Ethical Procurement

At Auto Trader, we are committed to being a responsible business. Our purpose sits beneath an overarching goal of **Driving change together. Responsibly.** Environmental, Social and Governance ('ESG') at Auto Trader is driven by our values and culture. We aim to make a difference to our people, our communities, our industries as well as the wider environment, whilst ensuring we act at all times, as a responsible business.

We value and seek to work with suppliers who care about charity; who engage in the communities in which they are based and who value diversity and inclusivity within their businesses and their own supply chains. At Auto Trader, we care passionately about contributing to the community and creating a diverse and inclusive company culture for our people, customers and partners. We work tirelessly to support the communities in which we work and make a difference to the industries in which we operate. We have a zero-tolerance approach to modern slavery, and we are committed to acting ethically and with integrity in all our business dealings.

Auto Trader holds itself and our suppliers to the highest standards of behaviour. We want to engage suppliers that share our values and collaborate with them to build a stronger, more responsible supply chain.

Over the last year, we have implemented a new supplier engagement strategy. We collate information which provides greater insight into aspects of our suppliers' performance, including ESG practices. We have also launched a 'new supplier' solution which allows us to engage suppliers at the point of onboarding to share our values and expectations.

We have engaged and shared our own experiences with our highest spend suppliers to understand how they are engaging the communities they are based in, what charitable activities they are undertaking, how they identify and improve diversity and inclusion, what governance they have in place to ensure good practice and limit instances of modern slavery, bribery or breaches of other relevant legislation and their general approach to sustainability.

We are at the start of our carbon net zero journey, but we are committed to making progress. We recognise the seriousness of the climate crisis and we have signed up to the UN's "Climate Neutral Now" initiative and also the Science Based Targets initiative ('SBTi'), committing to set ambitious emission reduction targets. In 2022, we have expanded our discussions on sustainability with the suppliers who account for our highest carbon emissions, to understand where our suppliers are on their own sustainability journeys, recording if they are monitoring and reporting emissions, what scopes are included in supplier's own reporting, and calculating our own emissions related to the engagement for more accurate scope 3 emissions.

Our **Supplier Code of Conduct** has been shared with suppliers who account for the top 50% of Auto Trader's spend and from the middle of 2021, all new suppliers via our 'new supplier' onboarding system. **A copy of this can be accessed here.**

We have cross functional networks covering values and matters important to our business and employees including but not limited to our:

- Age Network: focused on creating an inclusive environment for the multigenerational workforce of Auto Trader. The network has established its commitments and formed a partnership with Carers UK.
- Building a Multicultural Environment Employee Network: a group of black, Asian and minority ethnic colleagues and allies that celebrate multiculturalism and inclusivity through events and social media take-overs to drive awareness of the issues that our ethnically diverse colleagues may face.
- Board Engagement Guild: a platform for our Board Directors to gain insight and understanding of our culture from an employee perspective to ensure the Board receives information and opinions directly from employees to enhance decisions.
- Disability and Neurodiversity Network: led by disabled or neurodiverse colleagues, as well as allies, dedicated to creating a more accessible and inclusive environment so we can welcome more disabled and neurodiverse colleagues and retailers.
- Family Guild: supports colleagues with balancing work and family life.
- LGBT+ Network: committed to developing policies which support our LGBT+ community, including 'Transitioning at Work' guidelines to support our current and future trans colleagues.
- Make a Difference Guild: committed to empowering everyone across the Group to support our local communities, our industry

and wider society. The Guild has developed a comprehensive strategy to expand our charitable partnership programme as well as our community outreach plan.

- Sustainability Network: a group of colleagues who are committed to finding innovative ways to be a more sustainable business.
- Wellbeing Guild: promotes physical and mental wellbeing among our workforce, helping everyone have more good days at work.
- Women's Network: focused on improving and evolving representation of all individuals that identify as women at all levels of Auto Trader, the automotive industry and the digital communities we operate in, by recruiting, retaining and developing women.

Our Networks lead the design and delivery of our Diversity and Inclusion (D&I) and Corporate Social Responsibility (CSR) strategies. All our colleagues are committed to our value of being "Community Minded" by creating an inclusive working environment for each other. We also participate in a variety of initiatives which include fundraising and volunteering for various charities, providing skills mentoring and promoting the environmental sustainability of our offices. Further information on our values and activities can be found here.

We encourage our suppliers and partners to drive their own CSR efforts in line with their principles. We believe strongly in collaborating with our supply chain, so we invite them to share our ambition to erase inequalities in the workplace with partners, these include but are not limited to the <u>AUTO30%</u> <u>Club</u>, addressing the gender pay gap and ethnicity pay gap (<u>a copy of our latest Gender and Ethnicity</u> <u>Pay Gap report can be found here</u>). Becoming a <u>Disability Confident</u> and <u>Autism Friendly</u> employer, joining organisations like the <u>Inclusive Companies</u> <u>Network</u> and supporting mental health, through charities such as <u>Ben</u>.

If you wish to register your interest in becoming a supplier to Auto Trader, please contact us at **procurement@ autotrader.co.uk** to supply your details, what you do, how your business is Community-Minded and supports CSR.