processing error, in particular revenue being recognised at the incorrect amount.</p> <p>In addition, revenue is the most material figure in the financial statements and is considered to be a main driver of results, and as such has the greatest effect on our allocation of resources in planning the audit.</p>	<p>Our procedures included: We performed the detailed tests below rather than seeking to rely on any of the Group's controls because our existing knowledge of related IT controls indicated that we would not be able to obtain the required evidence to support reliance on controls.</p> <p>Test of detail: Using statistical sampling we selected revenue transactions recorded throughout the year. We agreed a sample through to source documentation in order to assess whether revenue had been recognised in line with the products and rates agreed by the customer.</p> <p>Test of detail: For a sample of the highest revenue generating customers, we inspected contracts signed in the year, to assess whether revenue had been recognised in accordance with the specific contract terms and conditions. We also compared the standard packages against the revenue recognition policy.</p> <p>Test of detail: We inspected a sample of credit notes raised during the year and post year end to determine whether they related to revenue recognised in the year.</p> <p>Test of detail: We obtained all journals posted in respect of revenue and, using computer assisted audit techniques, analysed these to identify whether there were any entries which were unexpected based upon the specific characteristics of the journal, considering in particular whether the opposite side of the journal entry was as expected, based on our business understanding. We tested a sample of journal entries back to supporting evidence to assess whether revenue had been recognised appropriately.</p> <p>Our results We found no exceptions performing the procedures described above (2020: We found no exceptions performing the procedures described).</p>
Recoverability of parent Company's investment in subsidiaries (£560.7m; 2020: £557.6m) Refer to page 74 (Audit committee Report), page 125 (accounting policy) and page 140, note 15 (financial disclosures)	<p>Low risk, high value: The carrying amount of the parent Company's investments in the subsidiary company Rightmove Group Limited represents 99.9% (2020: 99.9%) of the Company's total assets.</p> <p>Its recoverability is not at a high risk of significant misstatement or subject to significant judgement. However, due to its materiality in the context of the parent company financial statements, this is considered to be the area that will have the greatest effect on our overall parent company audit.</p>	<p>We performed the tests below rather than seeking to rely on any of the Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.</p> <p>Our procedures included:</p> <p>Comparing valuations: Comparing the carrying amount of the investment to the market capitalisation of the Group, as Rightmove Group Limited contains all of the Group's trading operations to ascertain whether there were any indicators of impairment.</p> <p>Our results We found the Company's conclusion that there is no impairment of its investments in subsidiaries to be acceptable (2020: acceptable).</p>

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £9.3m (2020: £5.8m), determined with reference to a benchmark of Group profit before tax, of which it represents 4.1% (2020: 4.3%).

Materiality for the parent company financial statements as a whole was set at £6.975m (2020: £4.4m), determined with reference to a benchmark of Company net assets, of which it represents 1.3% (2020: 1.1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality for the Group and parent company was set at 75% (2020: 75%) of materiality for the financial statements as a whole, which equates to £6.975m (2020: £4.4m) for the group and £5.23m (2020: £3.2m) for the parent company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.465m (2020: £0.29m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's four (2020: four) reporting components, we subjected two (2020: two) to full scope audits for Group purposes. All components are audited by the Group audit team. There are no specific risks that are material to the Group in the components not in Group scope. The components within the scope of our work accounted for the percentages illustrated opposite.

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

Group profit before tax

£225.6m
(2020: £134.8m)



■ Group pbt
■ Group materiality

Group materiality

£9.3m (2020: £5.8m)

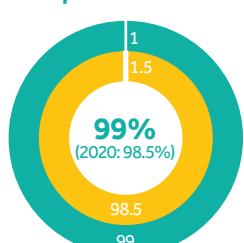
£9.3m
Whole financial statements materiality (2020: £5.8m)

£6.975m
Whole financial statements performance materiality (2020: £4.4m)

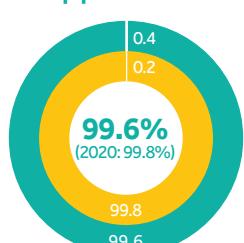
£6.975m
Component materiality (2020: £4.4m)

£0.465m
Misstatements reported to the audit committee (2020: £0.29m)

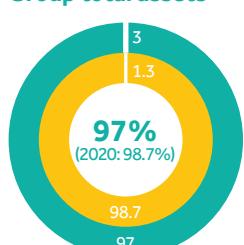
Group revenue



Group profit before tax



Group total assets



■ Full scope for Group audit purposes 2021
■ Full scope for Group audit purposes 2020
□ Residual components

4. The impact of climate change on our audit

We considered the potential impacts of climate change on the financial statements as part of planning our audit. Taking into account the nature of the business operations, the relatively low level of long term assets and the solvency of the group we did not identify any risks that significantly impact the financial statements of the Group or our audit.

We read the disclosure of climate related information in the front half of the annual report and considered consistency with the financial statements and our audit knowledge.

5. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's available financial resources over this period was lower than expected revenues arising from a downturn in the housing market, increased competition and / or disruptive technology and the resultant reduction in customer activity on the Group's website.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash and facilities (a reverse stress test). We also assessed the completeness of the going concern disclosure.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that

basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and

- the related statement under the Listing Rules set out on page 33 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, audit committee and remuneration committee minutes.
- Considering remuneration incentive schemes and performance targets for directors and management including the EPS target for management remuneration.
- Using analytical procedures to identify any usual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue consists of a high volume of low value transactions with no individually significant transactions such that there is a remote chance that fraudulent revenue recognition could have a material impact on the financial statements. Further, the revenue transactions are simple and are largely automated based on contractual prices established in the billing system which provides little opportunity to fraudulently record revenue.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, those posted by users outside the finance function and those posted to unrelated accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: general data protection regulation, health and safety, anti-bribery, employment law, agency regulations, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of some of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement on page 33 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the principal risks and uncertainties disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the viability statement, set out on page 33 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Report relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

8. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 106, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Anna Jones**

(Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor

Chartered Accountants
Milton Keynes
25 February 2022

	Note	2021 £000	2020 £000
Revenue	5	304,886	205,717
Other income	22	2,407	–
Administrative expenses		(81,193)	(70,575)
Operating profit	6	226,100	135,142
Operating profit before share-based incentive charges	1	230,965	137,521
Share-based incentive charges	1	(4,865)	(2,379)
Financial income	8	20	151
Financial expenses	9	(471)	(478)
Net financial expense		(451)	(327)
Profit before tax		225,649	134,815
Income tax expense	10	(42,555)	(25,040)
Profit for the year being total comprehensive income		183,094	109,775
Attributable to:			
Equity holders of the Parent		183,094	109,775
Earnings per share (pence)			
Basic	11	21.3	12.6
Diluted	11	21.3	12.6

The accompanying notes form part of these financial statements.

	Note	2021 £000	2020 £000
Non-current assets			
Property, plant and equipment	13	11,990	13,852
Intangible assets	14	21,141	22,112
Deferred tax asset	16	2,169	2,843
Total non-current assets		35,300	38,807
Current assets			
Trade and other receivables	17	23,112	23,450
Contract assets	5	120	334
Income tax receivable		1,057	1,163
Money market deposits	18	5,003	—
Cash and cash equivalents	18	42,985	96,690
Total current assets		72,277	121,637
Total assets		107,577	160,444
Current liabilities			
Trade and other payables	19	(22,757)	(18,925)
Lease liabilities	21	(2,177)	(2,023)
Contract liabilities	5	(2,633)	(1,570)
Provisions	22	(61)	(666)
Total current liabilities		(27,628)	(23,184)
Non-current liabilities			
Lease liabilities	21	(8,832)	(10,287)
Provisions	22	(585)	(2,969)
Deferred tax liability	16	—	(859)
Total non-current liabilities		(9,417)	(14,115)
Total liabilities		(37,045)	(37,299)
Net assets		70,532	123,145
Equity			
Share capital	23	860	887
Other reserves		572	545
Retained earnings (net of own shares held)		69,100	121,713
Total equity attributable to the equity holders of the Parent		70,532	123,145

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board of directors on 25 February 2022 and were signed on its behalf by:

Peter Brooks-Johnson
Director

Alison Dolan
Director

	Note	2021 £000	2020 £000
Non-current assets			
Investments	15	560,740	557,622
Deferred tax asset	16	481	549
Total non-current assets		561,221	558,171
Total assets		561,221	558,171
Current liabilities			
Trade and other payables	19	(22,981)	(47,464)
Total current liabilities		(22,981)	(47,464)
Net assets		538,240	510,707
Equity			
Share capital	23	860	887
Other reserves		127,684	124,539
Retained earnings (net of own shares held)		409,696	385,281
Total equity attributable to the equity holders of the Parent		538,240	510,707

The profit for the year of the Company was £264,764,000 (2020: loss £707,000).

The accompanying notes form part of these financial statements.

Registered Company number: 6426485

The financial statements were approved by the Board of directors on 25 February 2022 and were signed on its behalf by:



Peter Brooks-Johnson
Director



Alison Dolan
Director

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Profit for the year		183,094	109,775
Adjustments for:			
Depreciation charges	13	3,448	3,259
Amortisation charges	14	991	1,011
Financial income	8	(20)	(151)
Financial expenses	9	471	478
Non-cash gain and movements in other provisions		(84)	(20)
Share-based payments	25	3,923	2,102
Income tax expense	10	42,555	25,040
Operating cash flow before changes in working capital		234,378	141,494
Decrease in trade and other receivables		338	507
Increase/(decrease) in trade and other payables		3,832	(572)
(Decrease)/increase in provisions		(2,989)	465
Decrease in contract assets		214	95
Increase/(decrease) in contract liabilities		1,063	(541)
Cash generated from operating activities		236,836	141,448
Financial expenses paid		(209)	(198)
Income taxes paid		(41,611)	(44,959)
Net cash from operating activities		195,016	96,291
Cash flows used in investing activities			
Interest received on cash and cash equivalents		23	160
(Increase)/reduction in money market deposits		(5,003)	4,141
Acquisition of property, plant and equipment	13	(700)	(2,308)
Acquisition of intangible assets	14	(19)	(1,169)
Net cash used in investing activities		(5,699)	824
Cash flows used in financing activities			
Net dividends	12	(64,447)	2
Purchase of own shares for cancellation	23	(174,369)	(30,125)
Purchase of own shares for share incentive plans	24	(1,284)	(765)
Share-related expenses	23	(1,224)	(211)
Payment of lease liabilities	21	(2,464)	(2,159)
Proceeds on exercise of share-based incentives		766	716
Net cash used in financing activities		(243,022)	(32,542)
Net increase/(decrease) in cash and cash equivalents		(53,705)	64,573
Cash and cash equivalents at 1 January		96,690	32,117
Cash and cash equivalents at 31 December	18	42,985	96,690

The accompanying notes form part of these financial statements.

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Profit/(loss) for the year		264,764	(707)
Adjustments for:			
Dividend income	27	(268,338)	(734)
Financial expenses	27	238	279
Share-based payments	25	762	(966)
Income tax credit		(1,078)	(441)
Operating cash flow before changes in working capital		(3,652)	(2,569)
Increase in trade and other payables		3,652	2,569
Cash generated from operating activities		—	—
Net decrease in cash and cash equivalents		—	—
Cash and cash equivalents at 1 January		—	—
Cash and cash equivalents at 31 December	18	—	—

The accompanying notes form part of these financial statements.

	Note	Share capital £000	Own shares held £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
At 1 January 2020		892	(11,744)	402	138	51,652	41,340
Total comprehensive income							
Profit for the year		—	—	—	—	109,775	109,775
Transactions with owners recorded directly in equity							
Share-based payments	25	—	—	—	—	2,102	2,102
Tax credit in respect of share-based incentives recognised directly in equity	10	—	—	—	—	311	311
Net dividends	12	—	—	—	—	2	2
Exercise of share-based incentives	24	—	957	—	—	(241)	716
Purchase of shares for share incentive plans	24	—	(765)	—	—	—	(765)
Cancellation of own shares	23	(5)	—	5	—	(30,125)	(30,125)
Share-related expenses	23	—	—	—	—	(211)	(211)
At 31 December 2020		887	(11,552)	407	138	133,265	123,145
At 1 January 2021		887	(11,552)	407	138	133,265	123,145
Total comprehensive income							
Profit for the year		—	—	—	—	183,094	183,094
Transactions with owners recorded directly in equity							
Share-based payments	25	—	—	—	—	3,923	3,923
Tax credit in respect of share-based incentives recognised directly in equity	10	—	—	—	—	928	928
Net dividends	12	—	—	—	—	(64,447)	(64,447)
Exercise of share-based incentives	24	—	1,248	—	—	(482)	766
Purchase of shares for share incentive plans	24	—	(1,284)	—	—	—	(1,284)
Cancellation of own shares	23	(27)	—	27	—	(174,369)	(174,369)
Share-related expenses	23	—	—	—	—	(1,224)	(1,224)
At 31 December 2021		860	(11,588)	434	138	80,688	70,532

The accompanying notes form part of these financial statements.

	Note	Share capital £000	Own shares held £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
At 1 January 2020		892	(9,552)	17,946	103,520	427,519	540,325
Total comprehensive income							
Loss for the year		–	–	–	–	(707)	(707)
Transactions with owners recorded directly in equity							
Share-based payments	25	–	–	–	–	(966)	(966)
Tax credit in respect of share-based incentives recognised directly in equity	10	–	–	–	–	55	55
Capital contribution	24	–	–	3,068	–	–	3,068
Dividends to shareholders	12	–	–	–	–	2	2
Transfer of shares to SIP		–	(734)	–	–	–	(734)
Exercise of share-based incentives		–	560	–	–	(560)	–
Cancellation of own shares	23	(5)	–	5	–	(30,125)	(30,125)
Share-related expenses	23	–	–	–	–	(211)	(211)
At 31 December 2020		887	(9,726)	21,019	103,520	395,007	510,707
At 1 January 2021		887	(9,726)	21,019	103,520	395,007	510,707
Total comprehensive income							
Profit for the year		–	–	–	–	264,764	264,764
Transactions with owners recorded directly in equity							
Share-based payments	25	–	–	–	–	762	762
Tax credit in respect of share-based incentives recognised directly in equity	10	–	–	–	–	211	211
Capital contribution	24	–	–	3,118	–	–	3,118
Dividends to shareholders	12	–	–	–	–	(64,447)	(64,447)
Transfer of shares to SIP		–	(1,284)	–	–	–	(1,284)
Exercise of share-based incentives		–	975	–	–	(975)	–
Cancellation of own shares	23	(27)	–	27	–	(174,369)	(174,369)
Share-related expenses	23	–	–	–	–	(1,222)	(1,222)
At 31 December 2021		860	(10,035)	24,164	103,520	419,731	538,240

The accompanying notes form part of these financial statements.

1 General information

Rightmove plc (the Company) is a public limited company registered in England (Company no. 6426485) domiciled in the United Kingdom (UK). The consolidated financial statements of the Company as at and for the year ended 31 December 2021 comprise the Company and its interest in its subsidiaries (together referred to as the Group). Its principal business is the operation of the Rightmove platforms, which have the largest audience of any UK property portal (as measured by time on site).

The consolidated financial statements of the Group as at and for the year ended 31 December 2021 are available upon request to the Company Secretary from the Company's registered office at 2 Caldecotte Lake Business Park, Caldecotte Lake Drive, Caldecotte, Milton Keynes, MK7 8LE or are available on the corporate website at plc.rightmove.co.uk.

Statement of compliance

The Group and Company financial statements have been prepared and approved by the Board of directors in accordance with UK-adopted international accounting standards ("UK-adopted IFRS").

The consolidated financial statements were authorised for issue by the Board of directors on 25 February 2022.

Basis of preparation

The accounts have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. On publishing the Company financial statements here together with the Group financial statements, the Company is taking advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual statement of comprehensive income and related notes that form a part of these approved financial statements. The financial statements have been prepared on an historical cost basis.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has existing rights that give it the ability to direct the relevant activities of an entity and has the ability to affect the returns the Group will receive as a result of its involvement with the entity. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Alternative performance measures

In the analysis of the Group's financial performance, certain information disclosed in the financial statements may be prepared on a non-GAAP basis or has been derived from amounts calculated in accordance with IFRS but are not themselves an expressly permitted GAAP measure. These measures are reported in line with the way in which financial information is analysed by management and designed to increase comparability of the Group's year-on-year financial position, based on its operational activity. The key alternative performance measures presented by the Group are:

- *Underlying profit*: which is defined as profit for the year before share-based payments charges (including the related National Insurance and appropriate tax adjustments);
- *Underlying earnings per share (EPS)*: which is defined as underlying profit (profit for the year before share-based payments charges including the related National Insurance and appropriate tax adjustments), divided by the weighted average number of ordinary shares in issue in the period;
- *Underlying operating profit*: which is defined as operating profit before share-based payments charges (including the related National Insurance);
- *Underlying costs*: which is defined as administrative expenses before share-based payments charges (including the related National Insurance); and
- *Underlying operating margin*: which is defined as the underlying operating profit as a percentage of revenue.

The directors believe that these alternative performance measures provide a more appropriate measure of the Group's business performance, as share-based payments are a non-cash charge and are largely driven by a valuation model rather than reflecting operational activity. The directors therefore consider underlying operating profit to be the most appropriate indicator of the performance of the business and year-on-year trends.

1 General information continued

A reconciliation of the underlying performance measures to the GAAP measures are shown below:

Underlying profit

A reconciliation of the profit for the year to the underlying profit is presented below:

	2021 £000	2020 £000
Profit for the year	183,094	109,775
Share-based incentives charge	3,923	2,102
NI on share-based incentives	942	277
Impact on tax charge	(1,144)	(580)
Underlying profit	186,815	111,574

Underlying profit is used instead of profit to calculate the **underlying earnings per share**: which is underlying profit divided by the weighted average number of ordinary shares in issue for the period, whereas earnings per share is profit divided by the weighted average number of ordinary shares in issue for the period (Note 11).

Underlying operating profit

A reconciliation of the operating profit to the underlying operating profit is presented below:

	2021 £000	2020 £000
Operating profit	226,100	135,142
Share-based incentives charge	3,923	2,102
NI on share-based incentives	942	277
Underlying operating profit	230,965	137,521

Underlying operating profit is used to calculate the **underlying operating margin**: which is underlying operating profit as a proportion of revenue, whereas the operating margin is calculated as operating profit as a proportion of revenue.

Underlying costs

A reconciliation of the administrative expenses to the underlying costs is presented below:

	2021 £000	2020 £000
Administration expenses	81,193	70,575
Share-based incentives charge	(3,923)	(2,102)
NI on share-based incentives	(942)	(277)
Underlying costs	76,328	68,196

Going concern

The directors have performed a detailed and extended going concern review and tested the Group's liquidity in a range of scenarios, as set out below.

Throughout the period, the Group was debt-free, remained strongly cash generative (105% of operating profit) and had a cash balance of £43.0m and money market deposits of £5.0m at 31 December 2021 (31 December 2020: cash balance £96.7m).

The Group resumed its share buy-back programme in March 2021, buying back shares to the value of £174.4m by 31 December 2021, and paid dividends totaling £64.5m between May and October 2021. The Group also cancelled its £10m committed revolving loan facility with Barclays Bank plc in April 2021, reflecting the Group's strong cash position and the fact that the facility had never been used.

1 General information continued

Going concern continued

Following the impact of Covid 19 on the property market during the prior year ended 31 December 2020, when the Group provided customers with discounts of up to 75% of their monthly subscriptions, no further discounts were provided to UK customers in 2021.

In stress testing the future cash flows of the Group, the directors modelled a range of scenarios which considered the effect on the Group of reductions of varying severity in the number of housing transactions for at least 12 months from the approval of these financial statements ("the going concern period") and modelled the likely timing of cashflows from our customers during the going concern period. These included severe, but plausible downside scenarios. The model considered the impact of changes in the key drivers of the Group's revenues, including customer numbers and average revenue per advertiser (ARPA). In all the scenarios tested, the Group remained cash positive and debt-free.

The directors are confident that the Group will remain cash positive and will have sufficient funds to continue to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements, and have therefore prepared the financial statements on a going concern basis.

Judgements and estimates

The preparation of the consolidated and Company financial statements in conformity with UK Adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods, if applicable.

Management has determined that there are no significant areas of estimation uncertainty or critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the consolidated and Company financial statements.

2 Significant accounting policies

The following accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the prior year ended 31 December 2020. There are no standards that are issued but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(a) Revenue

Revenue principally represents the amounts receivable from customers in respect of property products, primarily membership of the Rightmove platforms, together with the provision of tenant referencing and rent guarantee insurance. Rightmove also provides non-property services, which includes Data Services and Third-Party advertising.

2 Significant accounting policies continued

Revenue is recognised based upon the transaction price specified in a contract with a customer. It is recognised at the point when the performance obligations are satisfied, through providing a customer with access to the Rightmove platforms and or products or other services.

The table below summarises the different types of product and service offered to customers along with the nature and timing of the satisfaction of performance obligations:

Type of product/service	Nature and timing of satisfaction of performance obligations
Property products: membership of Rightmove platforms	<p>For membership listing services, customers pay monthly subscriptions to list their properties on the Rightmove platforms. Contracts for these services are per branch location or branch equivalent for Agency, Commercial and Overseas customers and per development for New Homes customers. They vary in length from one month to five years but are typically for periods of six to 12 months.</p> <p>Performance obligations are satisfied, and revenue recognised, from the point at which the customer has access to the platform to allow them to list their properties. Subscription revenue is spread over the life of the contract. Agency, Overseas and Commercial services are typically billed monthly in advance, from the point the customer gains access to the platform, and New Homes developers are billed monthly in arrears.</p> <p>Customers have the option to enhance their property listings and presence on Rightmove through purchasing additional advertising products. For products that provide enhanced brand exposure over a period of time, revenue is recognised over the life of the product, from the point the customer gains access to the product. Invoices are sent on a monthly basis, in line with the core listing services. For products with a one-off usage basis, revenue is recognised at the end of the month during which the customer chose to apply and use the product.</p> <p>Discounts may be offered to customers as part of membership or package offers, on a pro-rata basis, and are taken into consideration in the transaction price for each product.</p>
Property products: provision of tenant referencing and insurance broking commission	<p>Referencing revenue relates to the supply of tenant referencing services, primarily to lettings agency customers. Performance obligations are satisfied, and revenue is recognised, at the end of the month during which the tenant referencing service is completed and the final report is passed to the customer.</p> <p>Revenue related to insurance broking commission is generated on the sale of rent guarantee insurance to lettings agents and landlord customers, where Rightmove acts as an agent. Revenue is recognised at the start date of the insurance policy purchased and represents the commissions earned.</p>
Non-property products	<p>Data Services revenue relates to fees generated for a variety of different data and valuation products and tools. Where the contract gives a customer access to use Rightmove's property tools, revenue is recognised on a monthly basis, over the life of the product, from the point the customer gains access to the tools. Where the contract is to provide the customer with specific data, revenue is recognised at the point that the data is transferred to the customer.</p> <p>Discounts may be offered to customers on a pro-rata basis and are taken into consideration in the transaction price for each performance obligation.</p> <p>Third-Party advertising revenue represents amounts paid by customers to advertise non-property products on the Rightmove platforms. Performance obligations are met once a customer is actively advertising on the Rightmove platform. Revenue is recognised on a monthly basis over the life of the contract. A small number of arrangements with Third-Party customers mean that Rightmove is acting as an agent, in a principal-agency relationship. In any case where the Group is acting as an agent, revenue is recognised as a net amount, reflecting the margin earned.</p>

Contract assets relate to the Group's rights to consideration for services that have been provided at the reporting date. Contract assets are transferred to receivables when the rights to consideration have become unconditional.

Contract liabilities relate to the advance consideration received from Estate Agency, Overseas and Commercial customers, for which revenue is recognised at a later date, as or when the services are provided.

2 Significant accounting policies continued

(b) Investments

Investments in subsidiaries are held at cost less any provision for impairment in the parent company financial statements.

(c) Intangible assets

(i) Goodwill

Goodwill arising on a business combination represents the difference between the fair value of the consideration paid and the fair value of the net identifiable assets acquired and is included in intangible assets.

In respect of acquisitions prior to 1 January 2004, goodwill is included on the basis of its deemed cost, which represents the amount previously recorded under UK GAAP. The classification and accounting treatment of business that occurred prior to 1 January 2004 was not reconsidered in preparing the Group's opening IFRS statement of financial position at 1 January 2004.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is tested annually for impairment. This applies to all goodwill arising both before and after 1 January 2004.

(ii) Research and development

The Group undertakes research and development expenditure in view of developing new products and improving the existing property platforms. Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in the income statement as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of a new product or substantially enhanced website, is capitalised if the new product or the enhanced website is technically and commercially feasible, the Group has sufficient resources to complete development, future economic benefits are probable and the Group can measure reliably the expenditure attributable to the intangible asset during its development. Capitalised costs are held as an asset in progress until such point that the asset is brought into use, at which point it is transferred to the appropriate intangible asset category and amortisation is charged.

The expenditure capitalised includes subcontractors and direct labour. Capitalised development expenditure is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed when incurred.

(iii) Computer software and licences

Computer software and externally acquired software licences are capitalised and stated at cost less accumulated amortisation and impairment losses. Amortisation is charged from the date the asset is available for use. Amortisation is provided to write off the cost less the estimated residual value of the computer software or licence by equal annual instalments over its estimated useful economic life as follows:

Computer software	20.0% – 33.3% per annum
Software licences	20.0% – 33.3% per annum

(vi) Customer relationships

The customer relationships identified on the acquisition of Rightmove Landlord & Tenant Services are valued using the income approach, calculating the multi-period excess earnings. Amortisation is expensed in the income statement on a straight-line basis over the estimated useful economic life as follows:

Customer relationships	10.0% per annum
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(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Capitalised costs are held as an asset in progress until such point that the asset is brought into use, at which point it is transferred to the appropriate property, plant and equipment category and depreciation is charged. Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment by equal annual instalments over their estimated useful economic lives as follows:

Office equipment, fixtures and fittings	20.0% per annum
Computer equipment	20.0% – 33.3% per annum
Leasehold improvements	remaining life of the lease

2 Significant accounting policies continued

(e) Impairment

The carrying value of property, plant and equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation but are tested for impairment annually and whenever there is an indication that they might be impaired. An impairment loss is recognised for the amount by which the carrying value of the asset exceeds its recoverable amount.

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ("CGUs"). Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

(g) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost where material.

(h) Leases

When a contractual arrangement contains a lease the Group recognises a lease liability and a corresponding right of use asset at the commencement of the lease.

At the commencement date the lease liability is measured at the present value of the future lease payments, discounted using the Group's incremental borrowing rate where the interest rate in the lease is not readily determined. Subsequently, the lease liability is adjusted by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The lease term is determined from the commencement date of the lease and covers for the non-cancellable term. If the Group has an extension option, which it considers it reasonably certain to exercise, then the lease term will be considered to extend beyond that non-cancellable period. If the Group has a termination option, which it considers it reasonably certain to exercise, then the lease term will be considered to be until the point the termination option will take effect.

At the commencement date the right of use asset is measured at an amount equal to the lease liability plus any lease payments made before the commencement date and any initial direct costs, less any lease incentive payments. An estimate of costs to be incurred in restoring an asset, in accordance with the terms of the lease, is also included in the right of use asset at initial recognition. Subsequently, the right of use asset is measured in accordance with the accounting policy for property, plant and equipment.

2 Significant accounting policies continued

(h) Leases continued

An adjustment is also made to the right of use to reflect any remeasurement of the corresponding lease liability. The right of use assets are also subject to impairment testing under IAS 36. Short-term leases and low value leases are not recognised as lease liabilities and right of use assets but are recognised as an expense straight line over the lease term.

(i) Employee benefits

(i) Pensions

The Group provides access to stakeholder pension schemes (defined contribution pension plans). Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the income statement when they are incurred.

(ii) Employee share schemes

The Group provides share-based incentive plans allowing executive directors and other employees to acquire shares in the Company. An expense is recognised in the income statement, with a corresponding increase in equity, over the period during which the employees become unconditionally entitled to acquire equity settled share-based incentives.

Fair value at the grant date is measured using either the Monte Carlo or Black Scholes pricing model as is most appropriate for each scheme. Measurement inputs include: share price on measurement date; exercise price of the instrument; expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information); weighted average expected life of the instruments (based on historical experience and general option behaviour); expected dividends; and risk-free interest rates (based on government bonds). Service and non-market performance conditions attached to the awards are not taken into account in determining the fair value of the individual shares awarded.

For share-based incentive awards with non-vesting conditions, the grant date fair value of the share-based incentives is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

When either the employee or the Company chooses not to meet the non-vesting condition, the failure to meet the non-vesting condition is treated as a cancellation and the cost that would have been recognised over the remainder of the vesting period is recognised immediately in the income statement.

Share awards to employees are made by the Company and treated as equity settled share-based payments: share based payments awards which are share-holder approved schemes (DSP and PSP) are settled via Treasury shares for employees. EBT shares are used for the non-shareholder approved schemes (RSP) and also for the SAYE shares for those employed or previously employed by the subsidiary, Rightmove Group Limited, and its subsidiaries; the SIP shares are used to settle the SIP award of free shares to employees.

(iii) Own shares held by The Rightmove Employee Share Trust (EBT)

The Group put in place an employee benefit trust (EBT) a number of years ago. The EBT was sponsored and funded by the Parent company at the time, which was Rightmove Group Limited. Whilst the Group has since been restructured under a new topco – the Company Rightmove plc – the sponsorship of the trust was not changed and the EBT shares are held in the subsidiary Rightmove Group Limited.

(iv) Own shares held by The Rightmove Share Incentive Plan Trust (SIP)

The Company established the Rightmove Share Incentive Plan Trust (SIP) in November 2014. The SIP is treated as an agent of Rightmove plc, and as such SIP transactions are treated as being those of Rightmove plc and are therefore reflected in the Group's consolidated financial statements. In particular, at a consolidated level, the SIP's purchases of shares in the Company are charged directly to equity.

(v) Own shares held by Treasury

The Company bought the Treasury shares in 2008 and these shares may be used to satisfy share-holder approved share-based incentive awards.

(vi) National Insurance (NI) on share-based incentives

Employer's NI is accrued, where applicable, at a rate of 13.8%, which management expects to be the prevailing rate when share-based incentives are exercised. In the case of share options, it is provided on the difference between the share price at the reporting date and the average exercise price of share options. In the case of nil cost performance shares and deferred shares, it is provided based on the share price at the reporting date. The NI on share-based payments in relation to the exercise of the shares is charged to the income statement over the vesting period of the award.

2 Significant accounting policies continued

(j) Treasury shares and shares purchased for cancellation

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are either held in treasury or cancelled.

(k) Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results, where discrete financial information is available, are reviewed regularly by the Group's Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance.

(l) Financial income and expenses

Financial income comprises interest receivable on cash balances and money market deposits and dividend income. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Company's right to receive payment is established.

Financial expenses comprise banking fees and bank charges and the unwinding of the discount on provisions and lease liabilities.

(m) Taxation

Income tax on the results for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period net of any charge or credit posted directly to equity, using tax rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and the differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

In accordance with IAS 12, the Group policy in relation to the recognition of deferred tax on the exercise of share-based incentives is to include the income tax effect of the tax deduction in the income statement, up to the value of the income tax charge on the cumulative IFRS 2 charge. The remainder of the income tax effect of the tax deduction is recognised in equity.

(n) Dividends

Dividends unpaid at the reporting date are only recognised as a liability (and deduction to equity) at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

(o) Earnings per share (EPS)

The Group presents basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive shares. The Group's potential dilutive instruments are in respect of share-based incentives granted to employees, which will be settled by ordinary shares held by the EBT, the SIP and shares held in treasury.

3 Risk and capital management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group and Company's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The primary method by which risks are monitored and managed by the Group is through the meetings of the Risk Committee, where any significant new risks or change in status to existing risks are discussed and actions taken as appropriate.

The Risk Committee is responsible for assisting the Audit Committee and Board in its oversight of risk, assessing and reviewing the Group's risk appetite and risk profile, and the effectiveness of the Group's risk management framework.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or banking institution fails to meet its contractual obligations.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group provides credit to customers in the normal course of business. The Group provides its services to a wide range of customers in the UK and overseas and therefore believes it has no material concentration of credit risk.

The majority of the Group's customers pay via monthly direct debit, minimising the risk of non-payment. The Group establishes an expected credit loss that represents its estimate of losses in respect of trade and other receivables. Further details of these are given in Note 26.

The Group's treasury policy is to monitor cash and deposit balances on a daily basis and to manage counterparty risk by ensuring that no more than £40,000,000 is held with any single institution.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Group and Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's revenue model is largely subscription-based, which results in a regular level of cash conversion allowing it to service working capital requirements.

The Group and Company ensure that they have sufficient cash on demand to meet expected operational expenses excluding the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. Throughout the year, the Group typically had sufficient cash on demand to meet operational expenses, before financing activities, for a period of 252 days (2020: 552 days).

3 Risk and capital management continued

Market risk

Market risk is the risk that changes in market prices such as foreign exchange and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Currency risk

All of the Group's sales and more than 98% (2020: 98%) of the Group's purchases are sterling denominated, accordingly it has no significant currency risk.

(ii) Interest rate risk

The Group has interest bearing lease liabilities, although the interest on these is insignificant. The Group is exposed to interest rate risk on cash and money market deposit balances. The Company has no interest bearing financial liabilities.

Capital management

The Board's policy is to maintain an efficient statement of financial position so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of directors considers that the future working capital and capital expenditure requirements of the Group will continue to be low and accordingly return on capital measures are not key performance targets. The Board of directors monitors the spread of the Company's shareholders as well as basic EPS.

The Board's policy is to return surplus capital to shareholders through a combination of dividends and share buybacks.

(i) Dividend policy

The Board of directors has a progressive dividend policy and monitors the level of dividends to ordinary shareholders in relation to the growth in underlying EPS. The Board has adopted this policy in order to align shareholder returns with the underlying growth achieved in the profitability of the Company.

The capacity of the Company to make dividend payments is primarily determined by the level of available retained earnings in the Company, after deduction of own shares held, and the cash resources of the Group. The retained earnings of the Company, after deduction of own shares held, are £409,696,000 (2020: £385,282,000) as set out in the Company statement of changes in shareholders' equity. The Group has cash and money market deposits at 31 December 2021 of £47,988,000 (2020: cash of £96,690,000), the majority of which is held by the principal operating subsidiary, Rightmove Group Limited. The Company is well positioned to fund its future dividends given the strong cash generative nature of the business. In 2021, cash generated from operating activities was £236,836,000 (2020: £141,448,000) representing an operating cash conversion rate of 105% (2020: 105%).

(ii) Share buybacks

The Company purchases its own shares in the market; the timing of which depends on available free cash flow and market conditions. In 2021, 26,709,384 (2020: 5,028,392) shares were bought back at an average price of £6.53 (2020: £5.99) and were cancelled.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

3 Risk and capital management continued

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness, and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements, including Financial Conduct Authority requirements for regulated entities;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified;
- requirements for the reporting of operational losses and proposed remedial actions;
- development and regular testing of business continuity and disaster recovery plans;
- regular testing of the security of the IT systems and platforms;
- regular backups of key data and ongoing threat monitoring to protect against the risk of cyber attack;
- training and professional development and ongoing succession planning, and
- risk mitigation, including insurance where this is effective.

4 Operating segments

The Group determines and presents operating segments based on internal information that is provided to the Chief Executive Officer, who is the Group's Chief Operating Decision Maker.

The Group's reportable segments are as follows:

- The **Agency** segment, which includes resale and lettings property advertising services provided on Rightmove's platforms and tenant referencing and insurance products sold by Rightmove Landlord and Tenant Services; and
- The **New Homes** segment, which provides property advertising services to new home developers and housing associations on Rightmove's platforms.

The **Other** segment which represents activities under the reportable segments threshold, comprises Overseas and Commercial property advertising services and non-property advertising services which include our Third-Party advertising and Data Services.

Management monitors the business segments at a revenue and trade receivables level separately for the purpose of making decisions about resources to be allocated and of assessing performance. All revenue in both years is derived from third parties and there is no inter-segment revenue.

Operating costs, financial income, financial expenses and income taxes in relation to the Agency, New Homes and the Other segment are managed on a centralised basis at a Rightmove Group Limited level and as there are no internal measures of individual segment profitability, relevant disclosures have been shown under the heading of Central in the table below.

4 Operating segments continued

The Company has no reportable segments.

	Agency £000	New Homes £000	Subtotal £000	Other £000	Central £000	Adjustments £000	Total £000
Year ended 31 December 2021							
Revenue	224,490	50,026	274,516	30,370	—	—	304,886
Operating profit ⁽¹⁾	—	—	—	—	230,965	(4,865) ⁽²⁾	226,100
Depreciation and amortisation	—	—	—	—	(4,439)	—	(4,439)
Financial income	—	—	—	—	20	—	20
Financial expenses	—	—	—	—	(471)	—	(471)
Trade receivables ⁽³⁾	6,091	9,573	15,664	2,046	—	220 ⁽⁴⁾	17,930
Other assets	—	—	—	—	89,505	142 ⁽⁴⁾	89,647
Liabilities	—	—	—	—	(36,683)	(362) ⁽⁴⁾	(37,045)
Year ended 31 December 2020							
Revenue	141,636	40,656	182,292	23,425	—	—	205,717
Operating profit ⁽¹⁾	—	—	—	—	137,521	(2,379) ⁽²⁾	135,142
Depreciation and amortisation	—	—	—	—	(4,270)	—	(4,270)
Financial income	—	—	—	—	151	—	151
Financial expenses	—	—	—	—	(478)	—	(478)
Trade receivables ⁽³⁾	4,776	9,683	14,459	2,811	—	127 ⁽⁴⁾	17,397
Other assets	—	—	—	—	140,968	57 ⁽⁴⁾	141,025
Liabilities	—	—	—	—	(37,115)	(184) ⁽⁴⁾	(35,299)

(1) Operating profit is stated after the charge for depreciation and amortisation.

(2) Central operating profit does not include share-based payments charge of £3,923,000 (2020: £2,102,000) and NI on share-based incentives charge of £942,000 (2020: £277,000).

(3) The only segment assets that are separately monitored by the Chief Operating Decision Maker relate to trade receivables net of any associated provision for impairment. All other segment assets are reported on a centralised basis.

(4) The adjustments column reflects the reclassification of credit balances in trade receivables and debit balances in trade payables made on consolidation for statutory accounts purposes.

Geographic information

In presenting information on the basis of geography, revenue and assets reflect the geographical location of customers.

Group	2021		2020	
	Revenue £000	Trade receivables £000	Revenue £000	Trade receivables £000
UK	300,056	17,876	202,468	17,252
Rest of the world	4,830	54	3,249	145
	304,886	17,930	205,717	17,397

5 Revenue

The Group's operations and main revenue streams are those described in these annual financial statements. The Group's revenue is derived from contracts with customers.

Disaggregation of revenue

In the following table, revenue is disaggregated by property and non-property advertising revenue. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 4).

Year ended 31 December 2021	Agency £000	New Homes £000	Other £000	Total £000
Revenue stream				
Property products	224,490	50,026	14,211	288,727
Non-property products	—	—	16,159	16,159
	224,490	50,026	30,370	304,886
Year ended 31 December 2020	Agency £000	New Homes £000	Other £000	Total £000
Revenue stream				
Property products	141,636	40,656	9,832	192,124
Non-property products	—	—	13,593	13,593
	141,636	40,656	23,425	205,717

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Note	2021 £000	2020 £000
Receivables, which are included in trade and other receivables	17	18,645	18,277
Contract assets		120	334
Contract liabilities		(2,633)	(1,570)

Contract assets relate to the Group's rights to consideration for services that have been provided at the reporting date. Contract assets are transferred to receivables when the rights to consideration have become unconditional.

The contract liabilities primarily relate to the advance consideration received from Agency, Overseas and Commercial customers, for which revenue is recognised as or when the services are provided.

6 Operating profit

	2021 £000	2020 £000
Operating profit is stated after charging:		
Employee benefits	37,974	34,832
Depreciation of property, plant and equipment	3,448	3,259
Amortisation of intangibles	991	1,011
Trade receivables impairment charge	260	701

6 Operating profit continued

Auditor's remuneration

	2021 £000	2020 £000
Fees payable to the Company's auditor in respect of the audit		
Audit of the Company's financial statements	53	32
Audit of the Company's subsidiaries pursuant to legislation	235	208
Total audit remuneration	288	240
Fees payable to the Company's auditor in respect of non-audit related services		
Half year review of the condensed financial statements	25	19
All other services	2	2
Total non-audit remuneration	27	21

There were no other fees payable to KPMG LLP (2020: £nil). The fee in 2021 includes £15,000 in relation to 2020.

7 Employee numbers and costs

The average number of persons employed (including executive directors) during the year, analysed by category, was as follows:

	2021	2020
Number of employees		
Administration	526	514
Management	46	44
	572	558

The aggregate payroll costs of these persons were as follows:

	2021 £000	2020 £000
Wages and salaries	32,353	29,698
Social security costs	4,006	3,700
Pension costs	1,615	1,434
	37,974	34,832
Share-based payments cost (Note 25)	4,865	2,379
Total	42,839	37,211

Wages and salaries include £9,507,000 (2020: £8,099,000) relating to the product development and technology teams; these teams spend a proportion of their time on research and development activities, including innovation of our product proposition and enhancements to the Rightmove platforms, as well as on routine maintenance of the platforms. Social security costs only include the NI on wages and salaries; the NI charge of £942,000 (2020: £277,000) relating to NI on share-based incentives is included within the share-based payments cost shown above.

8 Financial income

	2021 £000	2020 £000
Interest income on cash and cash equivalents	17	134
Interest income on money market deposits	3	17
	20	151

9 Financial expenses

	2021 £000	2020 £000
Other interest payable	198	199
Interest unwind on lease liabilities	273	279
	471	478

10 Income tax expense

	2021 £000	2020 £000
Current tax expense		
Current year	42,307	25,272
Adjustment to current tax charge in respect of prior years	113	60
	42,420	25,332
Deferred tax (Note 16)		
Origination and reversal of temporary differences	(113)	219
Adjustment to deferred tax in respect of prior years	175	(351)
Increase in tax rate at which deferred tax is being recognised	73	(160)
	135	(292)
Total income tax expense	42,555	25,040

Income tax credit recognised directly in equity

	2021 £000	2020 £000
Current tax		
Share-based incentives	(609)	(465)
Deferred tax		
Share-based incentives	(260)	250
Increase in tax rate at which deferred tax is being recognised	(59)	(96)
	(319)	154
Total income tax credit recognised directly in equity	(928)	(311)

Total income tax recognised directly in equity in respect of the Company was a credit of £211,000 (2020: £56,000 credit).

10 Income tax expense continued

Reconciliation of effective tax rate

The Group's consolidated effective tax rate for the year ended 31 December 2021 is 18.9% (2020: 18.5%) which is lower than (2020: lower than) the standard rate of corporation tax in the UK due to the items shown below:

	2021 £'000	2020 £'000
Profit before tax	225,649	134,815
Current tax at 19.0% (2020: 19.0%)	42,873	25,614
Increase/(reduction) in tax rate at which deferred tax is being provided	73	(160)
Net (non-taxable income)/non-deductible expenses	(654)	77
Share-based incentives	—	50
Adjustment to deferred tax charge in respect of prior years	175	(351)
Adjustment to current tax charge in respect of prior years	113	60
Difference between the current and deferred tax rates	(25)	—
Research and development credit	—	(250)
	42,555	25,040

Factors affecting future tax charge

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly. The deferred tax at 31 December 2021 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary differences.

11 Earnings per share (EPS)

	£'000	Pence per share	
		Basic	Diluted
Year ended 31 December 2021			
Profit for the year and EPS	183,094	21.3	21.3
Underlying profit and underlying EPS	186,815	21.8	21.7
Year ended 31 December 2020			
Profit for the year and EPS	109,775	12.6	12.6
Underlying profit and underlying EPS	111,574	12.8	12.8

Weighted average number of ordinary shares (basic)

	2021 Number of shares	2020 Number of shares
Issued ordinary shares at 1 January less ordinary shares held by the EBT and SIP Trust	884,234,565	888,422,516
Less own shares held in treasury at the beginning of the year	(13,285,490)	(13,360,310)
Effect of own shares purchased for cancellation	(12,603,891)	(4,280,999)
Effect of share-based incentives exercised	436,477	409,021
Effect of shares purchased	(11,640)	(6,669)
Issued ordinary shares at 31 December less ordinary shares held by treasury, SIP and the EBT	858,770,021	871,183,559

11 Earnings per share (EPS) continued

Weighted average number of ordinary shares (diluted)

In calculating diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive shares. The Group's potentially dilutive instruments are in respect of share-based incentives granted to employees.

	2021 Number of shares	2020 Number of shares
Weighted average number of ordinary shares (basic)	858,770,021	871,183,559
Dilutive impact of share-based incentives outstanding	1,511,725	2,491,363
	860,281,746	873,674,922

The average market value of the Group's shares for the purposes of calculating the dilutive effect of share-based incentives was based on quoted market prices for the period during which the share-based incentives were outstanding.

12 Dividends

Dividends declared and paid by the Company were as follows:

	2021 Pence per share	£000	2020 Pence per share	£000
2019 final dividend paid	–	–	–	–
2020 interim dividend paid	–	–	–	–
2020 final dividend paid	4.50	38,900	–	–
2021 interim dividend paid	3.00	25,594	–	–
	7.50	64,494		
Unclaimed dividends returned	–	(47)	–	(2)
Net dividends included in the statement of cash flows	–	64,447	–	(2)

After the reporting date, a final dividend of 4.8p (2020: 4.5p) per qualifying ordinary share, being £40,403,000 (2020: £39,228,000), was proposed by the Board of directors. The final dividend will be paid, subject to shareholder approval, on 27 May 2022.

The 2020 final dividend paid on 28 May 2021 was £38,900,000, being £328,000 lower than that reported in the 2020 Annual Report, which was due to a decrease in the ordinary shareholders entitled to a dividend between 31 December 2020 and the final dividend record date of 30 April 2021.

The 2021 interim dividend paid on 29 October 2021 was £25,594,000, being £38,000 higher than that reported in the 2021 Half Year Report, which was due to an increase in the number of ordinary shares entitled to a dividend between 30 June 2021 and the interim dividend record date of 1 October 2021.

The terms of the EBT provide that dividends payable on the ordinary shares held by the EBT are waived. No provision was made for the final dividend in either year and there are no income tax consequences.

13 Property, plant and equipment

Group	Land & buildings* £000	Office equipment, fixtures & fittings £000		Computer equipment £000	Leasehold improvements £000	Motor vehicles* £000	Total £000
Cost							
At 1 January 2021	14,634	1,074		11,893	1,115	1,703	30,419
Additions	—	6		694	—	—	700
Leased asset additions	—	—		—	—	686	686
Modification of leased assets	200	—		—	—	—	200
At 31 December 2021	14,834	1,080		12,587	1,115	2,389	32,005
Depreciation							
At 1 January 2021	(4,531)	(802)		(9,566)	(588)	(1,080)	(16,567)
Charge for year	(1,575)	(145)		(1,155)	(122)	(451)	(3,448)
At 31 December 2021	(6,106)	(947)		(10,721)	(710)	(1,531)	(20,015)
Net book value							
At 31 December 2021	8,728	133		1,866	405	858	11,990
At 31 December 2020	10,103	272		2,327	527	623	13,852

Group	Land & buildings* £000	Office equipment, fixtures & fittings £000		Computer equipment £000	Leasehold improvements £000	Motor vehicles* £000	Total £000
Cost							
At 1 January 2020	13,205	1,022		9,637	1,115	1,130	26,109
Additions	—	52		2,256	—	—	2,308
Leased asset additions	—	—		—	—	573	573
Modification of leased assets	1,429	—		—	—	—	1,429
At 31 December 2020	14,634	1,074		11,893	1,115	1,703	30,419
Depreciation							
At 1 January 2020	(2,961)	(656)		(8,437)	(466)	(788)	(13,308)
Charge for year	(1,570)	(146)		(1,129)	(122)	(292)	(3,259)
At 31 December 2020	(4,531)	(802)		(9,566)	(588)	(1,080)	(16,567)
Net book value							
At 31 December 2020	10,103	272		2,327	527	623	13,852
At 31 December 2019	10,244	366		1,200	649	342	12,801

* Land & Buildings and Motor Vehicles are Right of Use assets held under leasing arrangements accounted for in accordance with IFRS16. Further disclosure is in Note 21.

The Company had no property, plant or equipment in either year.

14 Intangible assets

Group	Goodwill £'000	Computer software £'000	Customer relationships £'000	Total £'000
Cost				
At 1 January 2021				
Additions	16,516	7,367	4,521	28,404
At 31 December 2021	—	19	—	19
Amortisation				
At 1 January 2021				
Charge for year	—	(5,726)	(565)	(6,291)
At 31 December 2021	—	(538)	(453)	(991)
At 31 December 2021	—	(6,264)	(1,018)	(7,282)
Net book value				
At 31 December 2021	16,516	1,122	3,503	21,141
At 31 December 2020	16,516	1,641	3,956	22,113

Group	Goodwill £'000	Computer software £'000	Customer relationships £'000	Total £'000
Cost				
At 1 January 2020				
Additions	16,516	6,198	4,521	27,235
At 31 December 2020	—	1,169	—	1,169
At 31 December 2020	16,516	7,367	4,521	28,404
Amortisation				
At 1 January 2020				
Charge for year	—	(5,167)	(113)	(5,280)
At 31 December 2020	—	(559)	(452)	(1,011)
At 31 December 2020	—	(5,726)	(565)	(6,291)
Net book value				
At 31 December 2020	16,516	1,641	3,956	22,113

The Company had no intangible assets in either year.

Impairment testing for cash generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's Agency segment, which represents the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments as reported in Note 4.

The goodwill comprises £14,051,000 recognised on the acquisition of Rightmove Landlord & Tenant Services Limited in 2019; a further £1,733,000 arising on the acquisition of The Outside View Analytics Limited in May 2016; and £732,000 of purchased goodwill arising pre-transition to IFRS. The Rightmove Landlord & Tenant Services goodwill was allocated to the Agency segment as the revenue and future synergy benefits primarily relate to Agency customers. The goodwill in relation to the Outside View was also allocated at the time of the initial acquisition to the Agency segment as the revenue from their market appraisal product, known as Rightmove Discover, is derived from Rightmove's Agency customer base.

14 Intangible assets continued

Management performed the annual impairment test. The calculations used in the cash flow projections are based on the latest business plan, which has been updated to reflect the most recent developments as at the reporting date. The impairment test looked at cash flows over the coming five years. The long-term growth rate used is in line with the prevailing rate of inflation of c3% (2020: c1%). The pre-tax discount rate used was 10% (2020: 10%). The results of the impairment testing are not sensitive to changes in the inputs.

15 Investments

The subsidiaries of the Group as at 31 December 2021 were as follows:

Company	Nature of business	Country of incorporation	Holding	Class of shares	Trading status
Rightmove Group Limited	Online property advertising	England and Wales	100%	Ordinary	Trading
Rightmove Financial Services Limited*	Online rental services	England and Wales	100%	Ordinary	Trading
Rightmove Landlord and Tenant Services Limited**	Credit referencing and rent guarantee insurance services	England and Wales	100%	Ordinary	Trading
Rightmove Property Services Limited	Online rental services	England and Wales	100%	Ordinary	Dormant

All the above subsidiaries are included in the Group consolidated financial statements. The registered office for all subsidiaries of the Group is 2 Caldecotte Lake Business Park, Caldecotte Lake Drive, Caldecotte, Milton Keynes, MK7 8LE.

* Previously Rightmove Rent Services Limited – change of name on 1 June 2021.

** Previously Van Mildert Landlord and Tenant Protection Limited – change of name on 6 July 2021.

Company	2021 £000	2020 £000
Investment in subsidiary undertakings		
At 1 January	557,622	554,554
Additions – subsidiary share-based payments charge	3,118	3,068
At 31 December		
	560,740	557,622

In 2008, the Company became the holding company of Rightmove Group Limited (formerly Rightmove plc, Company no. 03997679) and its subsidiaries pursuant to a Scheme of Arrangement under s425 of the Companies Act 2006, by way of a share-for-share exchange. Following the Scheme of Arrangement, the Company underwent a court-approved capital reduction. The consolidated assets and liabilities of the Group immediately after the Scheme were substantially the same as the consolidated assets and liabilities of the Group immediately prior to the Scheme.

Following the capital reconstruction in 2008, all employees' share-based incentives were transferred to the new holding company, Rightmove plc. In addition, certain directors' contracts of employment were transferred from Rightmove Group Limited to Rightmove plc, whilst all other employees remained employed by Rightmove Group Limited. Accordingly, the share-based payments charge has been split between the Company and Rightmove Group Limited with £3,118,000 (2020: £3,068,000) being recognised in the Company accounts as a capital contribution to its subsidiary.

The Company's investment in its subsidiary undertaking, Rightmove Group Limited, has been assessed for impairment. Management compared the carrying amount of the investment to the market capitalisation of the Group, as Rightmove Group Limited contains all of the Group's trading operations. There was no impairment as, at 31 December 2021, the market capitalisation of the Group is more than ten times greater than the Company's investment in Rightmove Group Limited.

16 Deferred tax asset and deferred tax liability

The deferred tax asset and deferred tax liability are attributable to the following:

Deferred tax asset

	Share-based incentives £000	Property plant and equipment £000	Provisions £000	Total £000	Company Share-based incentives £000
At 1 January 2021	2,066	381	396	2,843	549
Prior year adjustment	–	10	(175)	(165)	–
Recognised in profit and loss	191	28	(81)	138	(24)
Recognised directly in equity	319	–	–	319	(44)
At 31 December 2021	2,576	419	140	3,135	481
At 1 January 2020	2,318	308	92	2,718	1,010
Prior year adjustment	–	130	221	351	–
Recognised in profit and loss	(98)	(57)	83	(72)	(335)
Recognised directly in equity	(154)	–	–	(154)	(126)
At 31 December 2020	2,066	381	396	2,843	549

The increase in the deferred tax asset at 31 December 2021 is primarily due to the increase in the deferred tax in relation to the share based incentives, which was driven by an increase in the share price during the year, combined with an increase in the estimated deferred tax rate.

Deferred tax liability

Group	Intangibles 2021 £000	Intangibles 2020 £000
At 1 January	(859)	(871)
Prior year adjustment	(10)	–
Recognised in profit and loss	(97)	12
At 31 December	(966)	(859)

The increase in the deferred tax liability as at 31 December 2021 is due to the increase in the future tax rate.

The deferred tax as at 31 December 2021 has been calculated at the average rate of 19.3% (2020:19.0%), which represents the average rate at which they are expected to reverse in the future, based on substantively enacted UK tax rates.

Net deferred tax position

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority and the Group intends to settle its current tax assets and liabilities on a net basis.

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Deferred tax asset	3,135	2,843	480	549
Deferred tax liability	(966)	(859)	–	–
At 31 December	2,169	1,984	480	549

17 Trade and other receivables

Group	Note	2021 £000	2020 £000
Trade receivables		18,645	18,277
Less provision for impairment of trade receivables	26	(715)	(880)
Net trade receivables		17,930	17,397
Prepayments		5,028	5,951
Interest receivable		1	4
Other debtors		153	98
		23,112	23,450

Exposure to credit and currency risks and expected credit losses relating to trade and other receivables are disclosed in Note 26.

The Company had no trade and other receivables in either year.

18 Cash and deposits

Group		2021 £000	2020 £000
Cash and cash equivalents		42,985	96,690
Money market deposits		5,003	–
		47,988	96,690

Cash balances with an original maturity of less than three months were held in current accounts during the year and attracted interest at a weighted average rate of 0.0% (2020: 0.2%). The cash and cash equivalents balance includes £89,000 (2020: £454,000) which is restricted to use in accordance with the deeds of the EBT.

Money market deposits with an original maturity of more than three months and less than a year, attracted interest at a weighted average rate of 0.1% (2020: 1.3%).

The Company had no cash and cash equivalents in either year.

19 Trade and other payables

	Group	2020 £000	Company 2021 £000	2020 £000
	2021 £000			
Trade payables	3,056	2,742	–	–
Accruals	7,748	5,879	1,139	666
Other creditors	979	414	–	–
Other taxation and social security	10,974	9,890	–	–
Inter-group payables	–	–	21,842	46,798
	22,757	18,925	22,981	47,464

20 Loans and borrowings

The agreement with Barclays Bank plc for a £10,000,000 committed revolving loan facility was terminated on 30 April 2021. This was not replaced with any new agreements. The company had no bank loans and borrowing in either year.

21 Leases

The Group leases assets, including land and buildings and motor vehicles, that are held within property, plant and equipment (Note 13). Information about leases for which the Group is a lessee is presented below.

	2021 £'000	2020 £'000
Analysis of property, plant and equipment between owned and leased assets		
Net book value of property, plant and equipment owned	2,404	3,126
Net book value of right of use assets	9,586	10,726
	11,990	13,852
Net book value of right of use assets		
At 1 January 2021	Property £'000	Vehicles £'000
Additions	—	686
Lease modification	200	—
Depreciation charge	(1,575)	(451)
At 31 December 2021	8,728	858
At 1 January 2020	10,244	342
Additions	—	573
Lease modification	1,429	—
Depreciation charge	(1,570)	(292)
At 31 December 2020	10,103	623
Lease liabilities		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	2,398	2,281
One to five years	8,828	8,346
More than five years	432	2,544
	11,658	13,171
Lease liabilities included in the statement of financial position		
Current	2,177	2,023
Non-current	8,832	10,287
	11,009	12,310
Amounts recognised in income statement		
Interest on lease liabilities	273	279
Expenses relating to short-term leases	204	233
Expenses relating to low-value asset leases (excluding short-term leases of low-value assets)	22	16
	499	528

21 Leases continued

Amount recognised in the statement of cash flows	2021 £000	2020 £000		
Total cash outflow for leases	2,464	2,159		
Reconciliation of movement of liabilities to cashflows arising from financing activities				
	Lease liabilities £000	Share capital £000	Reserves £000	Retained earnings £000
At 1 January 2021	12,310	887	(11,007)	133,265
Net dividends	—	—	—	(64,447)
Purchase of own shares for cancellation	—	—	—	(174,369)
Purchase of own shares for share incentive plans	—	—	(1,284)	—
Share-related expenses	—	—	—	(1,224)
Payment of lease liabilities	(2,464)	—	—	(2,464)
Proceeds on exercise of share-based incentives	—	—	1,248	(482)
Total changes arising from cash flow	(2,464)	—	(36)	(240,522)
Other changes	—	—	—	—
New leases and modifications	886	—	—	886
Interest	273	—	—	273
Other movements	4	—	—	4
Cancellation of own shares	—	(27)	27	—
Tax credit for share-based payments	—	—	—	928
Profit for the year	—	—	—	183,094
Share-based payments	—	—	—	3,923
Total liability/equity related to other changes	1,164	(27)	27	187,945
Balance as at 31 December 2021	11,009	860	(11,016)	80,688
At 1 January 2020	12,208	892	(11,204)	51,652
Net dividends	—	—	—	2
Purchase of own shares for cancellation	—	—	—	(30,125)
Purchase of own shares for share incentive plans	—	—	(765)	—
Share-related expenses	—	—	—	(211)
Payment of lease liabilities	(2,159)	—	—	(2,159)
Proceeds on exercise of share-based incentives	—	—	957	(241)
Total changes arising from cash flow	(2,159)	—	192	(30,575)
New leases and modifications	2,002	—	—	2,002
Interest	279	—	—	279
Other movements	(20)	—	—	(20)
Cancellation of own shares	—	(5)	5	—
Tax credit for share based payments	—	—	—	311
Profit for the year	—	—	—	109,775
Share based payments charge	—	—	—	2,102
Total liability/equity related to other changes	2,261	(5)	5	112,188
Balance as at 31 December 2020	12,310	887	(11,007)	133,265
				135,455

22 Provisions

	Dilapidations provision £000	Employee provisions £000	Contingent consideration £000	Total £000
At 1 January 2021	562	666	2,407	3,635
Utilised during the year	—	(666)	—	(666)
Released during the year	—	—	(2,407)	(2,407)
Charged in the year	84	350	—	434
Reclassified in the year (Note 17)	—	(350)	—	(350)
At 31 December 2021	646	—	—	646
Current	61	—	—	61
Non-current	585	—	—	585
	646	—	—	646

	Dilapidations provision £000	Employee provisions £000	Contingent consideration £000	Total £000
At 1 January 2020	507	256	2,407	3,170
Utilised during the year	—	(256)	—	(256)
Charged in the year	55	666	—	721
At 31 December 2020	562	666	2,407	3,635
Current	—	666	—	666
Non-current	562	—	2,407	2,969
	562	666	2,407	3,635

The dilapidations provision is in respect of any of the Group's leased properties where the Group has obligations to make good dilapidations. The non-current liabilities are estimated to be payable over periods from one to six years.

During the year the Group has accrued amounts in relation to employee related holiday pay, based on the estimated future payroll cost to the Group which has not been discounted as the time value of money is insignificant. The total amount at the end of the year has been reclassified to be shown as an accrual within Note 17 Trade and Other Payables.

The present value of the contingent and deferred consideration arising on acquisition of Rightmove Landlord and Tenant Services Limited was £2,407,000 at the point of acquisition. The fair value was reassessed at 30 June 2021 as zero, due to the possibility of meeting the threshold performance criteria within the remaining timescales, to the end of 2021, being remote. The consideration was released, at that point, to other income within the income statement.

The Company had no provisions in either year.

23 Share capital

	2021		2020	
	Amount £000	Number of shares	Amount £000	Number of shares
In issue ordinary shares				
At 1 January	887	886,387,616	892	891,416,008
Purchase and cancellation of shares	(27)	(26,709,384)	(5)	(5,028,392)
At 31 December	860	859,678,232	887	886,387,616

All issued shares are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at general meetings of the Company.

In June 2007, the Company commenced a share buyback programme to purchase its own ordinary shares. The total number of shares bought back in 2021 was 26,709,384 (2020: 5,028,392) shares representing 3.1% (2020: 0.6%) of the ordinary shares in issue (excluding shares held in treasury). All of the shares bought back in both years were cancelled. The shares were acquired on the open market at a total consideration (excluding costs) of £174,369,000 (2020: £30,125,000). The maximum and minimum prices paid were £7.83 (2020: £6.50) and £5.52 (2020: £5.05) per share respectively. The average price paid was £6.53 (2020: £5.99). Share-related expenses in relation to stamp duty charges and broker expenses were £1,224,000 (2020: £211,000).

Included within shares in issue at 31 December 2021 are 1,158,418 (2020: 1,395,476) shares held by the EBT, 787,000 (2020: 757,575) shares held by the SIP and 12,480,472 (2020: 13,285,490) shares held in Treasury.

24 Reconciliation of movement in capital and reserves

Group

Own shares held – £000

	EBT shares reserve £000	SIP shares reserve £000	Treasury shares £000	Total £000
Own shares held as at 1 January 2020	(2,191)	(3,205)	(6,348)	(11,744)
Shares purchased for share incentive plans	(765)	–	–	(765)
Shares transferred to SIP	734	(734)	–	–
Share-based incentives exercised in the year	397	378	36	811
SIP releases in the year	–	146	–	146
Own shares held as at 31 December 2020	(1,825)	(3,415)	(6,312)	(11,552)

Own shares held as at 1 January 2021

Shares purchased for share incentive plans	(1,825)	(3,415)	(6,312)	(11,552)
Shares transferred to SIP	(1,127)	(157)	–	(1,284)
Shares transferred to SIP	1,127	(1,127)	–	–
Share-based incentives exercised in the year	273	560	383	1,216
SIP releases in the year	–	32	–	32
Own shares held as at 31 December 2021	(1,552)	(4,107)	(5,929)	(11,588)

24 Reconciliation of movement in capital and reserves continued

Own shares held – number of shares

	Number of shares			
	EBT shares reserve	SIP shares reserve	Treasury shares	Total
Own shares held as at 1 January 2020	2,208,362	785,130	13,360,310	16,353,802
Shares purchased for share incentive plans	118,293	–	–	118,293
Shares transferred to SIP	(113,465)	113,465	–	–
Share-based incentives exercised in the year	(817,714)	(111,620)	(74,820)	(1,004,154)
SIP releases in the year	–	(29,400)	–	(29,400)
Own shares held as at 31 December 2020	1,395,476	757,575	13,285,490	15,438,541
Own shares held as at 1 January 2021	1,395,476	757,575	13,285,490	15,438,541
Shares purchased for share incentive plans	148,147	20,278	–	168,425
Shares transferred to SIP	(148,147)	148,147	–	–
Share-based incentives exercised in the year	(237,058)	(133,200)	(805,018)	(1,175,276)
SIP releases in the year	–	(5,800)	–	(5,800)
Own shares held as at 31 December 2021	1,158,418	787,000	12,480,472	14,425,890

(a) EBT shares reserve

This reserve represents the cost of own shares acquired by the EBT less any exercises of share-based incentives.

At 31 December 2021, the EBT held 1,158,418 (2020: 1,395,476) ordinary shares in the Company, representing 0.1% (2020: 0.2%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the EBT at 31 December 2021 was £9,209,000 (2020: £9,085,000).

(b) SIP shares reserve (Group and Company)

In November 2014, the Company established the Rightmove Share Incentive Plan Trust (SIP). This reserve represents the cost of acquiring shares less any exercises or releases of SIP awards. Employees of Rightmove Group Limited and Rightmove plc were offered 400 free shares with effect from 21 December 2021 (2020: 350), subject to a three-year service period. During the year, 133,200 shares were exercised (2020: 111,620) and 5,800 shares (2020: 29,400) were released by the SIP in relation to good leavers and retirees. 148,147 shares were transferred to the SIP reserve from the EBT (2020: 113,465).

At 31 December 2021, the SIP held 787,000 (2020: 757,575) ordinary shares in the Company, representing 0.09% (2020: 0.09%) of the ordinary shares in issue (excluding shares held in treasury). The market value of the shares held in the SIP at 31 December 2021 was £6,257,000 (2020: £4,932,000).

(c) Treasury shares (Group and Company)

This represents the cost of acquiring shares held in treasury less any exercises of share-based incentives. These shares were bought in 2008 at an average price of 47.60 pence and may be used to satisfy certain share-based incentive awards. The market value of the shares held in treasury at 31 December 2021 was £99,220,000 (2020: £86,489,000).

Other reserves

This represents the Capital Redemption Reserve in respect of own shares bought back and cancelled. The movement of £27,000 (2020: £5,000) is the nominal value of ordinary shares cancelled during the year.

Retained earnings

The loss on the exercise of share-based incentives of £482,000 (2020: £241,000 loss) is the difference between the value that the own shares, held by the EBT, SIP and treasury were originally acquired at, and the exercise price at which share-based incentives were exercised or released during the year.

Details of share buybacks and cancellation of shares are included in Note 23.

24 Reconciliation of movement in capital and reserves continued

Company

Reverse acquisition reserve

This reserve resulted from the acquisition of Rightmove Group Limited by the Company and represents the difference between the value of the shares acquired at 28 January 2008 and the nominal value of the shares issued.

Other reserves

Awards relating to share-based incentives made to Rightmove Group Limited employees have been treated as a deemed capital contribution (Note 15). The principal movement in other reserves for the year comprises £3,118,000 (2020: £3,068,000) in respect of the share-based incentives charge for employees of Rightmove Group Limited. In addition, other reserves include £434,000 (2020: £407,000) of Capital Redemption Reserve. A movement of £27,000 (2020: £5,000) has been recorded in relation to the nominal value of ordinary shares cancelled during the year.

25 Share-based payments

The Group and Company operate a number of share-based incentive schemes for executive directors and employees.

All share-based incentives are subject to a service condition. Such conditions are not taken into account in the fair value of the service received. The fair value of services received in return for share-based incentives is measured by reference to the fair value of share-based incentives granted. The estimate of the fair value of the share-based incentives is measured using either the Monte Carlo or Black Scholes pricing model as is most appropriate for each scheme.

NI is being accrued, where applicable, at a rate of 13.8%, which management expects to be the prevailing rate when the awards are exercised, based on the share price at the reporting date. The total NI charge for the year relating to all awards was £942,000 (2020: £277,000). The share price at 31 December 2021 was £7.95 (2020: £6.51).

The Group recognised a total share-based payments charge for the year of £3,923,000 (2020: £2,102,000) with a Company charge for the year of £762,000 (2020: credit £966,000), as set out below:

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Sharesave Plan	336	324	5	1
Performance Share Plan (PSP)	424	(1,112)	424	(1,019)
Deferred Share Bonus Plan (DSP)	2,015	1,489	330	52
Share Incentive Plan (SIP)	826	838	3	–
Restricted Share Plan (RSP)	322	563	–	–
Total share-based payments charge	3,923	2,102	762	(966)
NI on applicable share-based incentives at 13.8%	942	277	295	(53)

Sharesave Plan

The Group operates an HMRC Approved Sharesave Plan under which employees of Rightmove plc and Rightmove Group Limited are granted an option to purchase ordinary shares in the Company at up to 20% less than the market price at invitation, in three years' time, dependent on their entering into a contract to make monthly contributions into a savings account over the relevant period. These funds are used to fund the option exercise. No performance criteria are applied to the exercise of Sharesave options. The assumptions used in the measurement of the fair value at grant date of the Sharesave Plan are as follows:

Grant date	Share price at grant date (pence)	Exercise price (pence)	Expected volatility (%)	Option life (years)	Risk free rate (%)	Dividend yield (%)	Fair value per option (pence)
30 September 2020	627.0	513.0	27.5	3.0	0.0	0.5	167.1
1 October 2021	683.0	574.0	26.6	3.0	0.8	1.12	184.0

Expected volatility is estimated by considering historic average share price volatility at the grant date.

25 Share-based payments continued

The requirement that an employee must save in order to purchase shares under the Sharesave Plan is a non-vesting condition. This feature has been incorporated into the fair value at grant date by applying a discount to the valuation obtained from the Black Scholes pricing model. The discount has been determined by estimating the probability that the employee will stop saving based on expected future trends in the share price and past employee behaviour.

Group	2021		2020	
	Number	Weighted average exercise price (pence)	Number	Weighted average exercise price (pence)
Outstanding at 1 January	752,023	442.9	804,221	387.3
Granted	217,790	574.0	247,942	513.0
Forfeited	(104,234)	468.3	(85,974)	401.5
Exercised	(202,011)	376.9	(214,166)	329.7
Outstanding at 31 December	663,568	497.9	752,023	442.9
Exercisable at 31 December	38,274	389.0	42,096	329.0

The weighted average market value per ordinary share for Sharesave options exercised in 2021 was 668.1 pence (2020: 624.0 pence). The Sharesave options outstanding at 31 December 2021 have an exercise price in the range of 389.0 pence to 574.0 pence (2020: 389.0 pence to 513.0 pence) and a weighted average contractual life of 1.7 years (2020: 2.2 years).

Performance Share Plan (PSP)

The PSP permits awards of nil cost options or contingent shares which will only vest in the event of prior satisfaction of a performance condition.

269,968 PSP awards were made on 3 March 2021 (the grant date) subject to Earnings Per Share (EPS) and Total Shareholders Return (TSR) performance. Performance will be measured over three financial years (1 January 2021 – 31 December 2023). The vesting in March 2024 (vesting date) of 50% of the 2021 PSP award will be dependent on a relative TSR performance condition measured over a three year performance period and the vesting of the 50% of the 2021 PSP award will be dependent on the satisfaction of an EPS growth target measured over a three year performance period.

The PSP awards have been valued using the Monte Carlo model for the TSR element and the Black Scholes model for the EPS element and the resulting share-based payments charge is being spread evenly over the three-year period between grant date and vesting date. PSP award holders are entitled to receive dividends accruing between the grant date and the vesting date and this value will be delivered in shares. The assumptions used in the measurement of the fair value at grant date of the PSP awards are as follows:

Grant date	Share price at grant date (pence)	Exercise price (pence)	Expected volatility (%)	Option life (years)	Risk free rate (%)	Dividend yield (%)	Discount for two year holding period (%)	Fair value per option (pence)
17 September 2020 (TSR dependent) ⁽¹⁾	630.0	0.0	27.5	3.0	0.0	0.0	15.4	346.0
17 September 2020 (EPS dependent) ⁽¹⁾	630.0	0.0	0.0	3.0	0.0	0.0	15.4	533.0
3 March 2021 (TSR dependent) ⁽¹⁾	584.0	0.0	28.1	3.0	0.4	0.0	15.8	176.0
3 March 2021 (EPS dependent) ⁽¹⁾	584.0	0.0	0.0	3.0	0.0	0.0	15.8	492.0

(1) For details of TSR and EPS performance conditions refer to the Directors' Remuneration Report.

Expected volatility, which only impacts the fair value of the TSR element of the award, is estimated by considering historic average share price volatility at the grant date.

25 Share-based payments continued

The risk free rate is only used as an input to calculate the fair value of the TSR element of the award. The awards accrue dividends so there is no dividend yield used as an input to calculate the fair value.

Group	2021 Number	2020 Number
Outstanding at 1 January	1,017,279	1,131,918
Granted	269,968	228,004
Forfeited ⁽¹⁾	(248,185)	(82,637)
Exercised	(270,986)	(260,006)
Outstanding at 31 December	768,076	1,017,279
Exercisable at 31 December	—	188,258

(1) Following the achievement of 25% of the 2018 PSP performance target, 248,185 nil cost options were forfeited during 2021. Following the achievement of 85% of the 2017 PSP performance target 57,266 nil cost PSP options were forfeited in 2020.

The weighted average market value per ordinary share for options exercised in 2021 was 623.6 pence (2020: 624.3 pence). The weighted average exercise price was nil in both years. The PSP awards outstanding at 31 December 2021 have a weighted average contractual life of 1.3 years (2020: 3.3 years).

Deferred Share Bonus Plan (DSP)

In March 2009 a DSP was established which allows executive directors and other selected senior management the opportunity to earn a bonus determined as a percentage of base salary settled in nil cost deferred shares. The award of shares under the plan is contingent on the satisfaction of pre-set internal targets relating to underlying drivers of long-term revenue growth (the performance period). The right to the shares is deferred for two years from the date of the award (the vesting period) and potentially forfeitable during that period should the employee leave employment. The deferred share awards have been valued using the Black Scholes model and the resulting share-based payments charge is being spread evenly over the combined performance period and vesting period of the shares, being three years.

The inputs used in the measurement of the fair value of the deferred share awards, which are calculated at the date on which the potential DSP bonus is communicated to directors and senior management (the grant date), are as follows:

Grant date	Award date	Share price at grant date (pence)	Exercise price (pence)	Expected term (years)	Risk free rate (%)	Dividend yield (%)	Fair value per option (pence)
6 March 2019	4 March 2020	495.0	0.0	3.0	0.0	1.3	476.0
4 March 2020	3 March 2021 ⁽¹⁾	614.0	0.0	3.0	0.0	0.5	605.3
3 March 2021	3 March 2022 ⁽²⁾	584.0	0.0	3.0	0.0	0.8	571.0

(1) Following the achievement of 56% of the 2020 internal performance targets, 329,380 nil cost shares were awarded to executives and senior management on 3 March 2021 (the award date) with the right to release the shares deferred until March 2023

(2) Based on the 2021 internal performance targets, the Remuneration Committee determined that 84% of the maximum award in respect of the year will be made in March 2022. The number of shares to be awarded will be determined based on the share price at the award date in March 2022.

Group	2021 Number	2020 Number
Outstanding at 1 January	881,577	939,982
Awarded	329,380	357,152
Forfeited	(2,206)	(10,257)
Exercised	(511,572)	(405,300)
Outstanding at 31 December	697,179	881,577
Exercisable at 31 December	—	—

25 Share-based payments continued

The weighted average market value per ordinary share for deferred shares exercised in 2021 was 660.6 pence (2020: 616.4 pence). The weighted average exercise price was nil in both years. The DSP awards outstanding at 31 December 2021 have a weighted average contractual life of 1.4 years (2020: 2.2 years).

Share Incentive Plan

In 2014, the Group established the Rightmove Share Incentive Plan Trust (SIP). Employees in Rightmove plc and Rightmove Group Limited were offered 400 shares on 20 December 2021 (2020: 350 shares on 20 December 2020) subject to a three year service period (the Vesting Period). The SIP awards have been valued using the Black Scholes model and the resulting share-based payments charge spread evenly over the Vesting Period of three years. The SIP shareholders are entitled to dividends paid in cash over the Vesting Period. No performance criteria are applied to the exercise of SIP options.

The assumptions used in the measurement of the fair value at grant date of the SIP awards are as follows:

Grant date	Share price at grant date (pence)	Exercise price (pence)	Option life (years)	Risk free rate (%)	Dividend yield (%)	Fair value per option (pence)
20 December 2019	642.4	0.0	3.0	0.0	0.0	642.4
20 December 2020	651.6	0.0	3.0	0.0	0.0	651.6
20 December 2021	769.0	0.0	3.0	0.0	0.0	769.0

The SIP awards accrue dividends so there is no dividend yield input into the fair value calculation.

Group	2021 Number	2020 Number
Outstanding at 1 January	748,050	761,845
Granted	236,000	187,250
Forfeited	(86,275)	(60,025)
Exercised	(138,725)	(141,020)
Outstanding at 31 December	759,050	748,050
Exercisable at 31 December	148,500	106,000

The weighted average market value per ordinary share for SIP awards released and exercised in 2021 was 586.1 pence (2020: 630.4 pence). The weighted average exercise price in both years was nil. The SIP shares released relate to good leavers and retirements from the SIP, in accordance with the terms of the SIP. The SIP options outstanding at 31 December 2021 have a weighted average contractual life of 0.9 years (2020: 1.2 years).

Restricted Share Plan (RSP)

In March 2019 an RSP was established that awards nil cost deferred shares to selected senior management, subject only to service conditions. The March 2019 award had a vesting period of three years from the date of grant, subject to a three year service period. The March 2020 award was for 33,614 nil cost shares with a vesting period of one year, subject to a one year service period.

Participants are not entitled to receive dividends on these awards. RSP awards have been valued using the Black Scholes model and the resulting share-based payments charge is being spread evenly over the Vesting Period of the shares.

The assumptions used in the measurement of the fair value at grant date of the RSP awards are as follows:

Grant date	Share price at grant date (pence)	Exercise price (pence)	Expected volatility (%)	Option life (years)	Risk free rate (%)	Dividend yield (%)	Fair value per option (pence)
6 March 2019	495.1	0.0	22.4	3.0	0.0	1.3	476.0
17 September 2020	630.0	0.0	27.5	1.0	0.0	0.4	627.2

Expected volatility is estimated by considering historic average share price volatility at the grant date.

25 Share-based payments continued

Group		2021 Number	2020 Number
Outstanding at 1 January		244,937	211,323
Awarded		—	33,614
Forfeited		—	—
Exercised		(33,614)	—
Outstanding at 31 December		211,323	244,937
Exercisable at 31 December		—	—

The weighted average market value per ordinary share for RSP awards exercised in 2021 was 730.2 pence (2020: nil). The weighted average exercise price was nil in both years. The RSP options outstanding at 31 December 2021 have a weighted average contractual life of 0.2 years (2020: 1.1 years).

26 Financial instruments**Credit risk**

The carrying amount of financial assets, represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Group	Note	2021 £'000	2020 £'000
Net trade receivables	17	17,930	17,397
Accrued interest receivable	17	1	4
Contract assets	5	120	334
Other debtors	17	153	98
Cash and cash equivalents	18	42,985	96,690
Money market deposits	18	5,003	—
		66,192	114,523

The Company had no exposure to credit risk in either year. The trade receivables balance is spread across a large number of different customers with no single debtor representing more than 3% of the total balance due (2020: 2%)

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

Group	Note	2021 £'000	2020 £'000
UK		17,876	17,252
Rest of the world		54	145
	17	17,930	17,397

26 Financial instruments continued

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

Group	Note	2021 £'000	2020 £'000
Property products		16,201	14,961
Other		1,729	2,436
	17	17,930	17,397

The Group's most significant customer accounts for £1,029,000 (2020: £499,000) of net trade receivables as at 31 December 2021.

Expected credit loss assessment

For Rightmove Group Limited's smaller Agency and Overseas customers, expected credit losses are measured using a provisioning matrix based on the reason the trade receivable is past due. The provision matrix rates are based on actual credit loss experience over the past three years and adjusted, when required, to take into account current macro-economic factors. For all other customers, the Group applies experienced credit judgement to assess the expected credit loss, taking into account external ratings, financial statements and other available information. Overall, the impact on credit risk is minimal due to the majority of customers paying in advance on a subscription basis.

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables from individual customers as at 31 December 2021.

2021	Weighted-average loss rate	Gross carrying amount £'000	Loss allowance £'000	Credit-impaired
		18,645	(715)	
Current	0.7%	16,050	(110)	No
Past due 1 – 30 days	5.6%	1,203	(67)	No
Past due 31 – 60 days	9.0%	495	(45)	No
Past due 61 – 90 days	24.6%	305	(75)	No
More than 91 days past due	70.6%	592	(418)	No
		18,645	(715)	

2020	Weighted-average loss rate	Gross carrying amount £'000	Loss allowance £'000	Credit-impaired
		18,277	(880)	
Current	1.6%	11,969	(197)	No
Past due 1 – 30 days	6.5%	3,391	(220)	No
Past due 31 – 60 days	13.3%	1,281	(171)	No
Past due 61 – 90 days	5.9%	423	(25)	No
More than 91 days past due	21.9%	1,213	(267)	No
		18,277	(880)	

26 Financial instruments continued

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Group	Note	2021 £000	2020 £000
At 1 January		880	733
Charged during the year		260	701
Utilised during the year		(425)	(554)
At 31 December	17	715	880

The Group has identified specific balances for which it has provided an impairment allowance on a line by line basis across all ledgers, in both years. No general impairment allowance has been provided in either year.

The allowance accounts in respect of trade receivables are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the financial asset directly.

Liquidity risk

The contractual maturities of undiscounted financial liabilities, including undiscounted estimated interest payments, were:

Group	Carrying amount £000	Contractual cash flows £000	6 months or less £000
At 31 December 2021			
Trade payables being non-derivative financial liabilities	3,056	(3,056)	(3,056)
At 31 December 2020			
Trade payables being non-derivative financial liabilities	2,742	(2,742)	(2,742)

The Company had no derivative financial liabilities in either year.

It is not expected that the cash flows included in the maturity analysis could occur earlier or at significantly different amounts and all payables are due within six months of the balance sheet date.

Currency risk

During 2021 all the Group's sales and more than 98.2% (2020: 97.8%) of the Group's purchases were sterling denominated and accordingly it has no significant currency risk.

Interest rate risk

The Group has exposure to interest rate risk on its cash and cash equivalent balances and money market deposit balances. As at 31 December 2021 the Group had total cash and cash equivalents of £42,985,000 (2020: £96,690,000) and money market deposits of £5,003,000 (2020: £nil).

Fair values

The fair values of all financial instruments in both years are equal to the carrying values.

27 Related party disclosures

Inter-group transactions with subsidiaries

Under the inter-group loan agreement dated 30 January 2008, Rightmove Group Limited settles all expenses on behalf of the Company, including dividends paid to shareholders and share buybacks and related costs. During the year, the Company was charged interest of £238,000 (2020: £279,000) under this agreement and at 31 December 2021 the unsecured inter-group loan balance was £21,842,000 (2020: £46,799,000) including capitalised interest (refer Note 19).

The dividends declared and paid by Rightmove Group Limited to the Company was £267,211,000 (2020: nil).

Rightmove Group Limited declared a dividend in specie of £1,127,000 (2020: £734,000), representing the cost of the SIP shares transferred from the EBT to the SIP during the year.

The Company grants share options to employees of Rightmove Group Limited. This transaction is recognised as a recharge arrangement with an increase in the carrying value of the investment of Rightmove Group Limited (refer Note 15).

Directors' transactions

There were no transactions with directors in either year other than those disclosed in the Directors' Remuneration Report. Information on the emoluments of the directors who served during the year, together with information regarding the beneficial interest of the directors in the ordinary shares of the Company is included in the Directors' Remuneration Report.

During the year, the directors in office in total had gains of £2,140,000 (2020: £2,153,000) arising on the exercise of share-based incentive awards. The total share-based payments charge in relation to the directors in office was £754,000 (2020: £965,000 credit). The credit in the prior year arose as a result of a reduction in the estimated performance of long-term incentive schemes in the period.

Key management personnel

No other Rightmove employees are considered to meet the definition of key management personnel other than those disclosed in the Directors' Remuneration Report.

28 Contingent liabilities

The Group and the Company had no contingent liabilities in either year.

29 Subsequent events

There have been no subsequent events having a material impact on the financial statements between 31 December 2021 and the reporting date.

Contacts

Chief Executive Officer: Peter Brooks-Johnson
Chief Financial Officer: Alison Dolan
Company Secretary: Sandra Odell
Website: www.rightmove.co.uk

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Corporate advisers

Financial adviser
UBS Investment Bank
Joint brokers
UBS AG London Branch
Numis Securities Limited

Auditor
KPMG LLP⁽¹⁾

Bankers
Barclays Bank plc
Santander UK plc
HSBC UK Bank plc
Lloyds Banking Group plc

Solicitors
EMW LLP
Slaughter and May
Herbert Smith Freehills LLP
Registrar
Link Asset Services⁽²⁾

Financial calendar 2022

2021 full year results	25 February 2022
Final dividend record date	29 April 2022
Annual General Meeting	6 May 2022
Final dividend payment	27 May 2022
Half year results	29 July 2022

Registered in
England no. 06426485

⁽¹⁾Auditor

KPMG LLP will cease to hold office and shareholder approval will be sought to appoint EY LLP as Rightmove's external auditor at the AGM on 6 May 2022.

⁽²⁾Shareholder enquiries

The Company's registrar is Link Group. They will be pleased to deal with any questions regarding your shareholding or dividends. Please notify them of your change of address or other personal information. Their contact details are:

Shareholder helpline: 0371 664 0300 calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

Email: enquiries@linkgroup.co.uk

Signal Shares shareholder portal: www.signalshares.com

Address:

Link Group
10th Floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Shareholders can register online to view your holdings using the shareholder portal, a service offered by Link Group at www.signalshares.com. The shareholder portal is an online service enabling you to quickly and easily access and maintain your shareholding online – reducing the need for paperwork and providing 24 hour access for your convenience.

You may:

- View your holding balance and get an indicative valuation
- View the dividend payments you have received
- Cast your proxy vote on the AGM resolutions online
- Update your address
- Register and change bank mandate instructions so that dividends can be paid directly to your bank account
- Elect to receive shareholder communications electronically
- Access a wide range of shareholder information and download shareholder forms



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