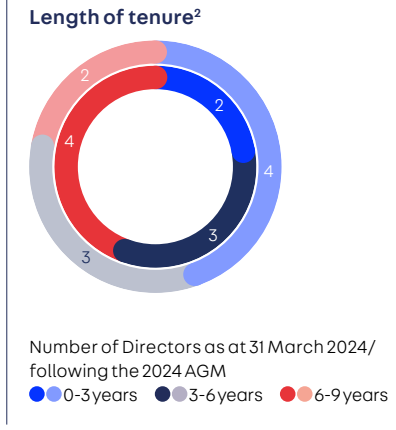
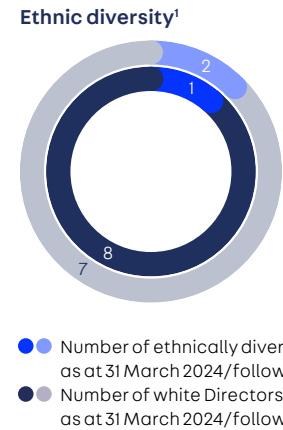
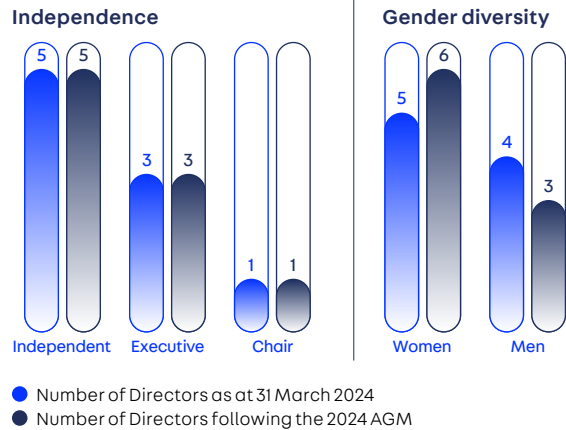


**Governance overview**



**Dear shareholders,**

These reports explain our governance policies and procedures in detail and describe how we have applied the principles contained in the UK Corporate Governance Code 2018 (the 'Code').

**COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE**

The Board considers that during the year the Company was fully compliant with all provisions set out in the UK Corporate Governance Code 2018. The reports on the following pages, including the Committee reports, set out the governance arrangements we have in place, and detail how we have met the Code requirements.

**BOARD SUCCESSION PLANNING**

Succession planning has continued to be a major focus area during the year, given David Keens and Jill Easterbrook will come to the end of their third three-year terms in 2024, and therefore will not stand for re-election at the 2024 AGM.

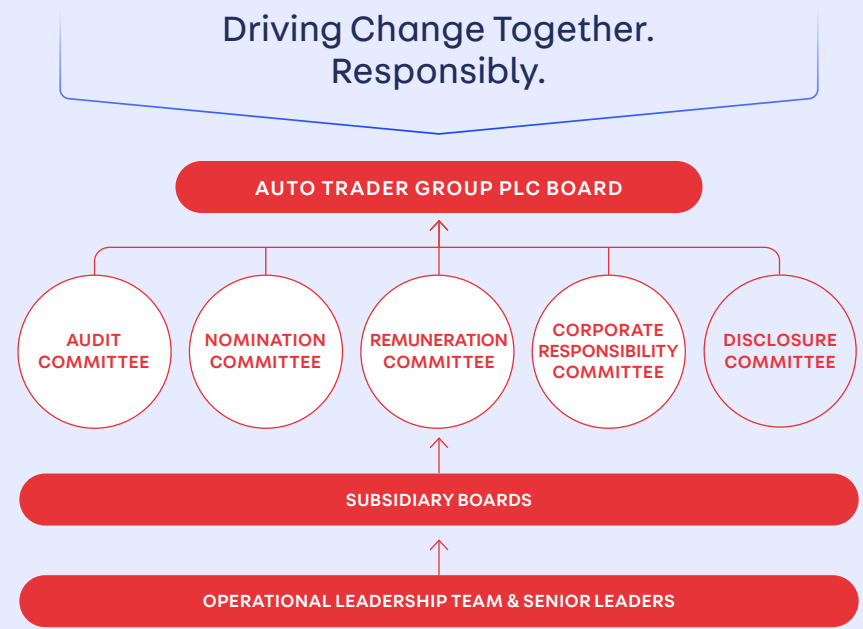
As announced on 22 March 2024, Geeta Gopalan has been appointed to the Board with effect from 1 May 2024 and Amanda James with effect from 1 July 2024. Following the 2024 AGM, Geeta will be appointed as Senior Independent Director and Remuneration Committee Chair, and Amanda will be appointed as Audit Committee Chair, subject to shareholder approval. The Nomination Committee report on page 70 sets out these changes in more detail, including the process to identify and appoint the successful candidates.

**ANNUAL GENERAL MEETING**

Our Annual General Meeting ('AGM') will be held at 11:00am on Thursday 19 September 2024 at 4<sup>th</sup> Floor, 1 Tony Wilson Place, Manchester, M15 4FN. The other Directors and I will join the meeting either in person or by telephone. We strongly encourage all shareholders to cast their votes by proxy, and to send any questions in respect of AGM business to [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk).

**Matt Davies**  
Chair  
30 May 2024

**A ROBUST CORPORATE GOVERNANCE FRAMEWORK**



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1. As per the Parker Review, a Director was defined as being ethnically diverse if they identified as Asian, Black, Mixed or Other.  
2. Refers to the period since appointment to the PLC Board.

## Governance overview continued

### COMPLIANCE WITH THE 2018 CODE

The Company has complied in full with all provisions of the 2018 Corporate Governance Code during the year as referenced below:

#### 1 BOARD LEADERSHIP AND COMPANY PURPOSE

The Board is responsible for setting the Group's purpose, for determining the basis on which the Group generates value over the long term and developing a strategy for delivering the objectives of the Group. The Strategic report, which can be found on pages 1 to 60, sets out the Group's purpose, strategy, objectives and business model.

Details of how the Board assesses and monitors culture can be found on page 66.

The Board's engagement with employees, shareholders and other stakeholders is described in detail on pages 14 to 17 and page 66.

#### 2 DIVISION OF RESPONSIBILITIES

The responsibilities of the Chair, Chief Executive Officer, Senior Independent Director, Non-Executive Directors and Company Secretary are set out on page 67. The Board has adopted a formal schedule of matters reserved for its approval and has delegated other specific responsibilities to its Committees. The schedule sets out key aspects of the affairs of the Company which the Board does not delegate and is reviewed at least annually. Each Committee has formally approved Terms of Reference which are reviewed and approved at least annually, or more frequently as circumstances require. Details are published on our website at [plc.autotrader.co.uk/investors](http://plc.autotrader.co.uk/investors).

At 31 March 2024, the Board consisted of the Non-Executive Chair, five Independent Non-Executive Directors and three Executive Directors. As part of our long-term succession planning, two new Independent Non-Executive Directors have been appointed, Geeta Gopalan (from 1 May 2024)

and Amanda James (from 1 July 2024); and two of the existing Independent Non-Executive Directors, David Keens and Jill Easterbrook, will not stand for re-election at the 2024 AGM. Therefore the Board will continue to comprise majority Independent Non-Executive Directors.

The Board and its Committees have an appropriate balance of skills, experience and knowledge of the Group to enable them to discharge their respective duties and responsibilities effectively.

Refer to page 68 for details of Board and Committee meetings and attendance, and to the biographies on pages 63 to 65 for details of Board members' external commitments, all of which were approved by the Board.

#### 3 COMPOSITION, SUCCESSION AND EVALUATION

The Board has established a Nomination Committee, chaired by Matt Davies, with all other members comprising Independent Non-Executive Directors. The main responsibilities of this Committee are to keep under review the structure, size and composition of the Board and its Committees; to identify and nominate

candidates for appointment to the Board; and to ensure that there are formal and orderly succession plans in place. During the year, the Committee also arranged an externally facilitated evaluation of the Board, its Committees and individual Directors.

The work of the Committee is described on pages 70 to 72.

#### 4 AUDIT, RISK AND INTERNAL CONTROL

The Board has established an Audit Committee, chaired by David Keens and comprised entirely of Independent Non-Executive Directors. The Chair is not a member of the Committee. The Committee has defined Terms of Reference which include assisting the Board in discharging many of its responsibilities with respect to financial and business reporting, risk management, internal control, internal audit and external audit.

The work of the Committee is described on pages 73 to 77.

The Company does not have a separate Risk Committee; the Board is collectively responsible for determining risk appetite, and the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. Refer to page 75 for details of the evaluation of the risk management and internal control framework, and to pages 50 to 53 for details of risk management and the principal risks facing the Company.

#### 5 REMUNERATION

The Board has established a Remuneration Committee, chaired by Jill Easterbrook and comprised entirely of Independent Non-Executive Directors. The Remuneration Committee is responsible for determining the Remuneration Policy, and for setting remuneration for the Executive Directors, the Chair and senior employees; for monitoring

the remuneration policies for the wider organisation; and for ensuring the alignment of reward with the culture of the organisation. During the year the Committee conducted a comprehensive review of the Remuneration Policy and incentive structures. The work of the Committee is described on pages 81 to 99.

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## Board of Directors



**Matt Davies**  
Chair

**N**

**BIOGRAPHY**

Matt joined Auto Trader as Chair Designate with effect from 1 July 2023, and was appointed as Chair with effect from the 2023 AGM.

Matt brings a wealth of UK retail, digital and brand experience. He is currently Chair at Greggs plc where he was appointed in August 2022, and Chair of privately owned businesses Hobbycraft and Travel Counsellors.

Matt was formerly the Chair of N Brown Group plc and a Non-Executive Director of Dunelm Group plc. In his executive career, Matt was previously the CEO of Tesco UK & ROI from 2015 to 2018, before which he held CEO positions at Pets at Home and Halfords. Matt is a qualified Chartered Accountant and had early career corporate finance experience with Rothschild.

**APPOINTED TO PLC BOARD**

July 2023

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- Greggs plc
- Hobbycraft Group Limited
- Travel Counsellors Limited



**Nathan Coe**  
Chief Executive Officer

**D**

**BIOGRAPHY**

Nathan was first appointed to the Board as Chief Operating Officer ('COO') in April 2017 and as Chief Financial Officer ('CFO') in July 2017.

Nathan was appointed Chief Executive Officer ('CEO') in March 2020. Prior to his appointment to the Board, Nathan was the joint Operations Director, sharing responsibility for the day-to-day operations of the business.

Nathan joined Auto Trader in 2007 to support the transition from a magazine business to a digital business.

Prior to joining Auto Trader, Nathan was at Telstra, Australia's leading telecommunications company, where he led Mergers and Acquisitions and Corporate Development for its media and internet businesses. He was previously a consultant at PwC, having graduated from the University of Sydney with a B.Com (Hons).

**APPOINTED TO PLC BOARD**

April 2017

**INDEPENDENT ON APPOINTMENT?**

N/A

**EXTERNAL APPOINTMENTS**

None

**COMMITTEE MEMBERSHIPS**

**A** Audit

**D** Disclosure

**R** Remuneration

**CR** Corporate Responsibility

**N** Nomination

**Chair**



**Catherine Faiers**  
Chief Operating Officer

**BIOGRAPHY**

Catherine joined Auto Trader in August 2017 and was appointed as Chief Operating Officer in May 2019. Catherine is responsible for the day-to-day operations of Auto Trader's business. She is also focused on guiding the Group's strategy and development.

Prior to this, Catherine was Chief Operating Officer at Addison Lee, Corporate Development Director at Trainline and a Director at Close Brothers Corporate Finance.

Catherine graduated from the University of Durham with a BA in Economics and is a qualified Chartered Accountant, training at PwC.

**APPOINTED TO PLC BOARD**

May 2019

**INDEPENDENT ON APPOINTMENT?**

N/A

**EXTERNAL APPOINTMENTS**

- Allegro.eu Group



**Jamie Warner**  
Chief Financial Officer

**D**

**BIOGRAPHY**

Jamie was appointed CFO in March 2020. Prior to this he was Auto Trader's CFO-Designate and Deputy CFO. During his time at Auto Trader, Jamie has worked in a variety of different roles across finance, covering commercial finance, financial reporting, pricing and investor relations.

Jamie initially worked as a freight derivatives broker for inter-dealer broker GFI. Jamie left to join a start-up company, Swapit, developing a children's online swapping and trading community, that was subsequently acquired by Superawesome. He then joined Auto Trader in 2012.

Jamie graduated from Bristol University with a BSc in economics and economic history and is a qualified Chartered Management Accountant.

**APPOINTED TO PLC BOARD**

March 2020

**INDEPENDENT ON APPOINTMENT?**

N/A

**EXTERNAL APPOINTMENTS**

None

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**Board of Directors** continued


**David Keens**  
Senior Independent Non-Executive Director

A CR N R NOT STANDING FOR RE-ELECTION

**BIOGRAPHY**

David was appointed as a Non-Executive Director on 1 May 2015.

David was previously Group Finance Director of NEXT plc (1991 to 2015) and its Group Treasurer (1986 to 1991). He was a Non-Executive Director and Audit Chair of J Sainsbury plc (2015 to 2021), and most recently has taken up the role as Senior Independent Non-Executive Director and Audit Chair of Moonpig Group plc. Previous management experience includes nine years in the UK and overseas operations of multinational food manufacturer Nabisco (1977 to 1986) and prior to that seven years in the accountancy profession.

David is a member of the Association of Chartered Certified Accountants and of the Association of Corporate Treasurers.

**APPOINTED TO PLC BOARD**

May 2015

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- Moonpig Group plc



**Jill Easterbrook**  
Independent Non-Executive Director

R A CR N NOT STANDING FOR RE-ELECTION

**BIOGRAPHY**

Jill was appointed as a Non-Executive Director to the Board on 1 July 2015.

Jill is also Chair of Tracsis, a leading provider of software, hardware, data analytics/GIS and services for the transport industries; a Non-Executive Director of Ashtead Group plc, the FTSE 100 international equipment rental company; a Non-Executive Director of UP Global Sourcing Holdings plc, a FTSE small cap consumer goods business; and is Chair of Headland Consultancy, a PR and Communications agency.

Jill brings strong digital experience within retail environments to the Board. Previously, Jill was a member of the Executive Committee at Tesco plc where she held a variety of senior roles, and was the Chief Executive Officer of JP Boden & Co. She also spent time as a management consultant having started her career at Marks & Spencer.

**APPOINTED TO PLC BOARD**

July 2015

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- Ashtead Group plc
- UP Global Sourcing Holdings plc
- Verde Bidco Limited (Headland)
- Tracsis plc

**COMMITTEE MEMBERSHIPS**

A Audit D Disclosure R Remuneration  
CR Corporate Responsibility N Nomination Chair



**Jasvinder Gakhal**  
Independent Non-Executive Director

A CR N R

**BIOGRAPHY**

Jasvinder was appointed as a Non-Executive Director on 1 January 2022.

Jasvinder is currently Managing Director of Motor & Rescue at Direct Line Group, leading motor insurance strategy and business delivery across household names such as Direct Line, Churchill and Privilege. She is a member of the Direct Line Group Executive Team and is also sponsor of the Group's Diversity & Inclusion strands. Prior to this, she held a number of roles within Direct Line including most recently Chief Strategy Officer and before that, Managing Director of Direct Line for Business.

Jasvinder is a champion of gender diversity and women in top positions in business. She has been named on Green Park's BAME 100 Board Talent Index, on the Cranfield University Top 100 women to watch in 2018 list and also featured on the Northern Power Women list of 'Top 50 Women to Watch'.

**APPOINTED TO PLC BOARD**

January 2022

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- UK Insurance Business Solutions Limited
- By Miles Ltd



**Jeni Mundy**  
Independent Non-Executive Director

CR A N R

**BIOGRAPHY**

Jeni was appointed as a Non-Executive Director on 1 March 2016.

Jeni is currently Visa Inc's SVP Global Head of Merchant Sales and Acquirers responsible for driving the growth of digital commerce for the world's sellers. She joined Visa in 2018 as the Managing Director for UK and Ireland. Jeni was previously at Vodafone plc (1998 to 2017). Most recently she held Group Director roles across product management and sales. Prior to that she was Chief Technology Officer on the UK and New Zealand Executive Boards.

Jeni started her career as a Telecommunications Engineer in New Zealand and holds an MSc in Electronic Engineering from Cardiff University.

**APPOINTED TO PLC BOARD**

March 2016

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

None

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## Board of Directors continued



**Sigga Sigurdardottir**  
Independent Non-Executive Director

**A** **CR** **N** **R**

**BIOGRAPHY**

Sigga was appointed as a Non-Executive Director to the Board effective 1 November 2019.

Sigga is currently part of the UK executive team at Experian, responsible for their direct to consumer business. Sigga has worked in the financial services industry since 2001 driving customer-led digital transformation and change in Fortune 500 and FTSE 100 companies, including Chief Customer and Banking Officer at Tesco Bank; Chief Customer and Innovation Officer at Santander UK; and various customer and digital roles at American Express around the world.

Sigga holds a doctorate in Leadership and Innovation from Manchester Business School, an MBA from IESE Business School and a BS degree in Marketing from the University of South Carolina.

**APPOINTED TO PLC BOARD**

November 2019

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- Frumtak Ventures



**Geeta Gopalan**  
Independent Non-Executive Director

**A** **CR** **N** **R** **APPOINTED 1 MAY 2024**

**BIOGRAPHY**

Geeta was appointed as a Non-Executive Director to the Board effective 1 May 2024. She will be appointed as Senior Independent Director and Remuneration Committee Chair with effect from the 2024 AGM.

Geeta currently serves as a Non-Executive Director of Funding Circle plc, Intrum S.A. and as a Trustee of The Old Vic Theatre. She is also a Non-Executive Director of Virgin Money UK plc, and will step down from this role on 30 June 2024 at the end of her term. She has been appointed as Non-Executive Director at NatWest Group plc effective 1 July 2024. She previously served as a Non-Executive Director of Dechra Pharmaceuticals Ltd, Ultra Electronics plc, Wizink Bank SA, and Vocalink. She has over 25 years of experience in financial services and retail banking, particularly payments and digital innovation.

**APPOINTED TO PLC BOARD**

May 2024

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- Funding Circle plc
- Virgin Money UK PLC (until 30 June 2024)
- NatWest Group plc (from 1 July 2024)

**COMMITTEE MEMBERSHIPS**

**A** Audit

**CR** Corporate Responsibility

**D** Disclosure

**N** Nomination

**R** Remuneration

**Chair**



**Amanda James**  
Independent Non-Executive Director

**A** **CR** **N** **R** **APPOINTED 1 JULY 2024**

**BIOGRAPHY**

Amanda will be appointed as a Non-Executive Director to the Board effective 1 July 2024. She will be appointed as Audit Committee Chair with effect from the 2024 AGM.

Amanda is currently the Chief Financial Officer of NEXT plc, one of the UK's largest FTSE 100 fashion, footwear, and home retailers. She has an extensive background in finance, having joined the NEXT finance team over 28 years ago. She has held various roles within the finance department, including leading the management accounting, commercial finance, and operational finance teams since 2005. Amanda joined the NEXT plc Board in 2015. Amanda brings not only deep expertise in finance but also strong consumer, retail and multi-channel experience. Amanda will retire from the NEXT plc Board in July 2024 and will leave NEXT in September 2024.

**APPOINTED TO PLC BOARD**

July 2024

**INDEPENDENT ON APPOINTMENT?**

Yes

**EXTERNAL APPOINTMENTS**

- NEXT plc (until 26 July 2024)
- British Land plc (from 1 July 2024)



**Claire Baty**  
Company Secretary

**D**

**BIOGRAPHY**

Claire joined Auto Trader in July 2015 and is Company Secretary and Director of Governance. She is responsible for corporate governance; legal services; regulatory compliance; procurement; and risk management.

Claire was previously Deputy Company Secretary at Betfair Group plc and prior to that was Company Secretary at Centaur Media plc.

Claire is a qualified accountant, a member of The Chartered Governance Institute UK & Ireland and holds an MBA from Manchester Business School.

**> REPORT OF THE NOMINATION COMMITTEE P70**

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## Corporate governance statement

This Corporate governance statement explains key features of the Company's governance framework. The Company has complied in full with all provisions of the 2018 UK Corporate Governance Code during the year.

This statement also includes items required by the Listing Rules and the Disclosure Guidance and Transparency Rules ('DTRs'). The UK Corporate Governance Code (the 'Code') is available on the Financial Reporting Council website at [frc.org.uk](http://frc.org.uk).

### CULTURE

Auto Trader has a distinctive culture that is values-led and underpinned by a diverse and inclusive workforce. The Board plays an important role in ensuring that this culture remains aligned with our long-term strategy, in setting values, demonstrating behaviours consistent with these values, and in monitoring the culture and behaviours of the organisation.

Our organisational values have evolved over time and the Board, along with our people, redefined our values during the year to better reflect the people we are today.

The Board receives a quarterly Cultural Scorecard, designed to allow monitoring of various cultural indicators such as staff retention, diversity, investment in training, absences, employee engagement, customer feedback and complaints.

### WORKFORCE ENGAGEMENT

A Board Engagement Guild has been established as the core mechanism by which the Board engages with the workforce. The Board Engagement Guild comprises members from across different parts of the business, all of whom are members of the Company's other existing guilds covering areas such as family & wellbeing, diversity & inclusion, sustainability, remuneration and our purpose and values. Each member canvasses views and opinions from their colleagues to share with the Board.

The Board has decided that it is not appropriate to designate a specific Non-Executive Director to carry out this role and instead shares this role across all Non-Executive Directors, and so the Guild meets with the Chair and all Non-Executive Directors (without Executive Directors or any members of senior management present).

Additionally there are a number of well established ways in which the Company engages with the workforce, for example, regular check-in surveys; an annual employee engagement survey; attendance by Non-Executive Directors at some of our Diversity and Inclusion Guild events; an annual conference and quarterly virtual conferences and updates; regular sharing of information from the CEO via emails and videos; and informal open forums.

### WHISTLEBLOWING

A whistleblowing policy has been adopted which includes access to a whistleblowing telephone service run by an independent organisation, allowing employees to raise concerns on an entirely confidential basis. Reports are directed to the Audit Committee Chair and the Company Secretary. The Audit Committee receives regular reports on the use of the service, any significant reports that have been received, the investigations carried out and any actions arising as a result.

### ENGAGEMENT WITH SHAREHOLDERS

The Board has a comprehensive investor relations programme to ensure that existing and potential investors understand the Company's strategy and performance. As part of this programme, the Executive Directors give formal presentations to investors and analysts on the half-year and full-year results. These updates are webcast live and posted on the Group's investor relations website.

The results presentations are followed by formal investor roadshows covering UK and overseas shareholders.

There is also an ongoing programme of attendance at conferences, one-to-one and group meetings with institutional investors, fund managers and analysts. These meetings cover a wide range of topics, but care is exercised to ensure that any price-sensitive information is released to all shareholders, institutional and private, at the same time. Meetings which relate to governance are attended by the Chair or another Non-Executive Director and the Company Secretary as appropriate. Private shareholders are encouraged to give feedback and communicate with the Board through [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk).

The Board receives regular reports on issues relating to share price, trading activity and movements in institutional investor shareholdings. The Board is also provided with current analyst opinions, forecasts and feedback from its joint corporate brokers, Bank of America and Deutsche Numis, on the views of institutional investors on a non-attributed and attributed basis, and on the views of analysts from its financial PR agency, Powerscourt. Any major shareholders' concerns are communicated to the Board by the Executive Directors.

The newly appointed Chair contacted major shareholders to offer an introductory meeting after having spent time initially building an understanding of the business and meeting Auto Trader colleagues and customers. The Chair went on to speak directly with a number of shareholders and welcomed their questions.

During the year the Remuneration Committee Chair wrote to major shareholders as part of a consultation to outline the proposed changes to our Directors' Remuneration Policy which will be

voted upon at the 2024 AGM. The Remuneration Committee Chair welcomed the opportunity to speak with shareholders and hear different views on our approach to executive remuneration and our proposals.

The Chair, the Senior Independent Director and other Non-Executive Directors are available to meet with shareholders and arrangements can be made through the Company Secretary.

### ANNUAL GENERAL MEETING

At the 2023 AGM, all resolutions were passed with votes in support ranging from 84.02% to 100%. The 2024 AGM will take place at 11:00am on Thursday 19 September 2024 at the Company's registered office: 4<sup>th</sup> Floor, 1 Tony Wilson Place, Manchester, M15 4FN. The other Directors and I will join the meeting.

All proxy votes received in respect of each resolution at the AGM are counted and the balance for and against, and any votes withheld, are indicated. At the meeting itself, voting on all the proposed resolutions is conducted on a poll rather than a show of hands, in line with recommended best practice. We encourage shareholders to cast their votes by proxy, and to send any questions in respect of AGM business to [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk). Following the meeting, responses to questions will be published on the website at [plc.autotrader.co.uk/investors](http://plc.autotrader.co.uk/investors).

The Notice of the AGM can be found in a booklet which is being mailed out at the same time as this Annual Report. The Notice of the AGM sets out the business of the meeting and an explanatory note on all resolutions. Separate resolutions are proposed in respect of each substantive issue.

Results of resolutions proposed at the AGM will be published on the Company's website: [plc.autotrader.co.uk/investors](http://plc.autotrader.co.uk/investors) following the AGM.

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## Corporate governance statement continued

### DIVISION OF RESPONSIBILITIES

#### THE BOARD

##### Main responsibilities include:

- Providing leadership for the long-term success of the Group.
- Monitoring delivery of business strategy and objectives; responsibility for any necessary corrective action.
- Overall authority for the management of the Group's business, strategy, objectives and development.
- Oversight of operations including effectiveness of systems of internal control and risk management and high standards of business conduct.
- Approval of the Annual Report and Financial Statements, equitable engagement with shareholders and the wider investment community.
- Approval of changes to the capital, corporate and/or management structure of the Group, the dividend policy and capital policy.
- Engagement with and consideration of the interests of employees and other stakeholders.
- Consideration of the business's impact on the community and the environment, and oversight of climate related risks and opportunities.

#### COMMITTEES

##### Nomination Committee

Reviews the structure, size and composition of the Board and its Committees, evaluates their performance and makes recommendations to the Board. Also covers diversity, talent development and succession planning.  
**Read more P70**

##### Audit Committee

Reviews and reports to the Board on the Group's financial reporting, internal control, whistleblowing, internal audit and the independence and effectiveness of the external auditor.  
**Read more P73**

##### Corporate Responsibility Committee

Assists the Board in fulfilling its oversight responsibilities in respect of corporate responsibility and sustainability for the Company and the Group as a whole.  
**Read more P78**

##### Remuneration Committee

Responsible for all elements of the remuneration of the Executive Directors, the Chair and senior employees.  
**Read more P81**

##### Disclosure Committee

Assists the Board in discharging its responsibilities relating to monitoring the existence of inside information and its disclosure to the market.  
**Read more online**

#### BOARD ROLES

##### Chair

- Leadership and governance of the Board.
- Creating and managing constructive relationships between the Executive and Non-Executive Directors.
- Ensuring ongoing and effective communication between the Board and its key stakeholders.
- Setting the Board's agenda and ensuring that adequate time is available for discussions.
- Ensuring the Board receives sufficient, pertinent, timely and clear information.

##### Chief Executive Officer

- Responsible for the day-to-day operations and results of the Group.
- Developing the Group's objectives, strategy and successful execution of strategy.
- Responsible for the effective and ongoing communication with stakeholders.
- Delegates authority for the day-to-day management of the business to the Operational Leadership Team (comprising the Executive Directors and senior management) who have responsibility for all areas of the business.

##### Non-Executive Directors

- Scrutinise and monitor the performance of management.
  - Constructively challenge the Executive Directors.
  - Monitor the integrity of financial information, financial controls and systems of risk management.
- Senior Independent Director**
- Acts as a sounding board for the Chair.
  - Available to shareholders if they have concerns which the normal channels through the Chair, Chief Executive Officer or other Directors have failed to resolve.
  - Meets with the other Non-Executive Directors without Executive Directors present.
  - Leads the annual evaluation of the Chair's performance.

##### Company Secretary

- Available to all Directors to provide advice and assistance.
- Responsible for providing governance advice.
- Ensures compliance with the Board's procedures, and with applicable rules and regulations.
- Acts as secretary to the Board and its Committees.

The full schedule of matters reserved for the Board and the Terms of Reference of each Committee are published on the Company's website at [plc.autotrader.co.uk/investors](http://plc.autotrader.co.uk/investors).

To ensure a clear division of responsibility at the head of the Company, the positions of Chair and Chief Executive Officer are separate and not held by the same person. The division of roles and responsibilities between the Chair and the Chief Executive Officer is set out in writing and has been approved by the Board. David Keens is the Senior Independent Director.

As part of our long-term succession planning, two new Independent Non-Executive Directors have been appointed, Geeta Gopalan (from 1 May 2024) and Amanda James (from 1 July 2024); and two of the existing Independent Non-Executive Directors, David Keens and Jill Easterbrook, will not stand for re-election at the 2024 AGM.

At the date of this report, the Board consists of the Non-Executive Chair, six Independent Non-Executive Directors and three Executive Directors.

Matt Davies was considered to be independent on appointment. All of the Non-Executive Directors (David Keens, Jill Easterbrook, Jeni Mundy, Sigga Sigurdardottir, Jasvinder Gakhil, Geeta Gopalan, Amanda James) are considered to be independent in character and judgement, and free of any business or other relationship which could materially influence their judgement. The Chair's fees and the Non-Executive Directors' fees are disclosed on page 93, and they received no additional remuneration from the Company during the year.

Therefore, at 31 March 2024 and to the date of this report, the Company is compliant with the Code provision that at least half the Board, excluding the Chair, should comprise Independent Non-Executive Directors.

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## Corporate governance statement continued

### ATTENDANCE AT MEETINGS

	Board	Nomination Committee	Audit Committee	Corporate Responsibility Committee	Remuneration Committee
Number of scheduled meetings held	9	6	5	4	7
<b>DIRECTOR</b>					
Ed Williams <sup>1</sup>	4/4	1/1	N/A	N/A	N/A
Matt Davies <sup>2</sup>	8/8	5/5	N/A	N/A	N/A
Nathan Coe	11/11	6/6	N/A	N/A	N/A
Catherine Faiers	11/11	6/6	N/A	N/A	N/A
Jamie Warner	11/11	6/6	N/A	N/A	N/A
David Keens	11/11	6/6	5/5	4/4	7/7
Jill Easterbrook	11/11	6/6	5/5	4/4	7/7
Jeni Mundy	11/11	6/6	5/5	4/4	7/7
Sigga Sigurdardottir <sup>3</sup>	11/11	6/6	5/5	4/4	6/7
Jasvinder Gakhal	11/11	6/6	5/5	4/4	7/7

1. Ed Williams retired from the Board at the 2023 AGM on 14 September 2023.

2. Matt Davies was appointed to the Board on 1 July 2023.

3. Where Directors were unable to attend a meeting date, this was either due to unavoidable personal circumstances or work commitments. Directors all received the meeting papers and had an opportunity to feed comments in to the Board and Committee Chairs prior to the meetings.

In addition to the scheduled Board meetings detailed above, ad hoc calls took place throughout the year relating to various financial and transactional decisions.

#### BOARD AND COMMITTEE MEETINGS ATTENDANCE

Board meetings are planned around the key events in the corporate calendar, including the half-yearly and final results, and the Annual General Meeting ('AGM'), and a strategy meeting is held each year.

A monthly financial update call is also held at which the Board discusses results with operational management. Once a year the Directors spend a day visiting customers.

During the year, the Chair and Non-Executive Directors have met without Executive Directors present. In addition, the Non-Executive Directors have met without the Chair and the Executive Directors present, and the Senior Independent Director has met with the Executive Directors.

#### BOARD AND COMMITTEE ACTIVITIES IN 2024

The Board makes decisions in order to ensure the long-term success of the Group whilst taking into consideration the interests of wider stakeholders, such as employees, consumers, customers and suppliers, and other factors as required of it under s172 of the Companies Act 2006. Board meetings are one of the mechanisms through which the Board discharges this duty, and in order to formalise this process, a stakeholder framework has been established which is applied to all Board papers and discussions. Further information about engagement with the Group's stakeholders is included on pages 14 to 17.

The Board's activities are structured through the year to develop and monitor the delivery of the Group's strategy and financial results; to receive feedback from and engage with stakeholder groups such as employees, customers and suppliers; and to maintain a robust governance and risk management framework. Some of the key activities during the year are shown in the diagram opposite.

#### KEY ACTIVITIES OF THE BOARD AND COMMITTEES DURING 2024



##### STRATEGY & GROWTH

- Review and approve the mid-term financial plan for viability scenarios.
- Approve the strategic priorities for FY25.
- Strategy session focused on consumer experience and value proposition.
- Teach in focused on artificial intelligence and emerging technology.
- Annual review of the technology strategy with a focus on cyber and risk.



##### OPERATIONAL

- Updates on Digital Retailing and associated Value Metrics.
- Deep dive into New Car and Leasing.
- Overview of competitive landscape.
- Reviewed audience and marketing plans.
- Deep dive into the core advertising business and main revenue drivers.



##### FINANCIAL

- Review and approve FY25 Plan.
- Approval of half-yearly report, Annual Report and Preliminary Results.
- Extension of debt facility, extending the term to February 2029.
- Review of tax compliance including Digital Services Tax.



##### PEOPLE & CULTURE

- Approval of an all-employee share plan.
- Board Engagement Guild meetings covering topics including: wellbeing, consumer engagement, remote first period and Connected Working, Directors' remuneration, our purpose and values.
- Review of people changes, recruitment, resourcing needs and employee engagement.
- Review of Directors' Remuneration Policy and target setting.
- Approval of FY23 bonus outturn and Single Incentive Plan vesting for senior management.
- FY24 PSP and Single Incentive Plan targets and grants.
- Succession planning for senior management.
- Director and senior management salary reviews.
- Gender and ethnicity pay gap reporting.



##### SHAREHOLDERS & OTHER STAKEHOLDERS

- Review of cultural KPIs.
- ESG rating agencies update.
- Resubmitted science based targets for approval and continued progress on net zero strategy.
- Quarterly shareholder analysis.
- Review of feedback from analysts and investors from results roadshows.
- Review of dividend policy and capital structure.
- Review of feedback from investors and proxy advisory agencies in advance of Annual General Meeting ('AGM').
- Review of feedback from investors in relation to the Remuneration Policy review.



##### GOVERNANCE, RISK MANAGEMENT & INTERNAL CONTROL

- Governance and regulatory updates including ESG corporate reporting and regulatory developments and a general legal and regulatory update.
- Review and approval of Group risk register.
- Internal audit update including reviews of IT disaster recovery, assurance mapping, software development lifecycle, cyber security and FCA Consumer Duty.
- Review of insurance programme.
- Review and approval of modern slavery statement.
- Review of internal and risk management framework and internal controls.
- Review of external audit effectiveness.
- External Board evaluation feedback and action plan.
- Review of succession plans.
- Review of crisis management framework.
- Business continuity planning.
- Approval of material contracts.

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## Corporate governance statement continued

### INDUCTION AND DEVELOPMENT

All newly appointed Directors receive an induction briefing on their duties and responsibilities as Directors of a publicly quoted company. There is a formal induction programme to ensure that newly appointed Directors familiarise themselves with the Group and its activities, either through reading, meetings with the relevant member of senior management or through sessions in the Board meetings.

Specific focus areas in the induction schedule include: statutory and regulatory information, Board and Committee specific information, business overview and deep dives into people and culture, technology and digital retailing.

The majority of Board meetings contain a presentation from senior management on one of the strategic priorities for the year. Specific business-related presentations are given to the Board by senior management and external advisors when appropriate.

All Directors are offered the opportunity to meet with customers and take part in sales calls to understand the business from a customer's perspective, or to take part or observe focus groups with consumers who use our website. Directors receive regular feedback from our sales and service team to ensure they are kept informed of the latest customer dialogue and sentiment.

The Board as a whole is updated, as necessary, in light of any governance developments as and when they occur, and there is an annual legal and regulatory update provided as part of the Board meeting. All Directors are required to complete our annual compliance training modules covering anti-bribery, anti-money laundering, data protection, information security and other relevant subjects. As part of the Board evaluation, the Chair meets with each Director to discuss any individual training and development needs.

### INFORMATION AND SUPPORT AVAILABLE TO DIRECTORS

Full and timely access to all relevant information is given to the Board. For Board meetings, this consists of a formal agenda, minutes of previous meetings and a comprehensive set of papers including regular operational and financial reports, provided to Directors in a timely manner in advance of meetings.

All Directors have access to the advice and services of the Company Secretary, Claire Baty. The appointment or removal of the Company Secretary is a matter for the whole Board.

### CONCERNS OVER OPERATION OF THE BOARD

All of the Directors have the right to have their opposition to, or concerns over, any Board decision noted in the minutes. Directors are entitled to take independent professional advice at the Company's expense in the furtherance of their duties, where considered necessary.

### LETTERS OF APPOINTMENT

The Chair and the Non-Executive Directors have letters of appointment which are available for inspection at the registered office of the Company during normal business hours and at the place of the AGM from at least 15 minutes before and until the end of the meeting; or on request from [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk). These letters set out the expected time commitment from each Director. Non-Executive appointments to the Board are for an initial term of up to three years. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite the Director to serve for an additional period.

### CONFLICTS OF INTEREST

In accordance with the Company's Articles of Association, the Board has a formal system in place for Directors to declare conflicts of interest and for such conflicts to be considered for authorisation.

Any external appointments or other significant commitments of the Directors require the prior approval of the Board. We recognise that our Executive Directors may be invited to become non-executive directors of other companies. Such non-executive duties can broaden a Director's experience and knowledge which can benefit Auto Trader. Catherine Faiers currently serves as a Non-Executive Director of Allegro.eu Group. None of the other Executive Directors has any external directorships as at the date of this report.

The Board is comfortable that external appointments of the Chair, the Chief Operating Officer and the Non-Executive Directors do not create any conflict of interest that, if required, cannot be sufficiently managed.

### TIME COMMITMENT

Any external appointments or other significant commitments of the Directors require the prior approval of the Board. The Chief Operating Officer holds one external directorship as at the date of this report. The Board is comfortable that external appointments of the Chair, the Non-Executive Directors and the Chief Operating Officer do not impact on the time that any Director devotes to the Company.

### ELECTION OF DIRECTORS

The Board can appoint any person to be a Director, either to fill a vacancy or as an addition to the existing Board. Any Director so appointed by the Board shall hold office only until the next AGM and shall then be eligible for election by the shareholders. The AGM Notice sets out the specific reasons for reappointing each Director.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for establishing and maintaining the Group's system of risk management and internal controls and it receives regular reports from management identifying, evaluating and managing the risks within the business. The system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The processes in place for assessment, management and monitoring of risks are described in Principal risks and uncertainties on pages 53 to 58.

The Board, assisted by the Audit Committee, has carried out a review of the effectiveness of the system of risk management and internal controls during the year ended 31 March 2024 and for the period up to the date of approval of the Consolidated financial statements contained in the Annual Report. The review covered all material controls, including financial, operational and compliance controls and risk management systems. The Board considered the weaknesses identified and reviewed the developing actions, plans and programmes that it considered necessary. The Board confirms that no significant weaknesses or failings were identified as a result of the review of effectiveness.

### FINANCIAL AND BUSINESS REPORTING

Assisted by the Audit Committee, the Board has carried out a review of the 2024 Annual Report and considers that, in its opinion, the report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. Refer to the Report of the Audit Committee on pages 73 to 77 for details of the review process.

See pages 59 to 60 for the Board's statement on going concern and the viability statement.

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## Report of the Nomination Committee



**Matt Davies**  
Chair of the Committee

### AT A GLANCE

Reviewing the Board's size and composition, and ensuring effective succession planning for the business.

### OVERVIEW

- Composed of the Chair and five Independent Non-Executive Directors.
- At least one meeting held per year. A significantly higher number of meetings held this year due to increased activity levels.
- Meetings are attended by the Chief Executive Officer and other relevant attendees by invitation.

### OUR PROGRESS IN 2024

- Concluding the selection process for the Senior Independent Director, Audit Committee Chair and Remuneration Committee Chair.
- Continuing to monitor succession plans for other Board members and senior management succession.
- Held an externally facilitated Board evaluation and reviewed the results.

### FOCUS AREAS FOR 2025

- Following up on the Board evaluation recommendations.
- Continuing to monitor Board and senior management succession in the context of the Company's long-term strategy.

**TERMS OF REFERENCE**  
[plc.autotrader.co.uk/investors](https://plc.autotrader.co.uk/investors)

**BOARD OF DIRECTORS P63**

### NON EXECUTIVE DIRECTORS' SKILLS AND EXPERIENCE<sup>1</sup>

We have been progressing in our succession planning by ensuring we select the right people with the right skills.



1. Refers to the period post the AGM (19 September 2024).

Dear shareholders,  
I am pleased to present the Report of the Nomination Committee for 2024.

### ROLE OF THE COMMITTEE

The Committee's main role is to keep under constant review the size and composition of the Board and its Committees including its gender and ethnic diversity, its independence, and the skills, knowledge and experience required for the effective oversight of the Group. The Committee is also responsible for ensuring that there are formal and orderly succession plans in place for the members of the Board.

### HOW THE COMMITTEE OPERATES

All members of the Committee are Independent Non-Executive Directors. The Chair of the Board chairs all meetings of the Committee unless they relate to the appointment of his successor or such other matters in which he may have a potential conflict of interest. For those meetings, the Senior Independent Director ('SID') takes the Chair unless the SID is in contention for the role or also has a potential conflict of interest.

The Committee meets at least once a year, and on an ad hoc basis as required. Only members of the Committee have the right to attend meetings; however, the Chief Executive Officer attends for all or part of meetings so that the Committee can understand his views, particularly on key talent within the business.

### SUCCESSION PLANNING

The focus of the Committee's work during the year was on developing and implementing a plan for renewal of Non-Executive Directors. As the Corporate Governance Code provides that there is a deemed loss of independence after nine years' service, David Keens (Senior Independent Director and Audit Committee Chair) and Jill Easterbrook (Remuneration Committee Chair) will not stand for re-election at the 2024 AGM and therefore there is a requirement to appoint successors into these three roles in good time to allow for an orderly transition. The Committee was open about whether and how the roles would be combined, and on whether two or three appointments would be required.

Jeni Mundy will reach the end of her third three-year term during 2025. Her replacement as Chair of the Corporate Responsibility Committee may either be an existing Board member or be a new Director, should the Committee decide to appoint an additional Director in 2025.

With regards to Executive succession, the Committee is satisfied that the succession plans remain appropriate, and that there is a strong pipeline of talent within the business for future leadership needs.

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## Report of the Nomination Committee continued

### POLICY ON APPOINTMENTS TO THE BOARD

Appointments are made on merit, against objective criteria and with due regard to the benefits of diversity on the Board. The Committee takes account of a variety of factors before recommending any new appointments to the Board, including relevant skills to perform the role, experience, knowledge and diversity, including gender and ethnic diversity.

The Committee also considered the targets set out in LR 9.8.6(9)(a). At year end, the Board comprised 56% woman; and had one Director from a minority ethnic background but did not have a woman appointed in one of the roles specified by the Listing Rules, however we do have a female Executive Director, Catherine Faiers, in the role of COO, which we believe to be of equal status to those roles. Following the AGM, our Board will fully meet the targets, with 67% women on the Board; the role of Senior Independent Director being held by a woman; and two Directors being from a minority ethnic background.

At a leadership level, 56% of the Operational Leadership Team ('OLT') and 41% of the OLT's direct reports were women, a combined total of 42%. However, no OLT members and only 7% of the OLT's direct reports were ethnically diverse, and improvement of this remains a focus area for the Committee and the business.

### APPOINTMENTS TO THE BOARD

The process was led by the Chair and overseen by the Committee, with input from the Executive Directors. Detailed role specifications were drawn up, identifying the skills and experience required, taking into account the Company's long-term strategy, including prior public company experience, financial experience, digital and retail industry experience.

A wide search was conducted, taking into consideration the requirements of the roles, and with due regard to the benefits of diversity, and the targets set by the Listing Rules, including gender and ethnicity. Ivy Street, a recruitment consultancy who has no other connection with the Company, were used to identify candidates. Extensive interviews were conducted, including with all Executive and Non-Executive Directors. Following this process, the Committee selected the successful candidates as announced on 22 March 2024:

Geeta Gopalan joined the Board with effect from 1 May 2024, and also became a member of the Audit, Remuneration, Corporate Responsibility and Nomination Committees. Geeta will be appointed as Senior Independent Director and Remuneration Committee Chair with effect from the conclusion of the 2024 AGM. Geeta has over 25 years of experience in financial services and retail banking, particularly payments and digital innovation, and she has served as a Senior Independent Director and as a Remuneration Committee Chair for at least 12 months on other public company boards.

Amanda James will join the Board with effect from 1 July 2024, and will join the Audit, Remuneration, Corporate Responsibility and Nomination Committees. With effect from the conclusion of the 2024 AGM, Amanda will be appointed as Audit Committee Chair. The Committee is satisfied that Amanda has recent and relevant financial experience through her extensive background in finance and her current position as the Chief Financial Officer of NEXT plc. Amanda also has strong consumer, retail and multi-channel experience.

Both Geeta and Amanda are considered to be Independent.

### BOARD EVALUATION

We engaged Independent Audit Limited to facilitate an external evaluation of the Board, Committees and individual Directors during the year. This included interviews with each of the Board Directors and members of senior management, observation of Board and Committee meetings and review of Board and Committee papers. The draft findings were discussed with the Chairman and then presented to the Board in March 2024 as per the table on page 72.

In addition, an assessment of the Chairman's performance was carried out, led by the Senior Independent Director, and feedback was provided to him individually. Overall, the results showed that the Board and its Committees continue to operate well, and that each individual Director continues to make an effective contribution.

### ELECTION AND RE-ELECTION OF DIRECTORS

In accordance with the UK Corporate Governance Code, all Directors will retire and offer themselves for election or re-election to the Board. Following confirmation by the Committee and Board that they are satisfied that all Directors continue to be effective in, and demonstrate commitment to, their respective roles on the Board and that each makes a valuable contribution to the leadership of the Company, the Board recommends that shareholders approve the resolutions to be proposed at the 2024 AGM relating to the election and re-election of the Directors.

I welcome any questions in respect of the work of the Committee, which can be submitted to [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk), or in person at our Annual General Meeting.

**Matt Davies**  
Chair of the Committee  
30 May 2024

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## Report of the Nomination Committee continued

## BOARD EVALUATION

Areas of strength	Areas for improvement
<p><b>BOARD LEADERSHIP AND PURPOSE:</b> A well-established, collaborative approach to development of purpose, strategy and strategic objectives, with a clear and consistent view across the Board.</p> <p>An active understanding of organisational culture and values, including through the use of a Cultural Scorecard and regular engagement with the Employee Guild.</p> <p>Full awareness and involvement in overseeing the numerous initiatives around ESG issues through the CSR Committee and the Board.</p> <p>Evident focus on major shareholder changes and attitudes. Constant emphasis on other stakeholders including customers, consumers and employees.</p>	<p>Whilst decisions are generally well-aligned with Auto Trader's purpose of 'Driving Change Together. Responsibly', this could be used more actively to frame discussions.</p> <p>The Cultural Scorecard should be reviewed to include additional indicators of culture such as internal audit findings, control weaknesses, customer feedback, complaints handling and media coverage to give a broader picture.</p>
<p><b>DIVISION OF RESPONSIBILITIES:</b> Ability to monitor performance is strengthened by close contact and open culture, with continuous review in place as well as more structured mechanisms.</p> <p>Openness of interaction between the Executive and the Non-Executive Directors, and an appropriate level of challenge and contribution.</p> <p>Support for the Board and Committees from the company secretarial function is felt to be highly effective and responsive with well-honed processes.</p>	<p>Now that the NED succession plan has been executed, there could be a greater focus on longer-term Executive and senior management succession planning.</p>
<p><b>COMPOSITION AND SUCCESSION:</b> The Board has a good balance of skills around brand, retail and regulatory (including financial reporting, internal control and risk management).</p> <p>The Nomination Committee has led the process for implementation of the succession plan for NEDs, and has actively involved the rest of the Board.</p>	<p>The Board needs to keep under review the mix of Board experience to ensure this reflects Auto Trader's position as a technology company and its strategic goals.</p> <p>Although generally well done, the Committee should consider whether the induction process should evolve, especially as the new NEDs will join over the next few months.</p> <p>The Board felt that they had appropriate training and development in relevant areas, including ESG, but should consider structured training on technology including AI.</p>

Areas of strength	Areas for improvement
<p><b>AUDIT, RISK AND INTERNAL CONTROL:</b> Financial performance information is effective in enabling the Board to maintain a clear picture of performance, with frequent updates and discussions.</p> <p>There is a mature risk management framework which has developed well in line with business growth and change, with good support from a well-respected Risk Management function.</p> <p>Deep financial expertise and experience in the Audit Committee.</p> <p>Effective relationship between the Audit Committee and the CFO, with trust and confidence sitting alongside a willingness and ability to challenge.</p>	<p>Risk-related Board reports could be evolved, to focus on key questions, enable more effective probing and challenge, and to take into consideration the forthcoming requirements of the 2024 Corporate Governance Code with respect to material internal controls.</p> <p>The Board should plan ahead for a smooth transition to the new Audit Committee Chair role after the September 2024 AGM.</p> <p>Consider whether it is appropriate and necessary for continued attendance at Audit Committee meetings by non-Committee members, including the CEO and Board Chair.</p>
<p><b>REMUNERATION:</b> There is a constructive relationship with the Executive.</p> <p>The Committee is well supported internally and by the remuneration consultants.</p> <p>The Committee actively looks at wider employee remuneration policies and is attuned to the critical importance people related matters.</p>	<p>Consider whether it is appropriate and necessary for continued attendance at meetings by non-Committee members, including the Executive Directors.</p>

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## Report of the Audit Committee



**David Keens**  
Chair of the Committee

### AT A GLANCE

Monitoring the integrity of financial reporting, internal controls and the effectiveness of internal and external audit.

### OVERVIEW

- Five Independent Non-Executive Directors.
- David Keens is considered by the Board to have recent and relevant experience. All members have significant commercial and operating experience in consumer and digital businesses.
- At least three meetings held per year.
- Meetings are attended by the Chair of the Board, CEO, COO, CFO, internal auditor and external auditor by invitation.

### OUR PROGRESS IN 2024

- Assess the Group's going concern and viability statements.
- Discuss key areas of financial judgement.
- Evaluate the quality, effectiveness and independence of external audit, in accordance with the FRC Audit Committees and the External Audit: Minimum Standard.
- Review the effectiveness of internal audit, internal controls and risk management, including approval of assurance map and policy.

### FOCUS AREAS FOR 2025

- Agree with external auditor any changes for their 2025 audit.
- Consider the impact and timing of the Corporate Governance Code 2024 and other regulatory changes or implications.

**Dear shareholders,**  
I am pleased to present the Report of the Audit Committee for 2024.

This will be my last on behalf of Auto Trader as I will come to the end of my tenure on the Board at our AGM in September. It is therefore appropriate that this letter to shareholders is backward looking and that I leave forward looking comments to my successor in due course.

I joined Auto Trader in 2015, at the time of the IPO. Over the past nine years we have navigated the transition of Executive Directors, financial managers, internal and external Auditors.

I have the privilege of working for a business which has a deep and positive culture, a strong customer franchise and which delivers strong financial results. It has been said that good numbers are easier to add up than bad numbers. True, but good results have to be earned and the Audit Committee's work has been made easier by the honesty and integrity of the Auto Trader team.

### FINANCIAL REPORTING

The primary role of the Committee in relation to financial reporting is to review and monitor the integrity of the financial statements, including annual and half-year reports, results announcements, dividend proposals and any other formal announcement relating to the Group's financial performance.

The Committee assessed the accounting principles and policies adopted, and whether management had made appropriate estimates and judgements. In doing so, the Committee considered management reports and the basis of judgements made. The Committee reviewed external audit reports on the 2024 half-year statement and 2024 Annual Report.

The Committee, with assistance from management and KPMG, identified areas of financial statement risk and judgement as described opposite:

**TERMS OF REFERENCE**  
[plc.autotrader.co.uk/investors](https://plc.autotrader.co.uk/investors)

Audit Committee meetings are very open, they are attended by all Non-Executive Directors and by the internal and external auditors. I have regular conversations outside of formal meetings with the CFO and those responsible for financial and risk management. I take this opportunity to thank all those at Auto Trader who have engaged with the Committee and delivered on our combined responsibilities.

Our Internal Audit function is provided on an outsourced basis. This allows us to access a broad level of skills that would not be possible to maintain internally on a cost or effectiveness basis. Independence and best practice are ensured and it also provides access to additional industry and specialist knowledge.

Our external Auditors have provided excellent challenge and independent assurance over our annual and interim financial statements. Timelines and deadlines have been consistently met, without drama or delay. I make direct enquiries annually of our external audit firm to obtain positive affirmation of the wider independence and performance of the Partners

**HOW WE MANAGE RISK P50**

and Managers engaged on our audit. We have periodically rotated internal and external Auditors, their Partners and team members. My appreciation goes to Deloitte, BDO, PwC and KPMG who have provided these services during my tenure. Auto Trader's 2023 external audit was part of the FRC's annual inspection of audit firms and I was pleased to note that a best practice observation was noted.

Whilst this Report of the Audit Committee contains some of the matters addressed during the year, it should be read in conjunction with the external auditor's report starting on page 104 and the Auto Trader Group plc financial statements in general.

At the 2023 AGM, shareholders approved the re-appointment of KPMG as our external auditor. The Committee has recommended to the Board that they are re-appointed at the 2024 AGM.

**David Keens**  
Chair of the Committee  
30 May 2024

### Description of significant area

**Carrying value of goodwill**  
Following the acquisition of Autorama, the Group has two cash-generating units ('CGUs'), being the Digital CGU and Autorama CGU, which require annual impairment testing. Management's assessment of the recoverability of the goodwill is based on future cash flow forecasts. Forecast estimation is most significant for the growth in market share of Autorama, which was acquired in June 2022.

### Revenue recognition

Revenue recognition for the Group's revenue streams is not complex. However this remained an area of focus due to the large volume of transactions and as revenue is the largest figure in the income statement.

### Audit Committee action

The Committee reviewed the assumptions made by management, in particular the market and market share growth estimates that underpin the value in use of the Autorama CGU recoverable amount. The Committee concluded that the judgements and estimates applied were appropriate. The Committee challenged and was satisfied with the assumptions and forecasts used, the results of the reviews and the sensitivities disclosed.

The Committee was satisfied with the explanations provided and conclusions reached in relation to the Group's revenue recognition.

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## Report of the Audit Committee continued

### Other areas of focus

#### Going concern and viability statement

The Directors must satisfy themselves as to the Group's viability and confirm that they have a reasonable expectation that it will continue to operate and meet its liabilities as they fall due. The period over which the Directors have determined it is appropriate to assess the prospects of the Group has been defined as five years. In addition, the Directors must consider if the going concern assumption is appropriate.

### Audit Committee action

The Committee reviewed management's work supporting the going concern assessment and viability statements. These included the Group's Medium Term Plan and cash flow forecasts for the period to March 2029. The Committee discussed with management the appropriateness of the five-year period, and discussed the correlation with the Group's principal risks and uncertainties as disclosed on pages 53 to 60. The feasibility of mitigating actions and the potential speed of implementation to achieve any flexibility required were discussed. Scenarios covering events that could adversely impact the Group were considered. The Committee evaluated the conclusions over going concern and viability and the proposed disclosures in the financial statements and satisfied itself that the financial statements appropriately reflect the conclusions.

#### Useful economic life of Vanarama brand

The carrying value of the Autorama 'Vanarama' brand was fair valued based on a market participant assumption of a 10 year useful economic life. At each period end, including half year, management are required to estimate the useful economic life of the asset and determine if the amortisation period should be prospectively adjusted. During the year, management has reassessed the useful life to be five years (from date of acquisition in June 2022).

The Committee reviewed management's useful economic life assessment against current and future expectations of the Autorama business and was satisfied that the reassessment of the useful economic life is appropriate.

#### Investment value in joint venture

The Group has a joint venture with Cox Automotive UK, Dealer Auction. Management's assessment of the recoverability of the investment value, including goodwill, is based on future cash flow forecasts.

The Committee reviewed the assumptions made by management, particularly in relation to cash flow forecasts to support the carrying value, and was satisfied that these were appropriately accounted for.

### FAIR, BALANCED AND UNDERSTANDABLE

At the request of the Board, the Committee has reviewed the content of the 2024 Annual Report and considered whether, taken as a whole, in its opinion it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy. The Committee was provided with a draft of the Annual Report and the opportunity to comment where further clarity or information should be added. The final draft was then recommended for approval by the Board. When forming its opinion, the Committee had regard to discussions held with management and reports received from internal and external auditors. In particular, the Committee considered:

- |                                      |   |
|--------------------------------------|---|
| <b>Is the report fair?</b>           | <ul style="list-style-type: none"> <li>• Is a complete picture presented and has any sensitive material been omitted that should have been included?</li> <li>• Are key messages in the narrative aligned with the KPIs and are they reflected in the financial reporting?</li> <li>• Are the revenue streams described in the narrative consistent with those used for financial reporting in the financial statements?</li> </ul>   |
| <b>Is the report balanced?</b>       | <ul style="list-style-type: none"> <li>• Is there a good level of consistency between the reports in the front and the reporting in the back of the Annual Report?</li> <li>• Do you get the same messages when reading the front end and the back end independently?</li> <li>• Is there an appropriate balance between statutory and adjusted measures and are any adjustments explained clearly with appropriate prominence?</li> <li>• Are the key judgements referred to in the narrative reporting and significant issues reported in the Report of the Audit Committee consistent with disclosures of key estimation uncertainties and critical judgements set out in the financial statements?</li> <li>• How do these compare with the risks that KPMG include in their report?</li> </ul> |
| <b>Is the report understandable?</b> | <ul style="list-style-type: none"> <li>• Is there a clear and cohesive framework for the Annual Report?</li> <li>• Are the important messages highlighted and appropriately themed throughout the document?</li> <li>• Is the report written in accessible language and are the messages clearly drawn out?</li> </ul>  |

Following the Committee's review, the Directors confirm that, in their opinion, the 2024 Annual Report, 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.

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## Report of the Audit Committee continued

### RISK MANAGEMENT AND INTERNAL CONTROL

The Committee's responsibilities include a review of Auto Trader's risk management and internal controls frameworks to ensure that they are effective and that any identified weaknesses are remediated in a timely manner. During 2024 the Audit Committee reviewed the effectiveness of the Group's risk management and internal control framework and concluded that it is effective. The processes adopted for monitoring the frameworks included the following:

- Evaluation of the processes applied by Management to identify and assess risks, including new and emerging risks.
- Evaluation of the process for designing mitigations and controls and how the Group's risk appetite is used to inform responses to risk.
- Reviewing the Group Assurance Map and Assurance Policy. Together, these documents provide additional transparency to the Audit Committee about how Auto Trader's risk and governance structure has overseen and evaluated whether our material risks are being managed appropriately. The Audit Committee concluded that our principal risks are being managed effectively and to a level consistent with our risk appetite.
- Reviewing reports from Management summarising how the Group's material controls and mitigations are monitored, reviewed, and assured across Auto Trader's risk and governance structure, and how these activities map to each principal risk. In 2024 no material internal control weaknesses were identified.
- Reviewing cultural and ethical indicators to ensure that Auto Trader's culture continues to set a solid foundation for effective risk management. The review included reporting from Management confirming that during 2024 there have not been any known instances of fraud, bribery or whistleblowing complaints. The Committee has also reviewed information on whether there have been any employee cases, grievances, settlements, legal disputes, disciplinary action, conduct rule breaches, or regulatory penalties.
- Receiving reports from the Group's co-sourced Internal Audit function and monitoring the completion of internal audit actions.
- Reviewing reports from the external auditor on any issues identified in the course of their work, including any internal control reports highlighting control weaknesses. The Audit Committee also ensured that there were appropriate responses from management.
- In addition to reviewing the risk, controls and assurance framework holistically, the Committee also performed 'deep dives' into Auto Trader's response to specific areas of risk, including cyber security, ransomware, FCA Consumer Duty, and treasury & cash management.

The Group has internal controls and risk management arrangements in place in relation to its financial reporting processes and preparation of consolidated accounts. These systems include policies and procedures to ensure that adequate accounting records are maintained, and transactions are recorded accurately and fairly to permit the preparation of financial statements in accordance with IFRS. The internal control systems include the elements described opposite and on the following page:

Element	Approach and basis for assurance
<b>Risk management</b>	<p>Details of our governance structure and risk management arrangements can be found in the Risk management section of this Annual Report. Risk management operates throughout all levels of our governance structure.</p> <p>The Board as a whole is accountable for risk management. The day-to-day responsibility for managing risk resides with the Operational Leadership Team ('OLT'). Assurance over the effectiveness of risk management activity is provided under the three lines of defence model as described below.</p> <p>Reports on the effectiveness of risk management and internal controls are presented to executive management at the Risk Forum (which meets monthly) to Non-Executive Directors via the Audit Committee, and to the Board.</p> <p>The Risk Forum agenda includes risk-based 'deep dives' into key risk areas and in the last year these have included: crisis management; cyber security penetration testing; cyber security ransomware; corporate governance reform; FCA Consumer Duty; IT disaster recovery; customer onboarding; and supplier net zero.</p> <p>Key risks and controls are documented in a Group risk register with OLT members designated as risk owners. A review of the Group risk register is undertaken on a quarterly basis. The process for reviewing and updating the risk register is facilitated by the Governance, Risk and Compliance function and overseen by the Board.</p> <p>A risk-based internal audit programme provides independent, third-line assurance over the effectiveness of the risk management arrangements and this year's internal audit plan included reviews of the following areas: IT disaster recovery, assurance mapping, software development lifecycle, cybersecurity and FCA Consumer Duty.</p>
<b>Financial reporting</b>	<p>Group consolidation is performed on a monthly basis with a month-end pack produced that includes an income statement, balance sheet, cash flow and detailed analysis. The pack also includes KPIs and these are reviewed by the OLT and the Board. Results are compared against the Plan or re-forecast and narrative is provided by management to explain significant variances.</p> <p>The effectiveness of the controls within the financial reporting and consolidation process is reviewed on an ongoing basis by the Governance, Risk and Compliance function. The Risk Forum and the Audit Committee review and oversee these reports and there were no significant or material control weaknesses identified during 2024.</p>

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## Report of the Audit Committee continued

Element	Approach and basis for assurance
<b>Budgeting and forecasting</b>	<p>An annual Plan is produced and monthly results are reported against this. The Plan is prepared using a bottom-up approach, informed by a high-level assessment of market and economic conditions. Reviews are performed by the OLT and the Board. The Plan is also compared to the top-down Medium Term Plan ('MTP') as a sense check. The Plan is approved by the OLT and the Board.</p> <p>A detailed monthly rolling forecast is produced, with inputs provided from all business owners. The rolling forecast is then used to help identify potential risks and opportunities by comparison to the original budget. A monthly business review then takes place with the relevant OLT member, COO and CFO to agree actions.</p>
<b>Delegation of authority and approval limits</b>	A documented structure of delegated authorities and approval for transactions is maintained within the Board's Terms of Reference. This is reviewed regularly by management to ensure it remains appropriate for the business.
<b>Segregation of duties</b>	Procedures are defined to segregate duties over significant transactions, including: procurement, payments to suppliers, payroll, discounts and refunds. Regular reviews of IT system access take place to ensure that segregated duties remain enforced. Key reconciliations are prepared and reviewed on a monthly basis to ensure accurate reporting.

### INTERNAL AUDIT

BDO are the Group's co-sourced Internal Audit function. The Internal Audit function is accountable to the Audit Committee and uses a risk-based approach to provide independent assurance over the adequacy and effectiveness of the control environment. The internal audit work plan for 2024 included internal audit assignments in relation to the following areas of risk:

- Risk management reporting and assurance mapping
- IT disaster recovery
- Software development lifecycle
- Cyber security third-party risk management
- FCA Consumer Duty

The risk-based internal audit plan for 2025 was approved by the Audit Committee and covers a broad range of core financial and operational processes and controls, focusing on specific risk areas. Whilst the plan has been approved, the Audit Committee will continue to review it regularly to ensure that any new and emerging areas of risk are considered.

Management actions that are recommended following the internal audits are tracked to completion and reviewed by the Risk Forum and then by the Audit Committee to ensure that identified risks are mitigated in a timely manner.

The Committee had closed sessions with BDO and the Committee also met with management without the presence of BDO. There were no significant issues raised during these meetings.

A risk-based programme of key controls testing takes place on a quarterly basis. We continue to monitor the resource within our Governance, Risk and Compliance function to ensure that we are able to efficiently monitor the effectiveness of our material internal controls.

### EXTERNAL AUDITOR

The Committee oversees the relationship with the external auditor, KPMG, and reviews their findings in respect of audit and review work. The Committee received and discussed KPMG's review of the half-year report to 30 September 2023 and their audit of the financial statements for the year to 31 March 2024. The Committee met with KPMG without management present and with management without KPMG present, to ensure that there were no issues in the relationship between management and the external auditor to be addressed, and no issues were raised.

One of the Committee's roles is to evaluate the quality and effectiveness of audit services provided, and the level of professional scepticism applied. The Committee has carried out a review in accordance with the FRC Audit Committees and the External Audit: Minimum Standard, based on discussion of audit scope and plans, materiality assessments, review of auditor's reports and feedback from management on the effectiveness of the audit process. The review concluded that the external auditor remained effective and applied professional scepticism throughout. The review of the audit report and feedback from management also confirmed that the external auditor challenged management's judgements and estimates where necessary.

As part of the annual inspection of audit firms, the Audit Quality Review ('AQR') team of the Financial Reporting Council ('FRC') reviewed KPMG's audit of the Group accounts for the year ended 31 March 2023. The AQR routinely monitors the quality of audit work of certain UK audit firms through inspections of sample audits and related procedures at individual audit firms. The Committee and KPMG LLP have discussed the report, which included a good practice observation relating to the audit team's use of internal valuation specialists. Overall, the result of the review raised no issues which cause doubt on the quality of Auto Trader's external audit and the Committee remains satisfied with the efficiency and effectiveness of the external audit.

The Committee is also responsible for ensuring the external auditor remains independent. The Committee has reviewed, and is satisfied with, the independence of KPMG as the external auditor. In particular, discussions have been held with KPMG's senior management to verify the Group's audit partner's performance and standing within KPMG. There were no conflicts or matters of concern conveyed. The year ended 31 March 2024 was the fourth year the Group's audit partner has been involved in the audit of the Group.

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## Report of the Audit Committee continued

### NON-AUDIT SERVICES PROVIDED BY THE EXTERNAL AUDITOR

The external auditor is primarily engaged to carry out statutory audit work. There may be other services where the external auditor is considered to be the most suitable supplier by reference to their skills and experience. It is the Group's practice that it will seek quotes from more than one firm, which may include KPMG, before engagements for non-audit projects are awarded. Contracts are awarded based on individual merits. A policy is in place for the provision of non-audit services by the external auditor, to ensure that the provision of such services does not impair the external auditor's independence or objectivity, and will be assessed in line with FRC Ethical and Auditing Standards.

Non-audit service	Policy
<p><b>Audit-related services directly related to the audit</b></p> <p>For example, the review of interim financial statements, compliance certificates and reports to regulators.</p>	<p>Pre-approval by the Committee is required for all non-audit services. Permissible services may be approved to a maximum of £100,000 for each individual engagement, and to a maximum aggregate in any financial year of 70% of the average audit fees paid to the audit firm in the last three consecutive years.</p> <p>In addition, services relating to issue of compliance certificates in relation to banking facilities, loan agreements or covenants are considered to be pre-approved by the Audit Committee to a level of £50,000 for each individual engagement.</p>
<p><b>Prohibited services</b></p> <p>In line with the EU Audit Reform, services where the auditor's objectivity and independence may be compromised. Prohibited services are detailed in the FRC Revised Ethical Standard 2019 and include tax services, accounting services, internal audit services, valuation services and financial systems consultancy.</p>	<p>Prohibited.</p>

Refer to [plc.autotrader.co.uk/investors](https://plc.autotrader.co.uk/investors) for full details of the policy

During the year, KPMG charged the Group £52,000 (2023: £48,000) for audit-related assurance services directly relating to the review of the Group's interim report for the six months ended 30 September 2023 and £15,000 for the provision of an annual limited assurance report which is published on the Group's website and used for the Sustainability Compliance Certificate required under the Company's Syndicated Revolving Credit Facility.

### THE STATUTORY AUDIT SERVICES FOR LARGE COMPANIES MARKET INVESTIGATION (MANDATORY USE OF COMPETITIVE TENDER PROCESSES AND AUDIT COMMITTEE RESPONSIBILITIES) ORDER 2014 – STATEMENT OF COMPLIANCE

A competitive tender was carried out in 2016 and KPMG LLP were first appointed as statutory auditor for the year to March 2017. We have therefore complied with the requirement that the external audit contract is tendered within the 10 years prescribed by UK legislation and the Code's recommendation. The next competitive tender is required to be held for the external audit for financial years ending after 31 March 2027. The Group confirms that it complied with the provisions of the Competition and Markets Authority's Order for the financial year under review.

#### David Keens

Chair of the Committee  
30 May 2024

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## Report of the Corporate Responsibility Committee



Jeni Mundy  
Chair of the Committee

### AT A GLANCE

Providing oversight, scrutiny and challenge on matters relating to the Group's ESG strategy.

### OVERVIEW

- Composed of five Independent Non-Executive Directors.
- The Chair of the Board, Executive Directors and other relevant individuals attend the meetings when appropriate by invitation.
- The Assistant Company Secretary acts as secretary to the Committee.
- At least three meetings held per year.

### OUR PROGRESS IN 2024

- Target set in line with Parker Review recommendations.
- Resubmitted long-term net zero targets which have been validated and approved by the SBTi.
- Launch of our all-employee share award.

### FOCUS AREAS FOR 2025

- Complete refresh of our materiality assessment to ensure focus on the priority issues.
- Finalise our Climate Transition plan.
- Carbon Literacy Technology Toolkit partnership.

[TERMS OF REFERENCE  
plc.autotrader.co.uk/investors](https://plc.autotrader.co.uk/investors)

[WORKING RESPONSIBLY P25](#)

**Dear shareholders,**  
I am pleased to present the Report of the Corporate Responsibility Committee for 2024.

The Committee has continued to guide and oversee progress in the delivery of our Environmental, Social and Governance ('ESG') strategy, providing oversight, scrutiny and challenge across a wide range of topics.

We recognise that our operations – and the way we carry them out – have impacts that reach well beyond our financial performance. Our business activities impact a wide range of stakeholders and we strive to make this impact a positive one.

### OUR PROGRESS IN 2024

We continue to make good progress with our ESG strategy and the majority of our cultural KPIs as outlined below:

#### Environmental strategy

Throughout the year, the Committee has reviewed the Group's progress against its environmental strategy. Key achievements during the year include driving further operational efficiencies, such as fully migrating our data centres to the cloud and starting the process for installing solar panels at our Hemel Hempstead office.

We also continue to reach new and wider audiences with our content, and have continued sharing our data and insights with retailers, the industry and Government to help inform public policy and regulation to support the mass adoption of electric vehicles.

We report consistently with the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD') and have continued to review the risks and opportunities posed by climate change and how they might impact our business. Following the restatement of prior year GHG emissions to take into account the impact of Autorama on the Group's footprint, the Group resubmitted its long-term targets to the SBTi and these have been validated and approved. The Group's GHG emissions have been audited by a third party, EcoAct, providing an assurance over emissions reporting.

Looking ahead to next year, the Committee looks forward to seeing the Group's progress with its Climate Transition plan. With the Group's commitment to net zero and the increased volume of emissions as a result of the Autorama acquisition, a clear and focused action plan will be required to achieve the Group's ambitious target to be net zero by 2040.

#### Diversity and inclusion

There has been a growing emphasis on the 'Social' pillar within ESG. The Group has continued to focus on and make progress to improve the diversity and inclusion within the organisation through well established training and development programmes. I am pleased that the Group has set a new diversity target in line with the Parker Review recommendations.

In September, an all-employee share award was announced, which builds on the Group's strong ownership culture.

#### Ongoing ESG training

During the year we engaged an advisory team to deliver annual ESG specific training to the Corporate Responsibility Committee and the Group's Executive Directors. The main objective of the session was to ensure the Board is up to date with key ESG corporate regulatory and reporting developments and what these mean for Auto Trader. ESG continues to receive heightened stakeholder focus and disclosure requirements for companies to continue to evolve, requiring companies to enhance and standardise their disclosures, particularly in relation to climate. The training also provided insight to the Board on the ESG landscape for investors, their key areas of interest and how these may impact Auto Trader.

To assist the Committee in successfully overseeing the Group's ESG strategy, the Committee will continue to receive regular training and education as new ESG challenges and regulations emerge.

#### Materiality assessment

Conducting business responsibly, with stakeholders at the heart of our decisions, is core to our strategy and success. Our materiality assessment identifies the topics that matter most

#### NON-FINANCIAL REPORTING FRAMEWORKS

We continue to evolve our Environmental, Social and Governance ('ESG') reporting to meet the requirements of leading industry frameworks and our stakeholders' expectations. Our reporting focuses on the Task Force on Climate-related Financial Disclosures ('TCFD') and the Sustainability Accounting Standards Board ('SASB') standards referencing the SASB's reporting framework for the Internet and Media Services and Media & Entertainment industries. We have also identified the UN Sustainable Development Goals ('SDGs') which we believe Auto Trader can make a meaningful contribution to.

to our key stakeholders and where our ESG activities should focus. The Committee continues to support the areas identified by management as areas of focus. To ensure that the topics identified in our last materiality assessment (2022) remain relevant to our business we will refresh our materiality assessment in full in the next financial year.

#### Measuring progress

It is important to assess the progress being made across the Group's ESG commitments and goals and we use our cultural KPIs for this purpose. I am pleased to see that there has been positive progress with the majority of our diversity and inclusion KPIs and recognise that more work needs to be done to improve our percentage of leaders from an ethnically diverse background. Our employee engagement score remained high at 97%.

Progress towards our net zero target will continue to be monitored throughout the coming year to ensure that the Group is on target to reach its goals.

Over the next year the Committee will continue to oversee and monitor the business's commitments in relation to ESG and continue to push forward its strategy.

**Jeni Mundy**  
Chair of the Committee  
30 May 2024

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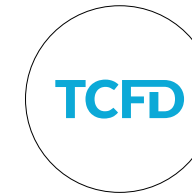
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Report of the Corporate Responsibility Committee continued

TCFD ALIGNMENT AT A GLANCE

The Task Force on Climate-related Financial Disclosures ('TCFD') recommendations are structured around four thematic areas that represent core elements of how organisations operate: governance, strategy, risk management, and metrics and targets. We have summarised our progress below and on pages 29 to 39 in our Working Responsibly section, which includes disclosures consistent with the recommendations of the TCFD.



TCFD recommended disclosure	Group progress
<p><b>Governance</b></p> <p>1. Describe the Board's oversight of climate related risks and opportunities.</p> <p>2. Describe management's role in assessing and managing climate related risks and opportunities.</p>	<p>We have integrated climate governance into our existing governance processes and sought to embed responsibility for the risks associated with climate change throughout our business.</p> <p>Oversight of climate risks and opportunities is described in 'Our environment' in the Working Responsibly section on page 29.</p>
<p><b>Strategy</b></p> <p>3. Describe the climate related risks and opportunities the organisation has identified over the short, medium and long term.</p> <p>4. Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy and financial planning.</p> <p>5. Describe the resilience of the organisation's strategy, taking into consideration different climate scenarios.</p>	<p>The global threat of climate change and the Paris Agreement are forcing action and car buyers want to make the shift to more environmentally friendly vehicles. Public policy is pushing de-carbonisation of vehicles with the ban on the sale of new petrol and diesel vehicles before 2035. We have also strengthened our environmental strategy to focus on the following areas:</p> <ul style="list-style-type: none"> <li>(i) Auto Trader's net zero commitments;</li> <li>(ii) supporting the automotive and technology industries; and</li> <li>(iii) supporting our consumers.</li> </ul> <p>We have undertaken climate scenario analysis and refined its assessment of the risks and opportunities posed by climate change and how they might impact our business, including consideration of the resilience of our business strategy.</p> <p>See pages 30 to 33 for more information.</p>
<p><b>Risk management</b></p> <p>6. Describe the organisation's processes for identifying and assessing climate related risks.</p> <p>7. Describe the organisation's processes for managing climate related risks.</p> <p>8. Describe how processes for identifying, assessing and managing climate related risks are integrated into the organisation's overall risk management.</p>	<p>We have a well-established risk management framework that separates responsibilities into three lines of defence - our OLT and senior leadership; oversight functions, forums and committees; and independent assurance.</p> <p>The Group risk register includes the risk of climate change as a principal risk.</p> <p>We have considered various risks and opportunities, which includes both physical and transition factors. We are looking to take advantage of the opportunities presented by a shift towards electric vehicles and mitigate risks. We have undertaken climate scenario risk analysis.</p> <p>See page 34 for more information.</p>
<p><b>Metrics and targets</b></p> <p>9. Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.</p> <p>10. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks.</p> <p>11. Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.</p>	<p>To help us accurately assess and develop strategies to reach our net zero target, we have broadened the reporting of our GHG emissions to include a full inventory of Scope 3. We have updated our reporting to include the impact of Autorama.</p> <p>We are committed to the Science Based Targets initiative and our near-term (2030) and long-term (2040) targets have both been validated by the SBTi. We are committed to:</p> <ul style="list-style-type: none"> <li>(i) reduce absolute Scope 1 and 2 GHG emissions 50% by FY2030/31 from a FY2022/23 base year;</li> <li>(ii) reduce absolute Scope 3 GHG emissions 46.2% over the same timeframe; and</li> <li>(iii) reduce absolute Scope 1, 2 and 3 GHG emissions 90% by FY2040/41 from a FY2022/23 base year.</li> </ul> <p>Our GHG emissions have been audited by a third party, EcoAct, providing an assurance over our emissions reporting.</p> <p>See pages 35 to 39 for more information.</p>

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Report of the Corporate Responsibility Committee continued

SASB DISCLOSURE TOPICS AND ACCOUNTING METRICS

SASB standards enable businesses around the world to identify, manage and communicate financially material sustainability information to their investors. The SASB standards are industry specific and identify the minimum set of financially material sustainability topics and their associated metrics for the typical company in an industry. SASB assigns Auto Trader to Internet & Media Services and the following disclosure sets out our progress according to the SASB standard for that sector.



Topic	Accounting metric	Group progress
Environmental footprint of hardware infrastructure	1. Total energy consumed. 2. Percentage grid electricity. 3. Percentage renewable.	Scope 1, 2 and 3 GHG emissions disclosed. See page 35 for further information.
	Discussion of the integration of environmental considerations into strategic planning for data centre needs.	We have completed the migration of our data centres to the cloud.
Data privacy, advertising standards and freedom of expression	Description of policies and practices relating to behavioural advertising and user privacy.	See page 47 for more information on our approach to data privacy.
	List of countries where core products or services are subject to Government-required monitoring, blocking, content filtering or censoring.	None, Auto Trader is a UK based company with a predominantly UK based target audience.
Data security	1. Number of data breaches. 2. Percentage involving personally identifiable information ('PII'). 3. Number of users affected.	We report qualifying incidents to the relevant regulators (for example, the Information Commissioner's Office ('ICO') in the UK) and impacted individuals, where we are legally required to do so and within the mandated timeframes. To the extent that the relevant regulators ever find fault with our data breach management and/or data security practices, they publish their findings/sanctions on their websites. There were no such sanctions in 2023/24.
	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards.	See page 47 for our approach to data security and privacy. We have adopted the National Institute of Standards and Technology ('NIST') Cybersecurity Framework to manage and reduce cyber security risks.
Employee recruitment, inclusion and performance	Percentage of employees that are foreign nationals.	The Group has a total of 121 foreign nationals, representing 9.6% of total employees as at 31 March 2024.
	Employee engagement as a percentage.	97% of employees stated they are proud to work for Auto Trader, see page 20 for further information.
	Percentage of gender and racial/ethnic group representation for: 1. Management. 2. All other employees.	See pages 43 to 44 for further information.
Intellectual property protection and competitive behaviour	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations.	No monetary losses as a result of legal proceedings.

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## Directors' remuneration report



Jill Easterbrook  
Chair of the Committee

## AT A GLANCE

Core responsibilities – Determining all elements of remuneration for the Chair, Executive Directors and senior management and overseeing reward arrangements for the wider workforce.

## OVERVIEW

- Composed of five Independent Non-Executive Directors.
- The Chair of the Board, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and other relevant individuals including external advisors are invited to attend the meetings when appropriate – no person is present during any discussion relating to their own remuneration.
- Matt Davies joined Auto Trader as Chair Designate with effect from 1 July 2023, and following conclusion of the AGM on 14 September 2023, has now assumed the role of Company Chair, succeeding Ed Williams who stepped down from the Board from this date. He was in attendance at all meetings since his appointment by invitation.

TERMS OF REFERENCE  
[plc.autotrader.co.uk/investors](https://plc.autotrader.co.uk/investors)

## OUR PROGRESS IN 2024

- Introduced The One Auto Trader Share Award as part of our commitment to enhancing wider workforce reward and extending the opportunity to be shareholders in the business to all our employees.
- Conducted a comprehensive review of our approach to remuneration ahead of submitting our revised Directors' Remuneration Policy to a shareholder vote at the 2024 AGM. This included an assessment of overall compensation opportunities for Executive Directors given the significant growth the business has experienced since IPO.
- Consulted with shareholders on the proposed changes to the Remuneration Policy and its implementation and operation in 2025. The updated Remuneration Policy to be put to vote at the 2024 AGM is outlined on page 85 of the Directors' Remuneration Report.
- Assessed the achievement of targets for the FY24 annual bonus and 2021 PSP awards.
- Set appropriate targets for the FY25 annual bonus and the PSP awards to be granted in 2024.
- Approved new share plan rules which will be put to shareholders for approval at the 2024 AGM.

## FOCUS AREAS FOR 2025

- Appointment of Geeta Gopalan as Remuneration Committee Chair at the 2024 AGM.
- Assess the achievement of targets for the FY25 bonus and 2022 PSP awards.
- Continue to engage with shareholders on remuneration matters, ensuring sustained alignment with shareholder interests.
- Continue to monitor our remuneration arrangements in the context of our approach to the wider workforce, executive pay environment, governance developments and market practice.

KPIS P18

## Annual statement by the Chair of the Remuneration Committee

## Dear shareholders,

I am pleased to present, on behalf of the Board, the Report of the Remuneration Committee (the 'Committee') for the year ended 31 March 2024.

## PERFORMANCE AND REWARD IN 2024

Both financial and operational performance has been strong during the year. Revenue growth in the core Auto Trader business was 12% to £529.7 million (2023: £473.0m); and at a Group level, revenue grew 14% to £570.9 million (2023: £500.2 million). Operating profit in the core Auto Trader business was up 14% at £378.6 million (2023: £332.9 million), with an operating profit margin of 71% (2023: 70%). Group operating profit increased by 26% to £348.7 million (2023: £277.6 million), Group operating profit margin was 61% (2023: 55%). Basic earnings per share increased 13% to 28.15p (2023: 25.01p). Adjusted earnings per share increased by 8% to 29.37 pence (2023: 27.12 pence). There have been continued improvements in the product offering, enabling customers to compete on our marketplace through greater access to data-driven insight and enabling more of the buying journey to be completed online, all yielding greater efficiencies for customers. We have continued to invest in our people, creating an environment where there is increasing alignment between employees, customers and shareholders.

## Annual bonus

As detailed in last year's Directors' remuneration report, the FY24 annual bonus was based 75% on adjusted operating profit (adjusted for the impact of the deferred consideration charge in relation to the acquisition of Autorama) and 25% on strategic milestones linked to our digital retailing strategic priority.

The adjusted operating profit outcome was £359.8m (2023: £316.4m, an increase of +14%), compared to the stretch target of £365m.

This resulted in a pay-out of 67.2% out of a maximum of 75% for this element. The Committee assessed the progress on meeting our digital retailing strategy milestones and determined that performance has been excellent and that the maximum of 25% should pay out for this element.

The overall bonus pay-out is therefore 92.2% of maximum. Half of this bonus will be deferred into shares for a two-year period.

## Performance Share Plan ('PSP')

PSP awards granted in 2021 will vest in August 2024 based on performance over the three years to 31 March 2024. The award was based 75% on operating profit growth, 12.5% on revenue growth and 12.5% on diversity progress, assessed in the round including the following basket of measures:

- The proportion of women employees in the Group being 40%.
- The proportion of leadership who are women being 38%.
- The proportion of ethnically diverse employees in the Group being 14%.
- The proportion of leadership who are ethnically diverse being 10%.

Operating profit growth of 13.8% and revenue growth of 13.4% over the performance period were above the set stretch targets, resulting in the maximum pay-out for these elements. The Committee assessed that three of the four diversity targets were met, resulting in a pay-out of 9.4% of a maximum of 12.5%. The overall PSP pay-out is therefore 96.9% of maximum. Under the terms of the PSP holding period, the Directors will retain the net vested shares received for at least two years from the point of vesting.

The Committee carefully considered the annual bonus outcome and the level of PSP award vesting and concluded that these were a fair reflection of the underlying performance during the year and over the past three years against the stretching targets set and that these outcomes are appropriate in the context of the broader shareholder and stakeholder experience. No discretion has therefore been exercised in relation to these outcomes.

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## Directors' remuneration report continued

### REMUNERATION POLICY REVIEW

In line with the normal three-year renewal cycle, our updated Directors' Remuneration Policy will be put to a shareholder vote at the 2024 AGM. As part of this process the Committee undertook a thorough review of our remuneration framework and approach during the year.

The review of our existing approach was conducted based on a number of core principles:

- Remuneration should be consistent with Auto Trader's culture, purpose and values, and should take into account the approach to pay for all employees.
- Remuneration should align with our strategy and the interests of shareholders.
- Remuneration should be fair and appropriately motivating for Executive Directors, without being excessive.
- Remuneration should be appropriately positioned for the size and complexity of the organisation and the role the executive undertakes.

### Approach to reward since IPO

Since our IPO in 2015 Auto Trader has grown significantly, with the execution of our strategy alongside a disciplined focus on operations and cost management resulting in revenues growing from £255.9m to £570.9m (+123%), operating profit growing from £133.1m to £348.7m (+162%), and our market capitalisation increasing from £2.35bn to more than £6bn, and £1.1bn (net of the equity raise during COVID-19) being returned to shareholders through dividends and share buybacks. The brilliant work of our people has built a strong position with car buyers, true partnerships with our customers, and supports an industry-leading data and technology platform.

### Workforce reward

In the context of the growing size and performance of the Company, we have continued to invest in our broader employee reward to support recruitment and retention and to ensure that we pay colleagues fairly. For our wider workforce, remuneration is intended to be positioned around the market median for the relevant role and in recent years, we have continued to align pay positioning with market, we have enhanced our pension offering, introduced our new all-employee share award, 'One Auto Trader Share Award', which provides colleagues with a share award of 10% of salary to allow them to share in the success of the business alongside shareholders (further details below), and enhanced our broader employee value proposition through the provision of innovative benefits and working practices.

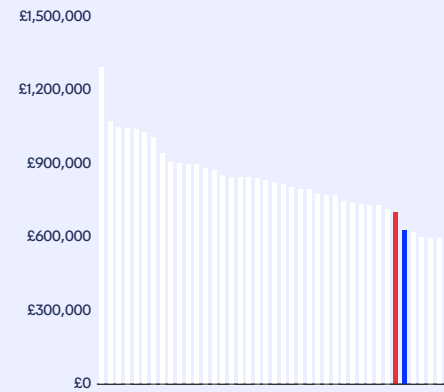
### Executive Director reward

The current approach to executive pay has been in place since IPO in 2015. The strong performance outlined above, however, has not been accompanied with significant change in remuneration levels for our Executive Directors. Incentive opportunities have remained unchanged since IPO, and base salary increases over recent years have been behind those for the wider workforce over this period. The Committee had been mindful of this growing disparity, and had intended to address this earlier, but due to the impact of COVID-19, followed shortly by the cost-of-living crisis, it was not considered appropriate to make changes sooner. The Committee now feels that it is an appropriate time to review base salaries and incentive opportunities to ensure that they better reflect the current size and complexity of Auto Trader.

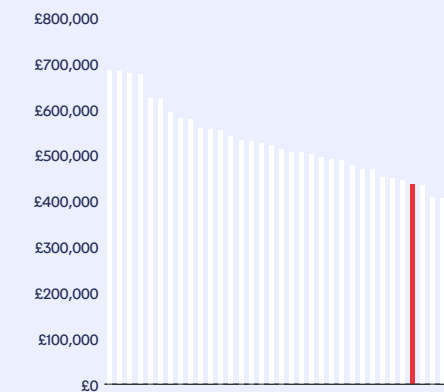
### Market positioning for the CEO and CFO roles compared to FTSE companies of similar market capitalisation

#### SALARY

##### CEO

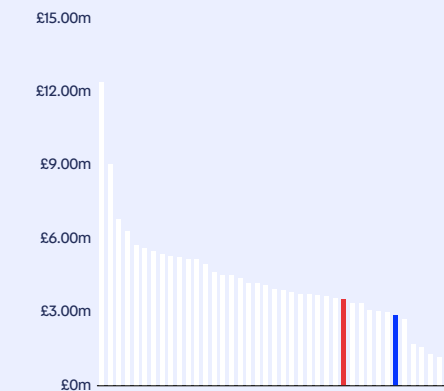


##### CFO

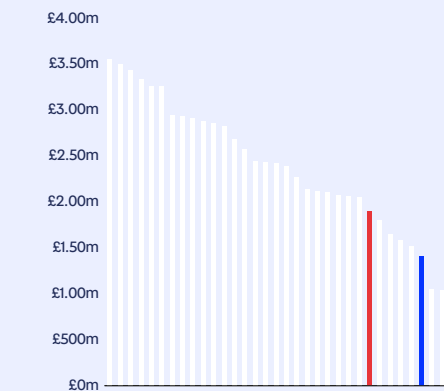


#### TOTAL MAXIMUM REMUNERATION

##### CEO



##### CFO



● Current positioning ● Revised positioning

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To determine what appropriate revised reward opportunities might be, the Committee undertook a market data review to help inform our decisions. The Committee is mindful that market data should be used with caution and should be thoughtfully applied. To ensure that it considered a broad perspective on the market data taking into account the Company's size and value to shareholders, as well as the underlying complexity of its operations, the Committee reviewed a number of different peer groups. These groups included FTSE companies of similar market capitalisation, companies of similar revenues as well as companies of similar scale and complexity and geographical reach. When considering market positioning against the data, the Committee took into account the UK-focused nature of our business, and the number of colleagues in the business compared to other FTSE listed companies with a similar market capitalisation.

Taking into account the findings from this review, the Committee concluded that remuneration levels for our Executive Directors are significantly behind market practice, and have not kept pace with our growth since IPO. As an illustration, the charts on page 82 show that the current salary and total remuneration opportunities for the CEO and CFO are towards the bottom end of practice compared to companies of similar market capitalisation (range of £3.9bn to £7.3bn). Although there was limited data available for the COO role, based on market examples and the scope of the role, the Committee believes that this role is equivalent to that of the CFO, and that internal parity between these roles would be appropriate.

### Workforce context

As noted above for our wider workforce, remuneration is intended to be positioned around the market median for the relevant role. Salary increases for our Executive Directors in recent years have been lower than the average Company-wide increases. For the period between 2019 and 2024 (excluding 2021 when no increases were made due to COVID-19), the average annual increase for Executive Directors was 2.8% while the average annual Company-wide increase was 4.85%.

The Committee is therefore comfortable that taking steps to address the current positioning for the Executive Directors would be consistent with the approach to remuneration for the wider workforce and continues to be in line with the culture of Auto Trader. This market positioning was also discussed with our Board Engagement Guild as part of our employee engagement process, and their feedback was taken into consideration when determining proposed changes to remuneration.

### AMENDMENTS TO DIRECTORS' REMUNERATION

Given the market and workforce context provided above, the significant growth in scale of Auto Trader, and the Committee's commitment to good practice principles, the Committee concluded that the following changes to Directors' remuneration are necessary in order to provide a fair opportunity to our senior executives that recognises the scale of their roles, the talent market we operate in, and the views of and pay practices for our wider workforce:

#### Proposed amendments to Remuneration Policy

- Increase in Performance Share Plan ('PSP') maximum opportunity:
  - As part of moving to a more market competitive package, reflecting the growth in Auto Trader since IPO, the Committee believes it is appropriate for the emphasis to remain on performance-based pay over the long term, and on ensuring strong alignment between executive pay and shareholder interests. Therefore, it is proposed that PSP award opportunities are increased by 50% of salary. The CEO's normal award would be set at 250% of salary and the CFO's and COO's awards would be set at 200% of salary.
  - These proposed PSP opportunities, alongside the increases to salary levels discussed below, would result in total maximum remuneration opportunities for Executive Directors still being between lower quartile and median versus the market capitalisation peer group (illustrated in charts on page 82).

No other material changes are proposed to the Directors' Remuneration Policy including to annual bonus opportunities which remain at 150% of base salary for the CEO and 130% of base salary for the CFO and COO.

#### Salary review

As discussed above, one of the findings of the remuneration review was that the salaries for our Executive Directors were positioned towards the bottom end of market practice. Given salaries are the main driver for the positioning of total remuneration opportunities, this was impacting the overall positioning of total compensation. Recognising the growth of Auto Trader since IPO, the Committee decided it was appropriate to increase salaries for the Executive Directors with effect from 1 July 2024. The CEO salary will increase by 11.7% to £700,000, the COO salary will increase by 12.7% to £435,000 (on a FTE basis), and the CFO salary will increase by 19.5% to £435,000.

These increases are ahead of the planned average Company-wide increase of c.4.5%. However, as noted above, salary increases for our Executive Directors have historically been below the average annual increase for the wider workforce, and their current salary positioning at the bottom end of the market is inconsistent with the targeted positioning we apply for the rest of the workforce.

The Committee believes that this salary positioning is a fairer reflection of the scope of these roles and the current scale of Auto Trader. The current positioning versus the market means that, even after these increases are applied, base salaries would still be placed below the lower quartile of the market capitalisation peer group as shown in the charts on the previous page.

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## Directors' remuneration report continued

The proposed increase for the CFO is larger than for the other Executive Directors as when Jamie Warner was appointed to the role in March 2020, his salary was positioned towards the lower end to reflect his status as a newly promoted CFO. Since appointment, Jamie has gained experience and has demonstrated strong performance in the role. Auto Trader has also grown significantly in this period, which has resulted in Jamie's current salary being the lowest in the market capitalisation peer group.

Going forward, the current intention is for salary increases to normally be in line with those for the wider workforce for the duration of the Policy.

The Committee believes that the changes outlined above are appropriate to reflect the growth of the organisation and the contribution of the Executives to delivering this growth. They are consistent with our values and culture, our approach to reward throughout the organisation and they better position the Company in terms of the future recruitment and retention of talent.

### Performance measures for 2024/5 incentives

In recent years, the primary financial performance measure used for both annual bonus and PSP awards has been operating profit. Although this is a key performance indicator of the business, the Committee is aware that it is good practice to assess performance across a wider number of metrics. For the 2024 PSP awards, the operating profit growth measure will be replaced with Earnings Per Share (EPS) growth. EPS is also a KPI for the business and will further strengthen the alignment between PSP outcomes and shareholder interests.

Therefore, PSP awards granted in 2024 will be based on 70% EPS growth, 20% revenue growth, and 10% carbon reduction targets, with an underpin linked to progress on our diversity ambitions. The PSP targets are disclosed in full on page 95 onwards.

For the FY25 annual bonus, the bonus will continue to be weighted as 75% on operating profit and 25% on strategic measures linked to the achievement of stretching strategic and operational milestones against our digital retailing strategy.

### Engagement with shareholders

During the remuneration review process, we engaged with our top 20 shareholders as well as the major proxy bodies to explain our proposed approach for the renewal of our Policy. We were pleased with the feedback and level of support for the proposals put forward, and the final proposals reflect the feedback provided during this process. The Committee is grateful to shareholders for the time they have given to the consultation process and the feedback provided, both of which have helped facilitate a more robust decision-making process.

### All-employee share award for wider workforce

As part of our commitment to our wider workforce reward, our One Auto Trader culture, and to align employees with shareholder interests, in November 2023 we introduced The One Auto Trader Share Award under which eligible colleagues will receive an annual award of shares worth 10% of salary which will vest over three years subject to continued employment. Executive Directors are not eligible to receive these awards. We have been delighted with how these awards have been received by colleagues and believe that this scheme will help encourage share ownership within the organisation, and will act as a powerful tool to attract and retain the talent we need to continue to grow.

### Share plan rules

Our current share plans, which were adopted at the IPO in 2015, are due to expire soon. Therefore at the 2024 AGM we will also be asking shareholders to approve the adoption of new share plan rules including a Long Term Incentive Plan under which LTIP awards and The One Auto Trader Share Awards will be made, a Deferred Bonus Share Plan, a Save As You Earn (SAYE) plan and a Share Incentive Plan. Details of the terms of these new plans have been included as part of the Notice of AGM.

### LOOKING AHEAD

I hope that you will support our 2024 Remuneration Policy and 2024 Directors' remuneration report at the AGM in September. As I will reach the end of my third three-year term at the 2024 AGM I will be standing down as a Non-Executive Director and as Chair of the Remuneration Committee.

As outlined in the Nomination Committee Report, Geeta Gopalan has been appointed as a Non-Executive Director and member of the Remuneration Committee from 1 May 2024, and Amanda James will join the Board as a Non-Executive Director with effect from 1 July 2024 and will join the Remuneration Committee at that time. Geeta will be appointed as Remuneration Committee Chair following the 2024 AGM.

Both Geeta and I will be in attendance at the AGM, and I will continue to be available prior to the AGM to answer any questions.

I am proud to have served on the Board since IPO. The business has gone from strength to strength under the stewardship of its exceptional management team and I wish the Company every success for the future. I would also like to particularly thank our investors who have engaged with us and supported us in the design and implementation of our remuneration arrangements during my period as Remuneration Committee Chair.

In the meantime, I welcome any feedback that you may have, which can be submitted to [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk).

### Jill Easterbrook

Chair of the Committee  
30 May 2024

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Directors' remuneration report continued

REMUNERATION AT A GLANCE: HOW EXECUTIVES WILL BE PAID IN FUTURE YEARS

We are seeking shareholder approval for a revised Policy at the 2024 AGM. An overview of our Policy and how it is proposed to apply in 2024/5 is set out below:

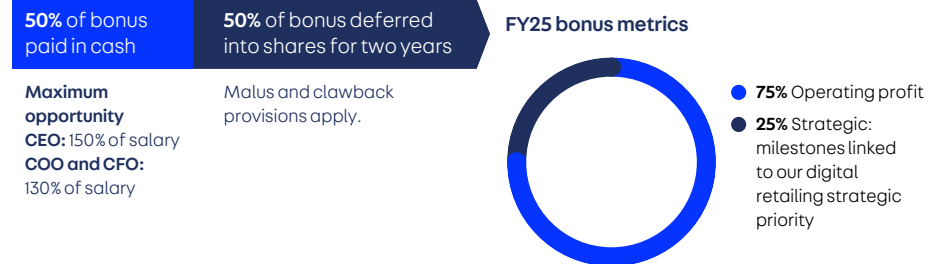
FIXED PAY: TO RECRUIT AND REWARD EXECUTIVES OF A HIGH CALIBRE

Remuneration for the year ending 31 March 2025

<b>Salary</b>	CEO: £700,000	As outlined above in the Chair's statement, recognising the growth of Auto Trader since IPO, the Committee decided it was appropriate to increase salaries 11.7% for the CEO, 19.5% for the CFO and 12.7% for the COO. This is above the planned average Company-wide increase of c.4.5%. The salary review date is 1 July 2024.
	COO: £391,500	
	CFO: £435,000	
<b>Pension</b>	7% of salary	Aligned with the maximum pension opportunity for the wider workforce.
<b>Benefits</b>	Includes private medical cover, life assurance and income protection insurance.	

ANNUAL BONUS

To incentivise and reward the achievement of annual financial and operational objectives which are closely linked to the corporate strategy.



PERFORMANCE SHARE PLAN

To incentivise and recognise successful execution of the business strategy over the longer term. To align the long-term interests of Executive Directors with those of shareholders.



**GUIDELINES APPLY IN-POST, AND EXTEND BEYOND TENURE IN-POST GUIDELINES**  
 200% of salary.

**POST-EMPLOYMENT GUIDELINES**  
 100% of in-post shareholding guideline (or actual shareholding if lower) for a period of two years following departure.

1. Compound annual growth rate targets have been set as three-year growth targets with reference to performance for 31 March 2024 as the base year. Earnings Per Share will be based on Group Earnings Per Share, but excluding the impact of the deferred consideration charges in relation to the acquisition of Autorama, which are being spread over FY23 and FY24. This approach provides a like-for-like comparison for assessing performance across the three-year performance period.  
 2. Revenue will be based on Group revenue, but excluding Vehicle & Accessory Sales attributable to Autorama, as this revenue does not generate any profit.

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## Directors' remuneration report continued

### Directors' Remuneration Policy

This Remuneration Policy will be put to shareholders for approval in a binding vote at the AGM on 19 September 2024 and if approved will be effective from this date.

#### POLICY OVERVIEW

As outlined in the Remuneration Committee Chair's statement, in light of the requirement to seek shareholder approval for a new Remuneration Policy, the Committee undertook a thorough review of the current remuneration arrangements for Executive Directors, considering a range of potential approaches. The findings of our review which also considered current market positioning indicated our current Executive Director remuneration levels considerably lag market practice. Given this market context, the significant growth in scale of the business since the IPO, and the Committee's commitment to good practice principles, the Committee concluded that the following changes are necessary to the previous policy approved at the 2021 AGM:

- Under the Policy, the PSP maximum award will be increased to 250% of base salary (up to 300% of base salary in exceptional circumstances).
- Other minor changes have been made to the Policy to simplify and/or align with typical market practice.

The Policy is structured so as to ensure that the main elements of remuneration are linked to Company strategy, in line with best practice and aligned with shareholders' interests. The Policy is designed to reward Executive Directors by offering competitive remuneration packages, which are prudently constructed, sufficiently stretching and linked to long-term profitability.

In promoting these objectives, the Policy aims to be simple in design, transparent and structured so as to adhere to the principles of good corporate governance and appropriate risk management.

This Policy has been prepared in accordance with the Companies Act 2006, Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended in 2013) and the UKLA's Listing Rules. This Policy is subject to a binding shareholder vote at the AGM on 19 September 2024.

In reaching its decisions, the Committee also considered the following principles as recommended in the revised 2018 UK Corporate Governance Code.

**Clarity:** The Policy is designed to allow our remuneration arrangements to be structured such that they clearly support, in a sustainable way, the financial and strategic objectives of the Company. The Committee remains committed to reporting on its remuneration practices in a transparent, balanced and understandable way.

**Simplicity:** The Policy consists of three main elements: fixed pay (salary, benefits and pension), an annual bonus and a long-term incentive award. The metrics used in our incentive plans directly link back to our key strategic ambitions and values and provide a clear link to the shareholder experience. The Committee may change measures for future years to ensure they continue to be aligned with our strategy.

**Risk:** The Policy is in line with our risk appetite. A robust malus and clawback policy is in place, and the Committee has the discretion to reduce pay outcomes where these are not considered to represent overall Company performance or the shareholder experience. Furthermore, our bonus deferral, post-cessation shareholding requirement and PSP holding period ensure that Executive Directors are motivated to deliver sustainable performance.

**Predictability:** The Committee considers the impact of various performance outcomes on incentive levels when determining quantum. These can be seen in the scenario charts on page 90.

**Proportionality:** A substantial portion of the package comprises performance-based reward, which is linked to our strategic priorities and underpinned by a robust target-setting process. We are mindful of the alignment with our workforce, the shareholder experience and our values and culture when considering the right and proportional approach to pay.

**Alignment to culture:** When developing our Policy, the Committee reviewed our approach to remuneration throughout the organisation to ensure that arrangements are appropriate in the context of the wider workforce. The themes considered include workforce demographics, engagement levels and diversity to ensure that executive remuneration is appropriate from a cultural perspective. Our FY25 PSP award includes carbon reduction objectives with the vesting of the award subject to a diversity underpin.

#### HOW THE VIEWS OF SHAREHOLDERS AND EMPLOYEES ARE TAKEN INTO ACCOUNT

The Committee engages with the wider workforce through a Board Engagement Guild, which all Non-Executive Directors attend. This is the primary mechanism through which our Board engages with employees, creating a platform for employees to share their experiences, views, and questions directly with Non-Executive Directors. The Board Engagement Guild has representatives from across different parts of the business and canvasses views and opinions from colleagues to share with the Board, covering topics including potential changes to the executive Remuneration Policy, as well as gender and ethnicity pay gap, navigating the cost-of-living crisis, Connected Working and our annual employee engagement survey results.

Additionally, the Company regularly undertakes an employee engagement survey which includes questions to understand employees' views on their own remuneration and benefits, which the Committee also reviews. The Committee aims to understand job satisfaction, measure opinion, and identify where changes may be necessary. In our most recent survey in April 2024 we are pleased that 97% of our employees are proud to work at Auto Trader (2023: 91%).

As demonstrated in our decision-making process behind our Policy review this year, the Committee is committed to a constructive dialogue with shareholders in order to ensure that our Remuneration Policy is aligned with their views. The Committee consulted with shareholders in advance of submitting our revised Policy to the shareholder vote, and carefully considered the feedback received from each shareholder ahead of time. In conjunction with any additional feedback received from time to time, this will be considered as part of the Committee's annual review of how we intend to implement our Remuneration Policy.

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### REMUNERATION POLICY FOR EXECUTIVE DIRECTORS

Our Policy is designed to offer competitive but not excessive remuneration, so that there is a significant weighting towards performance-based elements. A significant proportion of our variable pay is delivered in shares with deferral and holding periods being mandatory, and with appropriate recovery and withholding provisions in place to safeguard against any overpayments in the event of certain negative events occurring. The table below provides a full summary of the Policy elements for the Executive Directors.

Element	Purpose and link to strategy	Operation and performance conditions	Maximum opportunity	Performance assessment
<b>Salary</b>	<p>To recruit and reward executives of high calibre.</p> <p>Recognises individual's experience, responsibility and performance.</p>	<p>Salaries are normally reviewed annually with changes effective from 1 July but may be reviewed at other times if considered appropriate.</p> <p>Salary reviews will consider:</p> <ul style="list-style-type: none"> <li>personal performance;</li> <li>Group performance;</li> <li>the nature and scope of the role;</li> <li>the individual's experience;</li> <li>increases elsewhere in the Company; and</li> <li>market practice at other companies of a similar size and complexity.</li> </ul> <p>Periodic reviews of market practice (for example, in comparable companies in terms of size and complexity) will also be undertaken.</p> <p>The Committee considers the impact of any salary increase on the total remuneration package.</p>	<p>There is no prescribed maximum salary level or salary increase; however, any base salary increases will normally be in line with the percentage increases awarded to other employees of the Group.</p> <p>However, increases may be made outside of this policy in appropriate circumstances, such as:</p> <ul style="list-style-type: none"> <li>Where a Director is appointed on a salary that is at the lower end of the market practice range, larger increases may be awarded as the executive gains experience to move the salary closer to a more typical market level.</li> <li>Where there has been a change in the nature and scope of the role.</li> <li>Where there has been a significant and sustained change in the size and complexity of the business.</li> <li>Where there has been a significant change in market practice.</li> </ul>	<p>The Committee reviews the salaries of Executive Directors each year taking due account of all the factors described in how the salary policy operates.</p>
<b>Benefits</b>	<p>To provide competitive benefits to ensure the wellbeing of employees.</p>	<p>Executive Directors are entitled to the following benefits:</p> <ul style="list-style-type: none"> <li>life assurance;</li> <li>income protection insurance; and</li> <li>private medical insurance.</li> </ul> <p>The Committee may determine that Executive Directors should receive additional reasonable benefits if appropriate, taking into account typical market practice and practice throughout the Group.</p> <p>Executive Directors may be reimbursed for all reasonable expenses and the Company may settle any tax incurred in relation to these.</p> <p>Where an Executive Director is required to relocate to perform their role, they may be provided with reasonable benefits as determined by the Committee in connection with this relocation (on either a one-off or ongoing basis), including any benefits such as housing, travel or education allowances.</p>	<p>The value of benefits is not capped as it is determined by the cost to the Company, which may vary.</p>	<p>N/A</p>
<b>Pension</b>	<p>To provide retirement benefits for employees.</p>	<p>Directors are eligible to receive employer contributions to the Company's pension plan (which is a defined contribution plan), a salary supplement in lieu of pension benefits (or combination of the above) or similar arrangement.</p>	<p>Maximum contribution in line with the contribution of other employees in the Group, currently 7% of salary.</p>	<p>N/A</p>

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Element	Purpose and link to strategy	Operation and performance conditions	Maximum opportunity	Performance assessment
<b>Annual bonus</b>	To incentivise and reward the achievement of annual financial and operational objectives which are closely linked to the corporate strategy.	<p>The annual bonus is based predominantly on stretching financial and operational objectives set at the beginning of the year and assessed by the Committee following the year end.</p> <p>Half of any bonus earned is normally subject to deferral into shares, typically for a period of two years from the date of award. The deferred shares will vest subject to continued employment, but there are no further performance targets.</p> <p>A dividend equivalent provision applies, as described below.</p> <p>Recovery and withholding provisions apply, as described on page 89.</p> <p>Participation in the bonus plan, and all bonus payments, are at the discretion of the Committee.</p>	Maximum of 150% of salary as determined by the Committee.	<p>Financial measures will normally represent the majority of bonus measures, with strategic or operational or personal non-financial targets representing the balance (if any).</p> <p>Not more than 20% of each part of the bonus will be payable for achieving the relevant threshold hurdle.</p> <p>Measures and weightings may change each year to reflect any year-on-year changes to business priorities.</p> <p>The Committee has the discretion to adjust targets in appropriate circumstances for any exceptional events (including acquisitions or disposals) that may arise during the year.</p> <p>The Committee also has the discretion to adjust the bonus outcome if it is not considered to be reflective of underlying financial or non-financial performance of the business or the performance of the individual over the performance period or where the outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.</p>
<b>Performance Share Plan ('PSP')</b>	<p>To incentivise and recognise successful execution of the business strategy over the longer term.</p> <p>To align the long-term interests of Executive Directors with those of shareholders.</p>	<p>Awards will normally be made annually under the PSP, and will take the form of nil-cost options or conditional share awards. Participation and individual award levels will be determined at the discretion of the Committee within the Policy.</p> <p>Awards normally vest after three years subject to the extent to which the performance conditions specified for the awards are satisfied, and continued service.</p> <p>Recovery and withholding provisions apply, as described on page 89.</p> <p>Executive Directors are required to retain vested shares delivered under the PSP for at least two years from the point of vesting, subject to the terms of the holding period described below.</p> <p>A dividend equivalent provision applies, as described below.</p>	<p>Normal: maximum of 250% of salary as determined by the Committee.</p> <p>Exceptional circumstances: maximum of 300% of salary as determined by the Committee.</p>	<p>The vesting of awards will be subject to the achievement of performance metrics which may be financial, share price or strategic in nature.</p> <p>The metrics and weightings for each award will be set out in the Annual Report on Remuneration. Any strategic measure(s) will account for no more than 25% of the award.</p> <p>No more than 25% of the award vests for achieving threshold performance.</p> <p>The Committee has the discretion to adjust targets in appropriate circumstances for any exceptional events (including acquisitions and disposals) that arise during the performance period.</p> <p>The Committee retains the discretion to adjust the vesting outcome if it is not considered to be reflective of underlying financial or non-financial performance of the business or the performance of the individual over the performance period or where the outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.</p>
<b>All-employee Share Plans</b>	To encourage Group-wide equity ownership across all employees, and create a culture of ownership.	<p>The Company operates two all-employee tax-advantaged plans, namely a Save As You Earn ('SAYE'), and a Share Incentive Plan ('SIP') for the benefit of Group employees.</p> <p>The operation of these plans will be at the discretion of the Committee, and Executive Directors will be eligible to participate on the same basis as other employees.</p>	SAYE and SIP - Maximum permitted based on HMRC limits from time to time.	N/A

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Directors' remuneration report continued

Element	Purpose and link to strategy	Operation and performance conditions	Maximum opportunity	Performance assessment
<a href="#">Share ownership guidelines</a>	To increase alignment between executives and shareholders.	<p><b>In-post:</b> Executive Directors are expected to build and maintain a holding of shares in the Company. This is expected to be built through retaining a minimum of 50% of the net of tax vested PSP and DABP shares, until the guideline level is met.</p> <p>The minimum share ownership guideline is 200% of salary for current Executive Directors.</p> <p><b>Post-cessation:</b> Following stepping down from the Board, Executive Directors will normally be expected to maintain a minimum shareholding of 200% of salary (or actual shareholding if lower) for two years. The Committee retains discretion to waive this guideline or disapply the guideline from certain shares (for example purchased shares) if it is not considered to be appropriate in the specific circumstance.</p>	Not applicable.	N/A

NOTES TO THE POLICY TABLE

Share plan rules

Deferred awards have previously been granted under the Deferred Annual Bonus Plan ('DABP') and from the 2024 AGM onwards are intended to be granted under the new Deferred Bonus Plan. In this Policy, where relevant, references to the DABP include the new Deferred Bonus Plan or any similar plan adopted in the future.

PSP awards have previously been granted under the Performance Share Plan. From the 2024 AGM onwards awards are intended to be granted under the new Long Term Incentive Plan. In this Policy, where relevant, references to the PSP include the new Long Term Incentive Plan or any similar plan adopted in the future.

Recovery and withholding provisions

Recovery and withholding provisions apply to variable pay, to enable the Company to recover amounts paid under the annual bonus and PSP awards. For bonuses payable in respect of 2024/25 and PSP awards granted in respect of 2024/25, the provisions may be applied in the circumstances described below for a period of three years from payment of any cash bonus, three years from grant in the case of any DABP award and six years from grant in the case of any PSP award:

- a material misstatement of the audited financial statements;
- an error in assessing a performance condition or in the information or assumptions on which a PSP award or DABP award was granted or vests;
- a material failure of risk management;
- individual gross misconduct;
- serious reputational damage;
- a material corporate failure; or
- any other circumstances which the Committee considers is similar in nature or effect.

Should such an event be suspected, the Committee may extend the timeline to allow for an investigation of the event. Recovery may be satisfied in a variety of ways including through the reduction of outstanding deferred awards, reduction of net bonus or PSP vesting and seeking cash repayment.

Dividend equivalents

DABP and PSP awards may, at the Committee's discretion, also include the right to receive an additional benefit (in cash or shares) determined by reference to the value of dividends paid on vested shares, which may assume the reinvestment of dividends on a cumulative basis.

Discretion available under the Policy

In order to ensure that the Remuneration Policy is capable of achieving its intended aims, the Committee retains certain discretions over the operation of the variable pay policy. These include the ability to vary the operation of the plans in certain circumstances (such as change of control, rights issue, corporate restructuring event, special dividend or acquisition or disposal) including the timing and determination of pay-outs/ vesting; and making appropriate adjustments to performance measures or targets as necessary to ensure that performance conditions remain appropriate. However, it should be noted that in the event that the measures or targets are varied for outstanding awards in the light of a corporate event, the revised targets would not normally be materially less difficult to satisfy.

In line with best practice and shareholder expectations, the Committee retains the discretion to adjust the vesting outcome if it is not considered to be reflective of underlying financial or non-financial performance of the business or the performance of the individual over the performance period or where the outcome is not considered appropriate in the context of the experience of shareholders or other stakeholders.

Should these discretions be used, they would be explained in the Annual Report on Remuneration and may be subject to consultation with shareholders as appropriate.

Operation of the PSP holding period

Executive Directors are required to retain vested shares delivered under the PSP (on a net of tax basis, where applicable) for at least two years from the point of vesting. In exceptional circumstances, the Committee may at its discretion allow participants to sell, transfer, assign or dispose of some or all of the PSP shares before the end of the holding period.

Previously agreed payment

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above where the terms of the payment were agreed (i) before 17 September 2015 (the date the Company's first shareholder-approved Directors' Remuneration Policy came into effect); (ii) before the Policy set out above came into effect, provided that the terms of the payment were consistent with the shareholder-approved Directors' Remuneration Policy in force at the time they were agreed; or (iii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes, 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

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## Directors' remuneration report continued

### SELECTION OF PERFORMANCE MEASURES

Annual bonus performance measures are selected annually to reflect the Group's key strategic initiatives for the year and include both financial and strategic or operational non-financial objectives. A majority weighting will be placed on financial performance, ensuring that pay-outs are closely linked to the Group's performance and the execution of strategy.

PSP awards to be granted in 2024 will be subject to the achievement of Earnings Per Share (EPS) growth, total Group revenue growth and a carbon reduction measure. The Committee believes this combination of measures ensures that rewards are linked to long-term shareholder value creation and the culture and values of the business. The performance metrics used and their weighting may differ for future awards to ensure they continue to support the Company's long-term growth strategy.

### DIFFERENCES IN REMUNERATION POLICY BETWEEN EXECUTIVE DIRECTORS AND OTHER EMPLOYEES

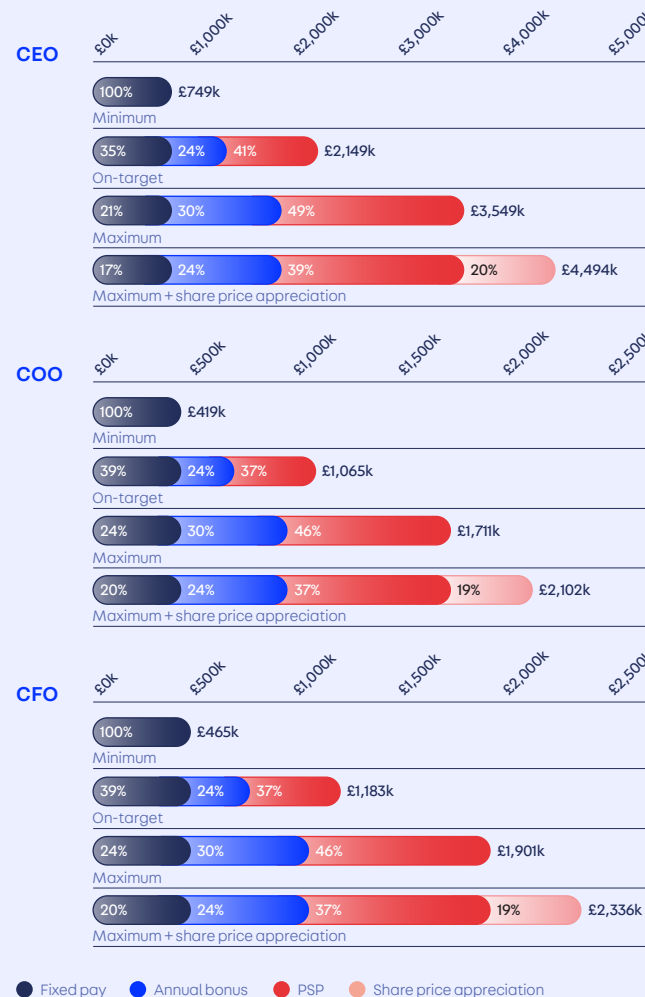
Whilst the Policy described above applies specifically to the Company's Executive Directors, the Policy principles are designed with due regard to employees across the Group.

'At risk, performance-linked pay' is restricted to the most senior employees in the Company, as it is this group that is most influential in driving corporate performance.

The Committee is committed to promoting a culture of widespread share ownership across all levels of the organisation. At senior levels this has predominantly been achieved through participation in performance-based incentive plans, whilst across the rest of the workforce this has been supported via all-employee share plans. In 2023 the Company introduced The One Auto Trader Share Award for the wider workforce under which all employees were granted an award equivalent to 10% of base salary. Executive Directors are not eligible to be granted The One Auto Trader Share Award.

### ILLUSTRATION OF APPLICATION OF REMUNERATION POLICY

The charts below illustrate how the composition of Executive Directors' remuneration packages varies under three different performance scenarios: threshold, on-target and maximum, both as a percentage of total remuneration opportunity and as a total value. It should be noted that these scenarios are for illustrative purposes only and have been determined using the approach specified in the regulations. They should not be construed as profit forecasts or a prediction of share price movements.



### Assumptions

- Minimum = fixed pay (base salary, benefits and pension).
- Target = fixed pay plus 50% of maximum bonus pay-out, 50% vesting under the PSP.
- Maximum = fixed pay plus 100% of bonus pay-out, 100% vesting under the PSP.
- Maximum + share price growth = fixed pay plus 100% of bonus pay-out, 100% vesting under the PSP with a 50% increase in share price applied to the PSP award.

Salary levels are based on and reflect pay increases applying from 1 July 2024. Annual variable remuneration is based on the salary applying from 1 July 2024. Long-term variable remuneration is based on the salary at expected date of grant. The value of taxable benefits is as disclosed in the single figure for the year ending 31 March 2024.

Aside from the maximum + share price growth scenario, no share price increase is assumed and any dividend equivalents payable are not included.

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### SERVICE CONTRACTS AND POLICY FOR PAYMENTS ON LOSS OF OFFICE

The service contracts for the Executive Directors are terminable by either the Company or the Executive Director on 12 months' notice and make provision for early termination by way of payment of a cash sum equal to 12 months' salary and pension. The Company may continue to provide benefits until the end of the notice period or may make a payment to the value of 12 months' contractual benefits.

Payment in lieu of notice can be paid either as a lump sum or in equal monthly instalments over the notice period and will normally be subject to mitigation. The Committee will consider the particular circumstances of each leaver and retains flexibility as to at what point, and the extent to which, payments are reduced.

The Committee reserves the right to make any other payments in connection with a Director's cessation of office or employment where the payments are made in good faith in discharge

of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of a Director's office or employment or for any fees for outplacement assistance and/or the Director's legal and/or professional advice fees in connection with his/her cessation of office or employment. In the event of cessation of employment incentive plan awards will be treated in accordance with the relevant plan rules. SAYE options will become exercisable on cessation of employment to the extent permitted in accordance with the rules of the SAYE scheme, which does not provide for the exercise of discretion by the Committee. On cessation, a payment may be made in respect of accrued but untaken holiday.

Relevant details will be provided in the Annual Report on Remuneration should such circumstances apply.

In summary, the contractual provisions on termination where the Company elects to make a payment in lieu of notice are as follows:

Performance measures	Detailed terms
<b>Notice period</b>	12 months by either party.
<b>Termination payments over the notice period</b>	100% of salary and pension contribution for the relevant period. The Company may continue to provide benefits until the end of the notice period or may make a payment to the value of contractual benefits for the relevant period.
<b>Change of control</b>	No enhanced provisions on a change of control.

The Executive Directors are subject to annual re-election at the AGM. Service contracts are available for inspection at the Company's registered office or on request from [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk). The CEO's service contract date is 1 April 2017, the CFO's service contract date is 1 March 2020, and the COO's service contract date is 1 May 2019.

### Annual bonus on termination

There is no automatic or contractual right to bonus payment. At the discretion of the Committee, for certain leavers, a bonus may become payable at the normal payment date based on performance. Such bonus would normally be pro-rated for time in employment unless the Committee determines otherwise. At its discretion the Committee may also pay such bonus at the time of cessation of employment based on performance to that date. Any bonus paid may be paid 100% in cash for the year of departure or preceding financial year if the bonus for that year has not yet been awarded at the date of cessation of employment. Should the Committee decide to make a payment in such circumstances, the rationale would be fully disclosed in the Annual Report on Remuneration.

### DABP awards on termination

Normally, any existing unvested awards under the DABP will lapse on termination. However, under the rules of the DABP, in certain prescribed circumstances (namely death, sole of employing company from the business or otherwise at the discretion of the Committee), 'good leaver' status applies. In exercising its discretion as to whether an Executive Director should be treated as a good leaver, the Committee will take into account the performance of the individual and the reasons for their departure and, in the event of this determination being made, will set out its rationale in the following Annual Report on Remuneration. Where an award does not lapse it will vest on cessation (or on such later date as the Committee determines). Awards will normally vest in full, unless the Committee determines otherwise.

### PSP on termination

Normally, unvested PSP awards will lapse upon a participant ceasing to hold employment. However, under the rules of the PSP, in certain prescribed circumstances (namely death, sale of employing company from the business or otherwise at the discretion of the Committee), 'good leaver' status applies.

In exercising its discretion as to whether an Executive Director should be treated as a good leaver, the Committee will take into account the performance of the individual and the reasons for their departure and, in the event of this determination being made, will set out its rationale in the following Annual Report on Remuneration. Awards will typically vest on the originally anticipated date, although the Committee has discretion to vest awards sooner (and to assess performance conditions accordingly if vesting occurs before the end of the performance period).

The extent to which PSP awards will vest in good leaver circumstances will depend on:

- (i) the extent to which the performance conditions have been satisfied at the end of the performance period (or such other relevant time as the Committee determines); and
- (ii) unless the Committee determines otherwise, the pro-rating of the award determined by the period of time served in employment during the performance period.

### Change of control

In the event of a change of control of the Company or other relevant event, PSP awards, DABP awards, SIP awards, and options under the SAYE scheme will vest early. Vesting of PSP awards will be determined taking into account any relevant performance condition and, unless the Committee determines otherwise, the pro-rating of the award by reference to the proportion of the performance period that has elapsed at the date of the relevant event. DABP awards shall vest in full. SIP awards and SAYE options will vest in accordance with the rules of the relevant plan on the same basis as for other employees.

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### APPROACH TO RECRUITMENT AND PROMOTIONS

The recruitment package for a new Executive Director would normally be set in accordance with the terms of the Company's approved Remuneration Policy. Currently, this would include an annual bonus opportunity of up to 150% of salary and policy PSP award of up to 250% of salary (other than in exceptional circumstances where up to 300% of salary may be made). The Committee, however, retains discretion to include any other remuneration component or award which it feels is appropriate taking into account the specific circumstances of the recruitment, subject to the limit on variable remuneration of 400% of salary (450% of salary in exceptional circumstances). This limit does not include any payment(s) or award(s) made to 'buy out' remuneration forfeited on leaving a previous employer. The key terms and rationale for any such component would be disclosed as appropriate in that year's Annual Report on Remuneration.

On recruitment, salary will be set so as to reflect the individual's experience and skills. It may be set at a level below the normal market rate, with phased increases greater than those received by others as the Executive Director gains experience.

Where an individual forfeits outstanding variable pay opportunities or contractual rights at a previous employer as a result of appointment, the Committee may offer compensatory payments or awards, in such form as the Committee considers appropriate taking into account relevant factors which may include the form of awards, expected

value and vesting timeframe of forfeited opportunities. When determining any such 'buyout', the principle would be that awards would be on a 'like-for-like' basis unless this is considered by the Committee not to be practical or appropriate.

Where an Executive Director is required to relocate from their home location to take up their role, the Committee may provide assistance with relocation (either via one-off or ongoing payments or benefits).

If an internal candidate is promoted to the Board, legacy terms and conditions would normally be honoured, including pension entitlements and any outstanding incentive awards.

In the event of recruitment, the Committee may grant awards to a new Executive Director relying on the exemption in the Listing Rules which allows for the grant of awards, to facilitate, in unusual circumstances, the recruitment of an Executive Director, without seeking prior shareholder approval or under any other appropriate Company incentive plan.

### POLICY ON EXTERNAL APPOINTMENTS

Subject to Board approval, Executive Directors are permitted to take on one non-executive position with another company and to retain their fees in respect of such position. Additional appointments may be undertaken in exceptional circumstances.

### REMUNERATION POLICY FOR THE CHAIR AND NON-EXECUTIVE DIRECTORS

The Non-Executive Directors do not have service contracts with the Company, but instead have letters of appointment.

Element	Purpose and link to strategy	Overview of operation	Maximum opportunity
<b>Fees</b>	To attract and retain a high-calibre Chairman and Non-Executive Directors by offering a market competitive fee level.	<p>Fees are reviewed periodically and approved by the Board with Non-Executive Directors abstaining from any discussion in relation to their fees. Both the Chair and the Non-Executive Directors are paid annual fees and do not participate in any of the Company's incentive arrangements, or receive any pension provision or other benefits.</p> <p>The Chair receives a single fee covering all of their duties.</p> <p>The Non-Executive Directors receive a basic Board fee, with additional fees payable for chairing the Audit, Remuneration and Corporate Responsibility Committees and for performing the Senior Independent Director role.</p> <p>Additional fees may be paid to reflect additional Board or Committee responsibilities or an increased time commitment as appropriate.</p> <p>The Chair and Non-Executive Directors shall be entitled to have reimbursed all expenses that they reasonably incur in the performance of their duties. The Company may meet any tax liabilities that may arise on such expenses.</p> <p>The Board may introduce benefits for the Chairman or Non-Executive Directors if it is considered appropriate to do so.</p>	<p>There is no prescribed maximum annual increase or fee level.</p> <p>The fee levels are reviewed on a periodic basis, with reference to the time commitment of the role and market levels (for example in companies of comparable size and complexity).</p>

### Letters of appointment

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years, subject to annual re-appointment at the AGM. Appointment is terminable on six months' written notice. The appointment letters for the Non-Executive Directors provide that no compensation is payable upon termination of employment. The letters of appointment are available for inspection at the Company's registered office.

### APPROACH TO RECRUITMENT

For the appointment of a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved Remuneration Policy in force at that time.

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### Annual Report on Remuneration

This report has been prepared in accordance with Companies Act 2006, Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended in 2013) and the UKLA's Listing Rules. This report is subject to an advisory shareholder vote at the AGM on 19 September 2024.

#### SINGLE FIGURE OF REMUNERATION FOR THE YEAR ENDED 31 MARCH 2024 (AUDITED)

The table below shows the aggregate emoluments earned by the Directors of the Company in the year ended 31 March 2024.

£'000	Salary and fees	Benefits	Other	Annual bonus <sup>1</sup>	Long-term incentives <sup>2</sup>	Pension	Total fixed remuneration	Total variable remuneration	Total
<b>Executive</b>									
Nathan Coe	619	1	-	867	1,455	43	663	2,322	2,985
Catherine Faiers <sup>3</sup>	343	1	-	416	605	24	368	1,021	1,389
Jamie Warner	360	1	-	436	634	25	386	1,070	1,456
<b>Non-Executive</b>									
Ed Williams <sup>4</sup>	92	-	-	-	-	-	92	-	92
Matt Davies <sup>5</sup>	190	-	-	-	-	-	190	-	190
David Keens	85	-	-	-	-	-	85	-	85
Jill Easterbrook	74	-	-	-	-	-	74	-	74
Jeni Mundy	74	-	-	-	-	-	74	-	74
Sigga Sigurdardottir	63	-	-	-	-	-	63	-	63
Jasvinder Gakhal	63	-	-	-	-	-	63	-	63
<b>Total</b>	<b>1,963</b>	<b>3</b>	<b>-</b>	<b>1,719</b>	<b>2,694</b>	<b>92</b>	<b>2,058</b>	<b>4,413</b>	<b>6,471</b>

- Performance against annual bonus targets resulted in an overall outcome of 92.2% of maximum. Half of the bonus is deferred into shares for a two-year period.
- 96.9% of PSP awards granted in 2021 will vest in 2024 for performance over the three-year period to 31 March 2024. The award was based 75% on Operating profit compound annual growth rate for three years ended 31 March 2024 (with 2020 as the base year), 12.5% revenue compound growth rate for the three years ended 31 March 2024 and 12.5% in relation to progress made in respect of a basket of diversity measures. The value of these awards has been calculated based on the three-month average share price to 31 March 2024 of £7.258. Of the value reported, the following is attributable to share price growth from grant: Nathan Coe - £305,987; Catherine Faiers - £127,266; Jamie Warner - £133,325.
- Catherine Faiers works a 4.5 day working week and her salary has been pro-rated accordingly.
- Ed Williams retired from the Board on 14 September 2023.
- Matt Davies was appointed to the Board on 1 July 2023 as a Non-Executive Director, and assumed the role of Chair on 14 September 2023.

#### SINGLE FIGURE OF REMUNERATION FOR THE YEAR ENDED 31 MARCH 2023 (AUDITED)

The table below shows the aggregate emoluments earned by the Directors of the Company in the year ended 31 March 2023.

£'000	Salary and fees	Benefits	Other	Annual bonus <sup>1</sup>	Long-term incentives <sup>2</sup>	Pension	Total fixed remuneration	Total variable remuneration	Total
<b>Executive</b>									
Nathan Coe	592	1	-	648	-	40	633	648	1,281
Catherine Faiers <sup>3</sup>	329	1	-	311	-	21	351	311	662
Jamie Warner <sup>4</sup>	344	1	2	326	-	22	369	326	695
<b>Non-Executive</b>									
Ed Williams	195	-	-	-	-	-	195	-	195
David Keens	81	-	-	-	-	-	81	-	81
Jill Easterbrook	70	-	-	-	-	-	70	-	70
Jeni Mundy	70	-	-	-	-	-	70	-	70
Sigga Sigurdardottir	60	-	-	-	-	-	60	-	60
Jasvinder Gakhal	60	-	-	-	-	-	60	-	60
<b>Total</b>	<b>1,801</b>	<b>3</b>	<b>2</b>	<b>1,285</b>	<b>-</b>	<b>83</b>	<b>1,889</b>	<b>1,285</b>	<b>3,174</b>

- Performance against annual bonus targets resulted in an overall outcome of 72.4% of maximum. Half of the bonus is deferred into shares for a two-year period.
- 0% of PSP awards granted in 2020 vested in 2023 for performance over the three-year period to 31 March 2023. The award was based 100% on Relative Total Shareholder Return ('TSR') compared to the FTSE 350 (excluding investment trusts). These awards were granted during the COVID-19 pandemic and due to the uncertainty at the time it was considered very challenging to set robust and fair financial targets for the PSP and therefore the awards were based solely on TSR to ensure our focus on long-term recovery rather than short to medium-term performance.
- Catherine Faiers worked a 4.5 day working week and her salary was pro-rated accordingly.
- Jamie Warner was granted 1,341 shares under the Company's Save As You Earn scheme, at a discount of 20% to the market price. The total value of the discount was £1,529 and has been included in the 'Other' column above.

#### ADDITIONAL INFORMATION TO SUPPORT THE SINGLE FIGURE

##### Benefits

Benefits included in the single figure relate to private healthcare. Directors also receive life assurance and income protection insurance, the cost of which is not disclosed within Benefits above as these are non-taxable benefits.

The value of life assurance and income protection insurance comprised: Nathan Coe £2,714 (2023: £2,406); Catherine Faiers £1,930 (2023: £1,838); and Jamie Warner £2,022 (2023: £1,926).

##### Pension

Employer's pension contributions of 7% of salary were paid in respect of Executive Directors in line with those received for the wider UK employee population. Once Executive Directors have reached their annual pension limit, a salary supplement of 7% is paid in lieu of pension benefits.

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### Annual bonus for the year ended 31 March 2024 (AUDITED)

The performance measures, targets and performance outcomes for the annual bonus for the year ended 31 March 2024 are shown in the following table:

Performance measures		Weighting	Threshold	Stretch	Actual performance	Payout (as a % of maximum)
Financial	Operating profit for year ending 31 March 2024 <sup>1</sup>	75%	Below or equal to £315m	Equal to or above £365m	£359.8m	89.6%
Strategic targets	Milestones linked to our digital retailing strategy	25%	-	-	See below	100%
<b>Total pay-out</b>		-	-	-	-	<b>92.2%</b>

1. Operating profit targets were set based on Group operating profit excluding the impact of the deferred consideration charge in relation to the acquisition of Autorama of £11.1m.

Operating profit remains a key performance indicator of the business and the Board believes continuing to deliver Operating profit performance will generate long-term value for shareholders. The Committee reviewed the formulaic outcome and was comfortable that this was consistent with the overall performance of the Company, and did not exercise discretion.

In 2023, the Committee decided that 25% of the annual bonus would be determined based on progress relating to our digital retailing strategy which would involve consideration of a range of quantitative and qualitative indicators, the achievement of stretching strategic and operational milestones against our digital retailing pillar and measures relating to engagement of car buyers and retailer customers. These milestones have been assessed based on the Committee's holistic assessment of progress made. In reviewing performance in 2024, the Committee reviewed progress against established milestones in relation to our digital detailing strategy. The main focus during FY24 was to develop and scale the Deal Builder product for used cars. The Committee assessed the performance in relation to the achievement of technical milestones, the improvements to the onsite experience and conversation rates, and the scaling of the product (with c.1,100 retailers and over 40,000 cars live on the product at the end of March 2024, and monetisation plans on track), and considered this to be at a level that results in the maximum pay-out of 25% for this element.

The overall bonus pay-out is therefore 92.2%.

### PERFORMANCE SHARE PLAN VESTING FOR YEAR ENDED 31 MARCH 2024 (AUDITED)

The PSP award granted in 2021 was based on performance to 31 March 2024. The performance conditions this award was based on and the targets and performance delivered are set out in the table below:

Measure	Weighting	Threshold (25% vesting)	Stretch (100% vesting)	Actual performance	Payout (as a % of maximum)
Operating profit	75%	5.5%	11%	13.8%	100%
Revenue growth	12.5%	5%	9%	13.4%	100%
Diversity	12.5%	Progress made in respect of a basket of diversity objectives by March 2024, including: <ul style="list-style-type: none"> <li>• Proportion of women employees in the Group being 40%.</li> <li>• Proportion of leadership who are women being 38%.</li> <li>• Proportion of ethnically diverse employees in the Group being 14%.</li> <li>• Proportion of leadership who are ethnically diverse being 10%.</li> </ul>		See below	75%
<b>Total vesting</b>					<b>96.9%</b>

In line with the Committee's decision for 2020 awards as reported in the 2023 DRR, targets set before the Autorama acquisition in relation to Operating Profit and Revenue are based on Auto Trader performance, with the contribution of Autorama and the associated transaction costs excluded from performance achieved to provide a like-for-like comparison with the original targets set.

The growth targets for the operating profit and revenue targets use 2020 as the base year. This 2020 performance excludes the contribution of Webzone following the disposal in 2022 to provide a like-for-like comparison with 2024 performance.

In relation to our four diversity objectives, at the end of March 2024, women represented 44% of our organisation (March 2023: 43%) and 42% (March 2023: 40%) of leadership roles as defined by the FTSE Women Leaders Review. Ethnically diverse employees currently represent 17% of our organisation (March 2023: 15%), with 14% of employees not disclosing their ethnicity. The percentage of ethnically diverse employees in leadership decreased to 6% (March 2023: 8%), using the Parker Review definition, highlighting the work still to be done in this area. Therefore, the Committee assessed that three of the four diversity targets were met, resulting in a pay-out of 9.4% of a maximum of 12.5%.

Overall, the Committee considers that the Remuneration Policy has operated as it was intended during 2023/24. The performance-driven focus of our total remuneration directly supports the sustainable long-term success of the business.

### SCHEME INTERESTS AWARDED DURING THE YEAR (AUDITED)

Awards granted in the year under the PSP are shown below. Awards are granted as nil-cost options.

Executive Director	Number of shares awarded	Multiple of salary	Face value of awards <sup>2</sup>	% award vesting at threshold (% maximum)	Performance period
<b>PSP awards<sup>1</sup></b>					
Nathan Coe	191,818	200%	£1,193,079	25%	1 April 2023 to 31 March 2026
Catherine Faiers	79,783	150%	£496,238	25%	1 April 2023 to 31 March 2026
Jamie Warner	83,582	150%	£519,867	25%	1 April 2023 to 31 March 2026

1. PSP awards will normally be eligible to vest three years from grant (22 June 2023) based on performance over the three years to 31 March 2026 and continued employment. The net value of the vested awards is subject to a two-year holding period.  
 2. As disclosed last year, face value was calculated based on the three-month average share price to the day before grant date (22 June 2023) of 622.0p. This approach has been used to smooth out share price volatility and ensure that the number of shares awarded is not overly impacted by short-term changes in the share price.

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The performance conditions applying to the 2023 PSP awards shown in the table on the previous page are set out below:

Measure	Weighting	Basis	Threshold (25% vesting)	Stretch (100% vesting)
<b>Operating profit</b>	70%	Operating profit compound annual growth rate for the three years ended 31 March 2026. <sup>1</sup>	5.5%	11%
<b>Revenue growth</b>	20%	Revenue compound annual growth rate for the three years ended 31 March 2026. <sup>2</sup>	6%	11%
<b>Carbon reduction</b>	10%	Reduction of carbon emissions over the three years to 31 March 2026. <sup>3</sup>	13%	20%
<b>Diversity underpin</b>	N/A	<p>The vesting under any of the performance conditions will be subject to a diversity underpin.</p> <p>The Committee will determine whether there has been acceptable progress made against the key gender and ethnic diversity objectives, including considering the proportion of our staff who are women and who are ethnically diverse as well as the proportion of leadership<sup>4</sup> who are women and who are ethnically diverse.</p> <p>In assessing whether the underpin has been satisfied, the Committee will consider a range of quantitative and qualitative benchmarks to inform its decision, including 'how' performance has been achieved and 'what' performance has been achieved over the performance period.</p> <p>Should the Committee consider that the underpin has not been met, it would consider whether a discretionary reduction in the number of shares vesting was required.</p>		

- Compound annual growth rate targets were set as three-year growth targets with reference to performance for 31 March 2023 as the base year. Operating profit will be based on Group operating profit, but excluding the impact of the deferred consideration charges in relation to the acquisition of Autorama, which are being spread over FY23 and FY24. This approach provides a like-for-like comparison for assessing performance across the three-year performance period.
- Revenue was based on Group revenue, but excluding Vehicle & Accessory Sales attributable to Autorama, as this revenue does not generate any profit.
- Carbon emissions are calculated based on the financial consolidation approach as defined in the Greenhouse Gas Protocol, and include emissions from Scopes 1, 2 and 3. Our total carbon emissions for the year to 31 March 2023 (the base year) have been independently verified. Refer to page 35 for further details.
- Leadership is defined as the Operational Leadership Team ('OLT') and their direct reports ('OLT-1').

When determining vesting the Committee will consider the overall experience of shareholders and wider stakeholders over the performance period.

### 2024 PSP TARGETS

Subject to receiving shareholder approval for our revised Policy at the 2024 AGM, PSP awards for the CEO will be made at the level of 250% of base salary and PSP awards for the COO and CFO will be made at the level of 200% of base salary. Awards will be subject to the following performance measures and targets:

Measure	Weighting	Basis	Threshold (25% vesting)	Stretch (100% vesting)
<b>Earnings per share (EPS) growth</b>	70%	EPS growth for the three years ended 31 March 2027. <sup>1</sup>	8%	14%
<b>Revenue growth</b>	20%	Revenue compound annual growth rate for the three years ended 31 March 2027. <sup>2</sup>	6%	11%
<b>Carbon reduction</b>	10%	Reduction of carbon emissions by 31 March 2027. <sup>3</sup>	33%	43%
<b>Diversity underpin</b>	N/A	<p>The vesting under any of the performance conditions will be subject to a diversity underpin.</p> <p>The Committee will determine whether there has been acceptable progress made against the key gender and ethnic diversity objectives, including considering the proportion of our staff who are women and who are ethnically diverse as well as the proportion of leadership<sup>4</sup> who are women and who are ethnically diverse.</p> <p>In assessing whether the underpin has been satisfied, the Committee will consider a range of quantitative and qualitative benchmarks to inform its decision, including 'how' performance has been achieved and 'what' performance has been achieved over the performance period.</p> <p>Should the Committee consider that the underpin has not been met, it would consider whether a discretionary reduction in the number of shares vesting was required.</p>		

- EPS growth rate targets have been set as three-year growth targets with reference to performance for 31 March 2024 as the base year. EPS will be based on Group Earnings Per Share, but excluding the impact of the deferred consideration charges in relation to the acquisition of Autorama, which are being spread over FY23 and FY24. This approach provides a like-for-like comparison for assessing performance across the three-year performance period.
- Revenue will be based on Group revenue, excluding Vehicle & Accessory Sales attributable to Autorama, as this revenue does not generate any profit.
- Carbon emissions are calculated based on the financial consolidation approach as defined in the Greenhouse Gas Protocol, and include emissions from Scopes 1, 2 and our total carbon emissions for the year to 31 March 2024 (the base year) have been independently verified. Refer to page 35 for further details.
- Leadership is defined as the Operational Leadership Team ('OLT') and their direct reports ('OLT-1').

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### DIRECTORS' SHAREHOLDING AND SHARE INTERESTS (AUDITED)

Executive Directors are required to maintain a shareholding in the Company equivalent in value to 200% of salary. If an Executive Director does not meet the guideline, they will be expected to retain at least half of the net shares vesting under the Company's discretionary share-based employee incentive schemes until the guideline is met. Non-Executive Directors do not have shareholding guidelines.

The table below sets out the number of shares held or potentially held by Directors (including their connected persons where relevant) as at 31 March 2024. There have been no changes in these interests up until 30 May 2024.

Director	Beneficially owned shares	Number of awards held under the PSP conditional on performance	Number of awards held under the DABP conditional on continued employment	Number of unvested Sharesave options and Incentive Plan shares	Number of vested but unexercised nil cost options	Number of vested Sharesave options and Incentive Plan shares	Target shareholding guideline (as a % of salary)	Percentage of salary held in shares as at 31 March 2024 <sup>2</sup>
<b>Executive Directors</b>								
Nathan Coe	3,186,555	585,548	106,864	–	–	–	200%	3561%
Catherine Faiers	76,106	243,547	51,362	–	–	–	200%	153%
Jamie Warner	41,011	255,144	53,808	2,350	–	1,392	200%	79%
<b>Non-Executive Directors</b>								
Matt Davies	7,936	–	–	–	–	–	N/A	N/A
David Keens	50,000	–	–	–	–	–	N/A	N/A
Jill Easterbrook	–	–	–	–	–	–	N/A	N/A
Jeni Mundy	–	–	–	–	–	–	N/A	N/A
Sigga Sigurdardottir	–	–	–	–	–	–	N/A	N/A
Jasvinder Gakhal	–	–	–	–	–	–	N/A	N/A

1. Includes shares owned by connected persons. Only beneficially owned shares count towards the shareholding guideline.
2. Based on the Director's salary and the mid-market price at close of business on 31 March 2024 of 700.2p. Includes net (after tax) of options vested but not exercised.

There were no exercises by Directors of share options in relation to long-term incentive plans during the year.

### PAYMENTS TO FORMER DIRECTORS (AUDITED)

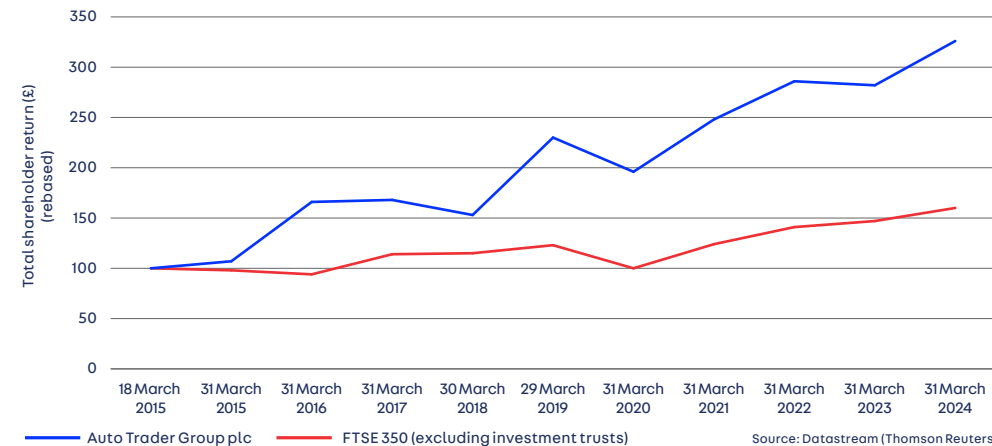
There were no payments made to former Directors during the year.

### PAYMENTS FOR LOSS OF OFFICE (AUDITED)

There were no payments for loss of office during the year.

### PERFORMANCE GRAPH AND CEO REMUNERATION TABLE

The graph below illustrates the Company's TSR performance relative to the FTSE 350 Index (excluding investment trusts) from the start of conditional share dealing on 18 March 2015. This index has been selected as it is a broad all-sector group of which the Company is a constituent. The graph shows the performance over that period of a hypothetical £100 invested.



### CEO REMUNERATION

The table below sets out the CEO's single figure of total remuneration together with the percentage of maximum annual bonus awarded over the same period.

	2024	2023	2022	2021	2020 <sup>1</sup>	2019 <sup>1</sup>	2018 <sup>1</sup>	2017 <sup>1</sup>	2016 <sup>1</sup>	2015 <sup>1,2</sup>
CEO total remuneration (£'000)	2,985	1,281	1,673	523	1,659	2,052	2,929	980	1,339	20
Annual bonus (% of maximum)	92.2%	72.4%	75.0%	N/A <sup>3</sup>	N/A <sup>4</sup>	76.75%	50.3%	51.8%	100%	N/A <sup>5</sup>
PSP vesting (% of maximum)	96.9%	0% <sup>6</sup>	50.1%	0% <sup>7</sup>	73.6%	51.2%	100%	N/A <sup>8</sup>	N/A <sup>8</sup>	N/A <sup>8</sup>

1. 2015 to 2019 figures reflect Trevor Mather's service as CEO. The 2020 figures reflect Trevor Mather's service as CEO to 29 February 2020, and Nathan Coe's service as CEO from 1 March 2020.
2. From the date of Admission in March 2015.
3. No bonus plan operated in 2020/21.
4. The CEO elected to waive his bonus in respect of 2019/20.
5. Private company when bonus plan implemented in 2015.
6. PSP award vesting in 2023 was based solely on Relative Total Shareholder Return ('TSR') compared to the FTSE 350 (excluding investment trusts) due to the impact of COVID-19 on our business. As threshold was not met so the award lapsed.
7. PSP awards lapsed in 2020/21 as performance conditions were not met.
8. No awards were eligible to vest in respect of long-term performance ending in 2015, 2016 or 2017.

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### CEO PAY RATIO

The table below shows the ratio between the CEO's total single figure (as calculated on the previous page) and the median, lower and upper quartile total remuneration for our UK-based workforce. Our median all-employee to CEO pay ratio is 55.1:1.

A significant proportion of the CEO's pay is in the form of variable pay through the annual bonus and the PSP. CEO pay will therefore vary year on year based on Company and share price performance. The CEO to all-employee pay ratio will therefore also fluctuate taking this into account.

It should be noted that the pay ratio when comparing 2023 to 2024 has increased, which is driven by the increase in variable pay, as the Annual Bonus pay-out has increased from 72.4% to 92.2%, and the PSP has vested at 96.9% whereas in the previous year, PSP awards did not vest.

The Board has confirmed that the ratio is consistent with the Company's wider policies on employee pay, reward and progression, and is appropriate for the Company's size and structure.

Year	Method	25 <sup>th</sup> percentile pay ratio	Median pay ratio	75 <sup>th</sup> percentile pay ratio
FY24	A	76:1	55.1:1	38.2:1
FY23	A	36.6:1	26.9:1	18.2:1
FY22	A	46.6:1	33.5:1	23.7:1
FY21	A	15.9:1	10.9:1	7.8:1
FY20	A	50.4:1	34.2:1	24.8:1

- Method A has been used to determine the relevant employees on the basis that this approach is in line with the approach used to calculate the single total figure for the CEO and therefore is the most robust.
- For 2024, the salary for the P25 employee was £32,487.50 and total remuneration was £39,283.34. The salary for the P50 employee was £45,240 and total remuneration was £54,173.34. The salary for the P75 employee was £65,000 and total remuneration was £78,143.19.
- The P25, P50 and P75 employees were determined as at 31 March 2024 based on full-time equivalent remuneration. Only employees who were employed as at the end of the financial year were included; salaries were annualised, taking account of mid-year increases. The total remuneration includes salary, allowances, taxable benefits, pension contributions, bonus, commission and share-based payments. Taxable benefits are based on the previous tax year (2022-2023) for company cars and the latest tax year (2023-2024) for healthcare benefits. Options under the SAYE scheme are included as at the date of grant, based on the difference between the market value at grant date and the exercise price. Options under discretionary plans (PSP and Single Incentive Plan Award) are based on the date that the performance conditions were achieved, and valued using the three-month average share price to 31 March 2024 of £7.258.
- For 2020, the CEO single figure reflects amounts to Trevor Mather (stepped down 29 February 2020) and Nathan Coe (appointed CEO 1 March 2020) for their respective time in service.
- The 2023 CEO pay ratio figures have been updated to reflect the change to the CEO total single figure of remuneration for the year ended 31 March 2023, following the revalued PSP award based on share price on date of vesting.

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### YEAR-ON-YEAR CHANGE IN PAY FOR DIRECTORS COMPARED TO THE AVERAGE EMPLOYEE

In accordance with the requirement under The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, the table below shows the increase in each Director's pay (salary, benefits and bonus) between 2020 to 2021, 2021 to 2022, 2022 to 2023 and 2023 to 2024 compared to the average increase for the employees of the Group.

	2024-2023			2023-2022			2022-2021			2021-2020		
	Base salary/fees	Benefits	Annual bonus	Base salary/fees	Benefits	Annual bonus	Base salary/fees	Benefits	Annual bonus	Base salary/fees	Benefits	Annual bonus
<b>Executive Directors</b>												
Nathan Coe <sup>1,2</sup>	5%	(4%)	34%	3%	(8%)	(1%)	16%	(7%)	100% <sup>8</sup>	26%	31%	(100%)
Catherine Faiers <sup>3</sup>	5%	(4%)	34%	3%	(8%)	(1%)	12%	(7%)	100% <sup>8</sup>	(11%)	43%	(100%)
Jamie Warner <sup>4</sup>	5%	(4%)	34%	3%	(8%)	(1%)	16%	(7%)	100% <sup>8</sup>	932%	1,477%	(100%)
<b>Non-Executive Directors</b>												
Matt Davies <sup>11</sup>	-	-	-	-	-	-	-	-	-	-	-	-
Ed Williams <sup>1,12</sup>	(45%)	-	-	4%	-	-	36%	-	-	(25%)	-	-
David Keens <sup>1</sup>	5%	-	-	4%	-	-	35%	-	-	(25%)	-	-
Jill Easterbrook <sup>1</sup>	5%	-	-	4%	-	-	17%	-	-	(13%)	-	-
Jeni Mundy <sup>1,5</sup>	5%	-	-	4%	-	-	31%	-	-	(9%)	-	-
Sigga Sigurdardottir <sup>6</sup>	5%	-	-	4%	-	-	16%	-	-	108%	-	-
Jasvinder Gakhal <sup>7</sup>	5%	-	-	315%	-	-	N/A	N/A	N/A	N/A	N/A	N/A
<b>Average employee</b>	<b>7%</b>	<b>(4%)</b>	-	<b>6.4%</b>	<b>(8%)<sup>9</sup></b>	<b>-<sup>10</sup></b>	<b>5.5%</b>	<b>37%</b>	<b>-</b>	<b>0%</b>	<b>27%</b>	<b>-</b>

1. Ed Williams and David Keens voluntarily waived their entire fees from 1 April 2020 to 30 June 2020. The remaining Board members voluntarily waived 50% of their salaries and fees from 1 April 2020 to 30 June 2020.

2. Nathan Coe was appointed as CEO on 1 March 2020 and his base salary increased on that date from £377,000 to £568,000.

3. Catherine Faiers was appointed to the Board on 1 May 2020 and therefore her reported salary for 2020 represents only 11 months. Further, Catherine became part-time from 1 September 2020 and therefore her salary was pro-rated from that date to reflect her 4.5 day working week.

4. Jamie Warner was appointed to the Board on 1 March 2020 and therefore his reported salary for 2020 represents only one month.

5. Jeni Mundy was appointed Chair of the Corporate Responsibility Committee from 1 January 2021 and received an additional fee of £9,742 per annum from that date.

6. Sigga Sigurdardottir was appointed to the Board on 1 November 2019 and therefore her reported fee for 2020 represents only five months.

7. Jasvinder Gakhal was appointed to the Board on 1 January 2022.

8. 100% value shown as no bonus was paid for 2021.

9. The decrease in benefits in 2023 relates to a reduction in our private medical insurance premiums.

10. For the purpose of the annual bonus this relates to performance related schemes only and therefore figures exclude any cost of living payments made to all employees during the year.

11. Matt Davies was appointed to the Board on 1 July 2023 as Chair Designate, and assumed the role of Chair following shareholder approval at the 14 September 2023 AGM.

12. Ed Williams retired from the Board on 14 September 2023.

### RELATIVE IMPORTANCE OF THE SPEND ON PAY

The following table shows the Group's actual spend on pay for all employees compared to distributions to shareholders. The average number of employees has also been included for context. Revenue and Operating profit have also been disclosed as these are two key measures of Group performance.

	2024 £m	2023 £m	% change
Employee costs (see note 7 to the Consolidated financial statements)	92.4	84.1	10%
Average number of employees (see note 7 to the Consolidated financial statements)	1,233	1,160	6%
Revenue (see Consolidated income statement)	570.9	500.2	14%
Operating profit	348.7	277.6	26%
Share buybacks and Dividends paid (see notes 26 and 28 to the Consolidated financial statements)	250.3	225.0	11%

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## Directors' remuneration report continued

### FEES FOR THE CHAIR AND NON-EXECUTIVE DIRECTORS

As set out last year in the 2023 Nomination Committee report, the Board appointed Matt Davies as a Non-Executive Director and Chair Designate. Following shareholder approval at the 14 September 2023 AGM, he has been appointed as Chair of the Board, replacing Ed Williams. A wide search was conducted, taking into consideration the requirements of the role. As disclosed last year, it was agreed that the fee for Matt Davies as Chair would be set at £325,000.

Fees for the Chair and Non-Executive Directors were reviewed in March 2024 and will be increased by 3% with effect from 1 July 2024, which is below the average increase for the workforce, but in line with the increase for senior leaders.

As was also disclosed last year, to support the succession plan for NEDs that were on the Board at IPO, NED fees were reviewed and it was decided that when the next new Non-Executive Directors are appointed into the relevant roles, the Committee Chair fees will be increased to £18,500, and the SID fee will be increased to £12,500 at the same time.

The following table sets out the fees in financial year 2025 compared to those which applied in financial year 2024, and the new fees to be applied following the 2024 AGM in line with the disclosed approach to support succession:

Base fees	2024	Percentage change	2025	Fees to be applied post AGM
Chair	£325,000	3%	<b>£334,750</b>	£334,750
Non-Executive Director	£63,904	3%	<b>£65,821</b>	£65,821
Additional fees				
Senior Independent Director	£10,954	3%	<b>£11,283</b>	£12,500
Audit Committee Chair	£10,954	3%	<b>£11,283</b>	£18,500
Remuneration Committee Chair	£10,954	3%	<b>£11,283</b>	£18,500
Corporate Responsibility Committee Chair	£10,954	3%	<b>£11,283</b>	£18,500

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years, subject to annual re-appointment at the AGM. Appointment is terminable on six months' written notice. The appointment letters for the Non-Executive Directors provide that no compensation is payable upon termination of employment. The letters of appointment are available for inspection at the Company's registered office.

Details of the appointment terms of the Non-Executive Directors are as follows:

	Start of current term	Expiry of current term
Matt Davies	1 July 2023	30 June 2026
David Keens <sup>1</sup>	1 May 2021	30 April 2024
Jill Easterbrook <sup>1</sup>	1 July 2021	30 June 2024
Jeni Mundy	1 March 2022	28 February 2025
Sigga Sigurdardottir	1 November 2022	31 October 2025
Jasvinder Gakhil	1 January 2022	31 December 2024
Geeta Gopalan	1 May 2024	30 April 2027

1. David Keens and Jill Easterbrook will remain on the Board until the AGM on 19 September 2024.

In addition, Amanda James will join the Board as a Non-Executive Director on 1 July 2024, and her letter of appointment will include a three-year term to 30 June 2027.

### FUNDING OF EQUITY AWARDS

Share awards may be funded by a combination of newly issued shares, treasury shares and shares purchased in the market. Where shares are newly issued or from treasury, the Company complies with Investment Association dilution guidelines on their issue. The current dilution usage of all share plans is c.1.29% of shares in issue.

Where shares are purchased in the market, these will be held by a trust, in which case the voting rights relating to the shares are exercisable by the Trustees in accordance with their fiduciary duties. At 31 March 2024, the trust held 312,831 shares in respect of the Share Incentive Plan.

### EXTERNAL DIRECTORSHIPS

Auto Trader recognises that its Executive Directors may be invited to become non-executive directors of other companies. Such non-executive duties can broaden a Director's experience and knowledge which can benefit Auto Trader. On 12 May 2023, Catherine Faiers was appointed as a Non-Executive Director of Allegro.eu Group. The Board approved the directorship in advance to ensure that there was no conflict of interest, and the Remuneration Committee approved that Catherine will retain the remuneration from the appointment.

### MEMBERSHIP OF THE COMMITTEE

Jill Easterbrook is the Committee Chair, and its other members are David Keens, Jeni Mundy, Sigga Sigurdardottir and Jasvinder Gakhil. Geeta Gopalan joined the Committee on 1 May 2024. Amanda James will join the Committee on 1 July 2024. Refer to pages 68 and 81 for further details of the membership of the Committee, the Terms of Reference, the meetings held and activities during the year.

### EXTERNAL ADVISORS

During the year the Committee received advice from Deloitte who were appointed in October 2017 following a competitive tender process. Deloitte are founding members of the Remuneration Consultants Code of Conduct and adhere to this Code in their dealings with the Committee. The Committee is satisfied that the advice provided by Deloitte is objective and independent. The Committee is comfortable that the members of the Deloitte team that provide remuneration advice to the Committee do not have connections with the Company or its Directors that may impair their independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

Fees are charged on a time and materials basis. During the year Deloitte was paid £111,900 excluding VAT for advice provided to the Committee. Deloitte provided additional services to the Company in relation to internal audit, debt advisory and tax services.

### STATEMENT OF SHAREHOLDER VOTING

Shareholder voting in relation to recent AGM resolutions is as follows:

	Votes for	% of votes cast for	Votes against	% of votes cast against	Abstentions
2023 AGM: Annual Report on Remuneration (advisory)	706,110,308	95.91%	30,101,147	4.09%	296,896
2021 AGM: Remuneration Policy (binding)	758,040,974	99.69%	2,355,178	0.31%	7,406,699

### APPROVAL

This Directors' remuneration report has been approved by the Board of Directors. Signed on behalf of the Board of Directors.

#### Jill Easterbrook

Chair of the Remuneration Committee  
30 May 2024

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## Directors' report

The Directors have pleasure in submitting their report and the audited financial statements of Auto Trader Group plc (the 'Company') and its subsidiaries (together the 'Group') for the financial year to 31 March 2024.

### STATUTORY INFORMATION

Information required to be part of the Directors' report can be found elsewhere in this document, as indicated in the table below, and is incorporated into this report by reference:

Section of Annual Report	Page reference
<b>Employee engagement</b>	<ul style="list-style-type: none"> <li>Strategic report: Working responsibly (page 40)</li> <li>Strategic report: Section 172(1) statement (page 16)</li> </ul>
<b>Employees with disabilities</b>	<ul style="list-style-type: none"> <li>Strategic report: Working responsibly (page 44)</li> </ul>
<b>Engagement with suppliers, customers and other stakeholders</b>	<ul style="list-style-type: none"> <li>Strategic report: Section 172(1) statement (pages 16 to 17)</li> </ul>
<b>Financial instruments</b>	<ul style="list-style-type: none"> <li>Financial statements: Note 32 to the Consolidated financial statements (page 149)</li> </ul>
<b>Future developments of the business</b>	<ul style="list-style-type: none"> <li>Strategic report: COO's strategic review (page 10)</li> </ul>
<b>Greenhouse gas emissions</b>	<ul style="list-style-type: none"> <li>Strategic report: Working responsibly (page 40)</li> </ul>
<b>Non-financial reporting</b>	<ul style="list-style-type: none"> <li>Strategic report: Non-financial and sustainability information statement (page 21)</li> </ul>

### INFORMATION REQUIRED BY LR 9.8

Information required to be included in the Annual Report by LR 9.8 can be found in this document as indicated in the table below:

Section of Annual Report	Page reference
<b>Allotment of shares during the year</b>	<ul style="list-style-type: none"> <li>Financial statements: Note 26 to the Consolidated financial statements (page 142)</li> </ul>
<b>Corporate Governance Code Compliance</b>	<ul style="list-style-type: none"> <li>Governance: Governance overview (page 61)</li> </ul>
<b>Directors' interests</b>	<ul style="list-style-type: none"> <li>Governance: Directors' remuneration report (page 81)</li> </ul>
<b>Directors' Service Contracts</b>	<ul style="list-style-type: none"> <li>Governance: Directors' remuneration report (page 81)</li> </ul>
<b>Gender and ethnicity targets</b>	<ul style="list-style-type: none"> <li>Strategic report: Working responsibly (page 40)</li> </ul>
<b>Going Concern and Viability</b>	<ul style="list-style-type: none"> <li>Strategic report: Principal risks and uncertainties (page 53)</li> </ul>
<b>Long-term incentive schemes</b>	<ul style="list-style-type: none"> <li>Governance: Directors' remuneration report (page 81)</li> </ul>
<b>Powers for the Company to buyback its shares</b>	<ul style="list-style-type: none"> <li>Governance: Directors' report (page 101)</li> </ul>
<b>Significant contracts</b>	<ul style="list-style-type: none"> <li>Governance: Directors' report (page 102)</li> </ul>
<b>Significant related party agreements</b>	<ul style="list-style-type: none"> <li>Governance: Directors' report (page 102)</li> </ul>
<b>Significant shareholders</b>	<ul style="list-style-type: none"> <li>Governance: Directors' report (page 102)</li> </ul>
<b>TCFD Disclosures</b>	<ul style="list-style-type: none"> <li>Strategic report: Working responsibly (page 29)</li> </ul>
<b>Waiver of Dividends</b>	<ul style="list-style-type: none"> <li>Governance: Directors' report (page 101)</li> </ul>

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### MANAGEMENT REPORT

This Directors' report, on pages 100 to 103, together with the Strategic report on pages 1 to 60, form the Management Report for the purposes of DTR 4.1.5R.

### STRATEGIC REPORT

The Strategic report, which can be found on pages 1 to 60, sets out the Group's strategy, objectives and business model; the development, performance and position of the Group's business (including financial, operating and cultural key performance indicators); a description of the principal risks and uncertainties; the main trends and factors likely to affect the future development, performance and position of the Group's business; and contains the non-financial and sustainability information statement.

### UK CORPORATE GOVERNANCE CODE

The Company's statement on corporate governance can be found in the Corporate governance statement, the Report of the Nomination Committee, the Report of the Audit Committee, the Report of the Corporate Responsibility Committee and the Directors' remuneration report and policy report on pages 66 to 99; all of which form part of this Directors' report and are incorporated into it by reference.

### 2024 ANNUAL GENERAL MEETING

The 2024 AGM will take place at 11:00am on Thursday 19 September 2024 at the Company's registered office: 4<sup>th</sup> Floor, 1 Tony Wilson Place, Manchester, M15 4FN. We intend to hold the AGM as a physical meeting.

We encourage all shareholders to cast their votes by proxy, and to send any questions in respect of AGM business to [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk).

The AGM Notice sets out the resolutions to be proposed and specifies the deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the AGM. All proxy votes will be counted and the numbers for, against or withheld in relation to each resolution will be announced at the AGM and published on the Company's website.

### BOARD OF DIRECTORS

The following individuals were Directors of the Company for the whole of the financial year ending 31 March 2024, and to the date of approving this report unless otherwise stated:

- Matthew Davies (from 1 July 2023).
- Nathan Coe.
- Catherine Faiers.
- Jamie Warner.
- David Keens.
- Jill Easterbrook.
- Jeni Mundy.
- Sigga Sigurdardottir.
- Jasvinder Gakhal.
- Geeta Gopalan (from 1 May 2024).

As previously announced on 22 March 2024, the Board approved the appointment of Geeta Gopalan with effect from 1 May 2024 and Amanda James with effect from 1 July 2024. Geeta will be appointed as Senior Independent Director and Remuneration Committee Chair and Amanda will be appointed as Audit Committee Chair at the conclusion of the 2024 AGM. David Keens and Jill Easterbrook will not stand for re-election at the 2024 AGM. All other Directors will stand for election or re-election at the 2024 AGM in line with the recommendations of the Code.

### APPOINTMENT AND REPLACEMENT OF DIRECTORS

At each AGM each Director then in office shall retire from office with effect from the conclusion of the meeting. When a Director retires at an AGM in accordance with the Articles of Association of the Company, the Company may, by ordinary resolution at the meeting, fill the office being vacated by re-electing the retiring Director. In the absence of such a resolution, the retiring Director shall nevertheless be deemed to have been re-elected, except in the cases identified by the Articles.

### RESULTS AND DIVIDENDS

The Group's and Company's audited financial statements for the year are set out on pages 116 to 160.

The Company declared an interim dividend on 9 November 2023 of 3.2 pence per share which was paid on 26 January 2024.

The Directors recommend payment of a final dividend of 6.4 pence per share (2023: 5.6 pence) to be paid on 27 September 2024 to shareholders on the register of members at the close of business on 30 August 2024, subject to approval at the 2024 AGM.

### SHARE CAPITAL AND CONTROL

The Company's issued share capital comprises ordinary shares of £0.01 each which are listed on the London Stock Exchange (LSE: AUTO.L). The ISIN of the shares is GB00BVYVFW23.

On 22 June 2023, 7,849,782 ordinary shares of £0.01 each were allotted to the vendors of Autorama UK Limited as satisfaction of the deferred consideration payable as detailed further in notes 26 and 31 to the Consolidated financial statements. The market price on the date of allotment was 589.2p per share.

The issued share capital of the Company as at 31 March 2024 comprised 907,213,454 shares of £0.01 each, and 4,899,346 shares were held in treasury. As at 30 May 2024, the issued share capital of the Company comprises 903,009,190 shares of £0.01 each, and 4,849,326 shares held in treasury.

Further information regarding the Company's issued share capital and details of the movements in issued share capital during the year are provided in note 26 to the Consolidated financial statements. All the information detailed in note 26 forms part of this Directors' report and is incorporated into it by reference.

Details of employee share schemes are provided in note 30 to the Consolidated financial statements.

### AUTHORITY TO ALLOT SHARES

Under the 2006 Act, the Directors may only allot shares if authorised to do so by shareholders in a general meeting. At the 2023 AGM, special resolution 16 conferred upon Directors the authority to allot ordinary shares up to a maximum nominal amount of £920,199 (92,019,900 shares), for cash, on a non-pre-emptive basis.

In the Notice of the 2024 AGM (the 'AGM Notice'), ordinary resolution 16 seeks a new authority to allow the Directors to allot ordinary shares representing approximately two thirds of the Company's existing share capital as at the date of the AGM Notice, of which approximately one third of the Company's issued ordinary share capital can only be allotted pursuant to a rights issue. Special resolutions 21 and 22 seek a new authority to allow the Directors to allot ordinary shares on a non-pre-emptive basis up to a maximum of approximately 5% of the Company's existing share capital and special resolutions 21 and 22 seek a new authority to allow the Directors to allot ordinary shares on a non-pre-emptive basis in connection with an acquisition or specified capital investment, up to a further maximum of approximately 5% of the Company's existing share capital at the date of the AGM Notice.

### AUTHORITY TO PURCHASE OWN SHARES

As described on page 24, the Company intends to continue its share buyback programme, under the authority passed at the 2023 AGM under which the Company is authorised to make market purchases of up to a maximum of 10% (92,019,875 shares) of its own ordinary shares (excluding shares held in treasury), subject to minimum and maximum price restrictions, either to be cancelled or retained as treasury shares. The Directors will seek to renew this authority at the forthcoming AGM.

### RIGHTS ATTACHING TO SHARES

All shares have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles, described below. Except in relation to dividends which have been declared and rights on a liquidation of the Company, the shareholders have no rights to share in the profits of the Company. The Company's shares are not redeemable. However, following any grant of authority from shareholders, the Company may purchase or contract to purchase any of the shares on or off market, subject to the Companies Act 2006 and the requirements of the Listing Rules.

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No shareholder holds shares in the Company which carry special rights with regard to control of the Company. There are no shares relating to an employee share scheme which have rights with regard to control of the Company that are not exercisable directly and solely by the employees, other than in the case of the Auto Trader Group Share Incentive Plan, where share interests of a participant in such scheme can be exercised by the personal representatives of a deceased participant in accordance with the Scheme rules.

### VOTING RIGHTS

Each ordinary share entitles the holder to vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a show of hands, unless the Directors decide in advance that a poll will be conducted, or unless a poll is demanded at the meeting. On a show of hands, every member who is present in person or by proxy at a general meeting of the Company shall have one vote. On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by the member, unless all amounts presently payable by the member in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

### RESTRICTIONS ON TRANSFER OF SECURITIES

The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the usual restrictions applicable where any amount is unpaid on a share. Certain restrictions are also imposed by laws and

regulations (such as insider trading and marketing requirements relating to close periods) and requirements of the Company's share dealing code whereby Directors and certain employees of the Company require approval to deal in the Company's securities.

### CHANGE OF CONTROL

Save in respect of a provision of the Company's share schemes which may cause options and awards granted to employees under such schemes to vest on takeover, there are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) because of a takeover bid.

Our current employee share plans were adopted at the time of the Company's IPO in 2015 and expire for the purposes of new awards in 2025. We are seeking shareholder approval for certain new plans and to renew other plans at the 2024 AGM.

### SIGNIFICANT CONTRACTS

The only significant agreement to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company following a takeover bid, and the effect thereof, is the revolving credit facility agreement, which contains customary prepayment, cancellation and default provisions including, if required by a lender, mandatory prepayment of all utilisations provided by that lender upon the sale of all or substantially all of the business and assets of the Group or a change of control.

### TRANSACTIONS WITH RELATED PARTIES

Compensation paid to Directors and Key Management is as disclosed in note 8 to the Consolidated financial statements.

### RESEARCH AND DEVELOPMENT

Innovation, specifically in software, is a critical element of Auto Trader's strategy and therefore of the future success of the Group. Accordingly, the majority of the Group's research and development expenditure is predominantly related to this area. The Group's approach to technology development continues to be such that the Group develops its core infrastructure through small-scale, maintenance-like incremental improvements. As a result the amount of capitalised internal development costs is of a low value, reflecting the level of expenditure which meets the requirements of IAS 38, Intangible Assets.

### INDEMNITIES AND INSURANCE

The Company maintains appropriate insurance to cover Directors' and officers' liability for itself and its subsidiaries and such insurance was in force for the whole of the financial year ending 31 March 2024. The Company also indemnifies the Directors under a qualifying indemnity for the purposes of Section 236 of the Companies Act 2006: in the case of the Non-Executive Directors in their respective letters of appointment and in

### INTERESTS IN VOTING RIGHTS

At the year end the Company had been notified, in accordance with Chapter 5 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, of the following significant interests in the issued ordinary share capital of the Company:

Shareholder	At 31 March 2024		At 30 May 2024	
	Number of ordinary shares/voting rights notified	Percentage of voting rights over ordinary shares of £0.01 each	Number of ordinary shares/voting rights notified	Percentage of voting rights over ordinary shares of £0.01 each
BlackRock Inc.	100,394,491	10.97%	100,394,491	10.97%
Baillie Gifford & Co.	47,482,549	5.01%	47,482,549	5.01%
Kayne Anderson Rudnick Investment Management LLC.	45,209,540	4.94%	45,209,540	4.94%

the case of the Executive Directors in a separate deed of indemnity. Such indemnities contain provisions that are permitted by the Director Liability provisions of the Companies Act and the Company's Articles.

### ENVIRONMENTAL

Information on the Group's greenhouse gas emissions is set out in the Working responsibly section on page 35 and forms part of this report by reference.

### POLITICAL DONATIONS

There were no political donations made during the year or the previous year.

### EXTERNAL BRANCHES

The Group had no active registered external branches during the reporting period.

### FINANCIAL INSTRUMENTS

Details of the financial risk management objectives and policies of the Group, including hedging policies and exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk, are given in note 32 to the Consolidated financial statements.

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### DISCLOSURE OF INFORMATION TO AUDITOR

Each of the Directors has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make him/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and Financial Statements 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 in accordance with United Kingdom Accounting Standards and applicable law, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 their 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 accounting estimates that are reasonable, relevant, reliable and prudent;
  - for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
  - for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements;
  - 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.

In accordance with Disclosure Guidance and Transparency Rule ('DTR') 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

### RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL FINANCIAL REPORT

We confirm, 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 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 that 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.

### APPROVAL OF THE ANNUAL REPORT

The Strategic Report and the Corporate Governance Report were approved by the Board on 30 May 2024.

Approved by the Board and signed on its behalf:

**Claire Baty**  
Company Secretary  
30 May 2024

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