Working responsibly continued

E

The environment

We take a practical approach to managing climate risks – reducing emissions where we have direct control, keeping pace with evolving regulation and using our capabilities and voice to support our industries. We published our Climate Transition Plan last year, available on our corporate website:

plc.autotrader.co.uk

The UK aims to achieve net zero greenhouse gas emissions by 2050. Autotrader is committed to reaching net zero in its operations by 2040. Although our carbon footprint is relatively small, we focus our efforts on supporting the automotive industry and informing public policy, and helping consumers through platform and information improvements.

SCAN TO READ OUR FULL CLIMATE TRANSITION PLAN

Our Climate Transition Plan at a glance

	OUR NET ZERO TARGETS		PARTNERING WITH OUR INDUSTRIES		SUPPORTING OUR CONSUMERS	
OUR STRATEGIC AMBITION	Transitioning our operations to net zero	Transitioning our supply chain to net zero	Inform public policy and regulation	Supporting industry transformation to net zero	Adapt our marketplace to make it easier for consumers to search for EVs	Increase information, coverage and exposure of EVs
ACTION: OUR IMPLEMENTATION STRATEGY	Our operations and supply chain		Our data and community engagement		Our content, product and services	
ACTION: OUR ENGAGEMENT STRATEGY	Employees	Suppliers	Government	Industry and peers	Customers	Consumers
ACCOUNTABILITY: GOVERNANCE, METRICS AND TARGETS	Strong governance		Science-based targets		Regular monitoring and reporting	

Working responsibly continued

Progress in 2026

Our strategic ambition is focused on three key areas:

Supporting the industry and Government with the transition to electric vehicles

Over the past year, the Government has made several significant announcements relating to the electric vehicle ('EV') transition, including: changes to the Zero Emission Vehicle ('ZEV') mandate; the introduction of Electric Car Grants for new vehicles priced under £37,000; plans for a pay per mile EV tax from 2028; and a national advertising campaign to promote EV adoption. While well intentioned, these announcements have been met with mixed reactions, with some stakeholders highlighting inconsistencies in timing and messaging.

Throughout the year, we supported the Government by sharing our data and insights on the state of the EV transition. To promote more equitable adoption, we published our second No Driver Left Behind report, focusing on how EV uptake varies significantly by income, reinforcing the need for a more accessible transition. We also continued to publish our Road to 2030 report, which remains a leading source of EV market analysis. Engagement with Government departments has increased, extending the reach and impact of our insights, and we now regularly contribute to All Party Parliamentary Groups and Transport Committee discussions. We also supported the national EV advertising campaign by advising on audience targeting using our data.

Addressing misinformation about EVs remained a priority. Campaigns such as Electric cars: The Facts continued to provide clear, up to date information on EV pricing, safety and environmental credentials. The campaign was developed in partnership with the SMMT and ChargeUK, was endorsed by the Department for Transport, and is now supported by a growing number of sector businesses.

We further expanded our content and communications to support retailers navigating the EV transition, regularly sharing data and insights through webinars, masterclasses and our EV Insight Hub. To support industry partners on their sustainability journeys, we continued our partnership with the Carbon Literacy Trust, funding the Automotive and Digital & Technology Carbon Literacy Sector Toolkits. In the automotive sector, 371 organisations have now completed training, with over 8,000 professionals accredited as carbon literate (2025: 5,000). In the first year of the Digital & Technology toolkit, more than 200 individuals across 80 organisations achieved accreditation. Accredited organisations receive materials to deliver their own one day Carbon Literacy training. We also continued to recognise industry partners for their sustainability leadership through our annual Retailer and Driver Choice Awards.

Supporting our consumers

We continued to help consumers make more environmentally friendly choices and navigate the electric transition. This included ongoing buying guides, explainers and EV hub content, alongside EV-focused editorial and YouTube reviews. Our EV giveaway continued to drive engagement, reaching 17+ million entries since launch, and we maintained promotion of 'The Facts' myth-busting content across channels to raise awareness of key EV information.

Building on insights from our No Driver Left Behind: Women and the journey to electric report, we increased engagement with consumer lifestyle media to encourage more relevant EV coverage and awareness among women, securing repeated coverage across key titles.

Visibility of EVs improved on the marketplace with the launch of the new AI-powered search filters allowing buyers to find what they want more easily. We launched 'Green Ratings' on our new car reviews, to strengthen accountability for car brands on climate impacts, whilst empowering consumers to make more environmentally friendly vehicle choices. The ratings draw on brand and model data alongside manufacturer information and supported by data from World Benchmarking Alliance's Climate and Energy Benchmark.

SCAN TO READ OUR NO DRIVER LEFT BEHIND REPORT

Our operations

The fit out of our new office space was delivered with sustainability at the forefront. Working closely with Oktra (a certified B Corp specialising in designing eco-friendly, energy-efficient offices with sustainable materials) our aim was to embed responsible design principles throughout the project.

This included re-use of existing materials where possible, careful selection of sustainable finishes, and design decisions aimed at improving energy efficiency, employee wellbeing and long-term environmental performance.

Working responsibly continued

CLIMATE-RELATED FINANCIAL DISCLOSURES

The Group has prepared the following disclosures in line with the 2021 updates to the TCFD Final Report and Annex, including supplementary guidance for all sectors. At the time of publication, and in accordance with the FCA's Listing Rule 9.8.6R(8), the Group has made climate-related financial disclosures consistent with the TCFD recommendations. We continue to develop our net zero strategy and to assess climate-related risks and opportunities and their potential financial impact.

Our climate-related financial disclosures also comply with the Companies Act 2006, as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. We are at the very early stages of considering nature-related risks and a nature-positive strategy, with a view to reporting on these in the future in line with the recommendations from the TNFD.

TCFD recommended disclosure	Group progress
Governance **1.** Describe the Board's oversight of climate-related risks and opportunities. **2.** Describe management's role in assessing and managing climate-related risks and opportunities.	Climate governance is integrated into our existing processes, with accountability embedded across the business. The Corporate Responsibility Committee holds the Executive Directors to account for climate-related risks and opportunities and their impacts on the business and the wider environment. The Responsible Change Forum meets quarterly to manage these day to day and track progress against climate goals and targets.
Risk management **3.** Describe the organisation's processes for identifying and assessing climate-related risks. **4.** Describe the organisation's processes for managing climate-related risks. **5.** Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	The Board is collectively responsible for determining the nature and extent of the principal risks that may impact the business. We have a well-established risk management framework with three lines of defence: our ALT and oversight functions, our Committees and our independent assurance. Our risk management framework, including our processes for identifying, assessing and managing risk, is described on pages 43 to 44, and the Group risk register includes climate change as a principal risk. Climate-related risks are reviewed at least twice a year through our overall risk review process, overseen by the Risk Forum. We consider a range of risks and opportunities, including physical and transition factors, and aim to capture opportunities from the shift to electric vehicles while mitigating risks. Our risk management approach supports ongoing identification and assessment of climate-related risks. We maintain an environment/climate risk register, reviewed regularly by the risk owner, their delegates and our risk management team. Each climate-related risk has an owner, with controls and mitigating actions recorded. Autotrader plays an important role in the UK automotive ecosystem, and climate change is driving unprecedented industry change. This is largely driven by the transition from internal combustion engine ('ICE') vehicles to Zero Emission Vehicles ('ZEVs'), which could significantly reshape automotive retail. We support this transition by providing content to help consumers 'demystify' EVs, lobbying Government to incentivise uptake and sharing our data and insights to inform EV policy. Climate change also presents risks to our business and supply chain, including through regulatory change. It is therefore essential that our risk management process considers climate change so we can understand its impacts on our business and the automotive industry.
Strategy **6.** Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. **7.** Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. **8.** Describe the resilience of the organisation's strategy, taking into consideration different climate scenarios.	Our environmental strategy focuses on the following areas: (i) Autotrader's net zero commitments; (ii) supporting the automotive industry and informing public policy and regulation; and (iii) supporting our consumers. We have undertaken climate scenario analysis and refined our 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. See pages 31 to 32 for more information. We have identified key climate-related risks and opportunities that could significantly impact our operations and strategy over the short (1–5 years), medium (5–10 years), and long term (10+ years). A summary of these risks is provided in the table on page 32.
Metrics and targets **9.** Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. **10.** Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions and the related risks. **11.** Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	The most relevant metrics, on which we report annually, are our GHG emissions and carbon intensity ratios, which provide a clear view of the Group's footprint. See page 33 for our 2026 footprint. We submitted our annual CDP questionnaire and received a B rating for the 2025 reporting cycle. Scores range from A (best) to D-. Our current score indicates we understand climate impacts and are taking coordinated action. To help us accurately assess and develop strategies to reach our net zero target, the reporting of our GHG emissions includes a full inventory of Scope 3. 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: (i) Reduce absolute Scope 1 and 2 GHG emissions 50% by FY2030/31 from a FY2022/23 base year; (ii) Reduce absolute Scope 3 GHG emissions 46.2% over the same timeframe; and (iii) Reduce absolute Scope 1, 2 and 3 GHG emissions 90% by FY2040/41 from a FY2022/23 base year. Our GHG emissions have been audited by a third party, SE Advisory Services, providing assurance over our emissions reporting. We also monitor other metrics to assess our progress against our environmental priorities. These are set out on page 34.

Working responsibly continued

ASSESSING CLIMATE-RELATED RISKS AND OPPORTUNITIES

To protect our business from climate change, we are integrating climate resilience into our strategy by identifying related risks and opportunities. As an online marketplace with a low carbon footprint, our model is sustainable, but the automotive sector faces increasing pressure to reduce environmental impacts from both consumers and government. Our climate risk assessment considers both physical and transition risks, including policy changes and emerging technologies.

We use TCFD-recommended climate scenarios to evaluate potential impacts on costs and revenues over the short, medium and long term, aligning risk management with our business strategy. In each case, the likely impact on costs or revenues was reviewed. We have assessed how the risks can be better managed, reduced or mitigated in line with the Group's risk management framework and business strategy. The risks identified during our analysis are more likely to present themselves in the medium or long term. Analysis suggests no immediate material financial threat, and our strategic plans position us to address climate risks and benefit from opportunities. While regulatory and stakeholder expectations may accelerate, we remain prepared to adapt quickly and monitor evolving legislation and consumer preferences.

We will regularly review and adjust our analysis scenarios and timeframes as necessary. Key risk management recommendations from our climate change scenario analysis include:

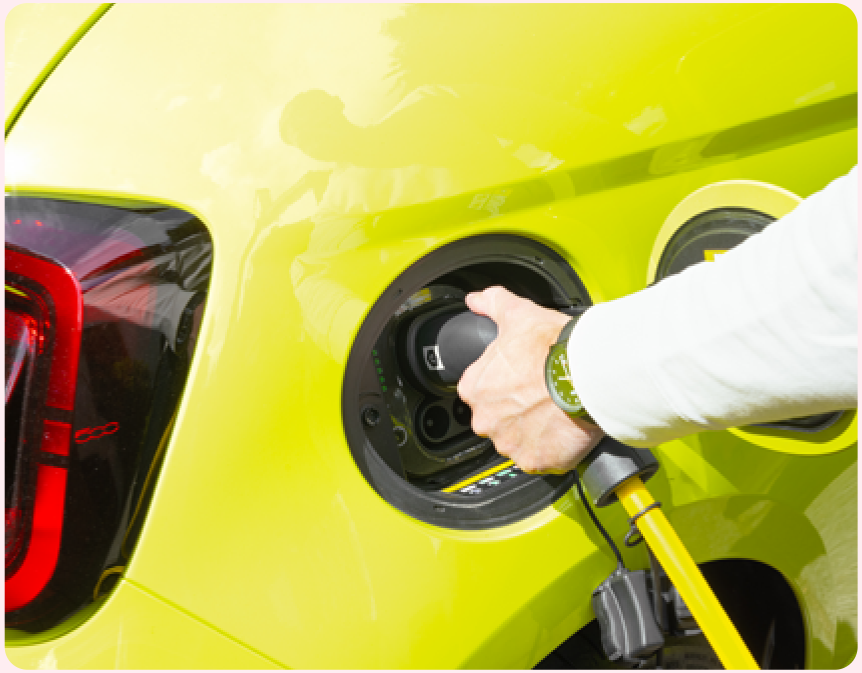
- Policy/Regulation: Increased regulation is expected to pose the greatest financial risk to Autotrader over time. To mitigate this, we must reduce exposure and adapt our marketplace to evolving car buyer preferences, while ensuring ongoing compliance with relevant regulations.
- Market: The Government's net zero goals have led to a ban on new petrol and diesel vehicles by 2035, accelerating consumer adoption of electric cars. Autotrader can address this market risk by enhancing our appeal as the top destination for electric vehicle buyers.

CLIMATE SCENARIOS:

Hot house world (>2°C)	Orderly transition (1.5°C)
• Assumes business as usual, some climate policies are implemented but efforts are insufficient to halt significant global warming • Continuation of current projection of carbon emissions with little or no abatement or mitigation	• Assumes climate policies and legislation are introduced early to limit climate change and become gradually more stringent • Both physical and transition risks are relatively subdued

IMPACT TIME HORIZONS, ALIGNED TO OUR BUSINESS PLANNING CYCLE:

Short term 0-5 years	Medium term 5-10 years	Long term 10 years +



KEY TRANSITION RISKS:

Regulatory changes: Emissions regulations and Government policies favouring EV adoption may impact manufacturers' production strategies which will impact supply and therefore stock available to list on Autotrader's platform.

Supply chain disruptions: Dependency on complex global supply chains exposes the industry to risks related to geo-political tensions, natural disasters, pandemics, tariffs and risks delaying new cars entering the UK, which can impact supply for retailers and therefore impact Autotrader.

Consumer preferences: Changes in consumer preferences towards sustainable transportation options and shared mobility services could impact the desire to own a car outright, challenging the number of new and used car transactions made each year.

KEY PHYSICAL RISKS:

Extreme weather and climate-related natural disasters: Extreme weather could impact our cloud providers which could impact platform performance. We could also see customers' ability to open their showrooms impacted, which risks their ability to sell vehicles.

Resource scarcity: Shortages of critical materials like rare earth metals and lithium could disrupt production of EVs and their components, impacting supply of the vehicles into the UK and available stock on Autotrader's platform.

Geo-political instability: Political unrest, trade tensions, tariffs and sanctions could disrupt international supply chains and increase production costs for automotive manufacturers, which risks the amount of vehicles they'll choose to sell in the UK and therefore impacts Autotrader's new car stock offering.

Navigating these risks will require adaptation, innovation and strategic planning as well as robust risk management strategies and contingency planning.

Working responsibly continued

Climate-related scenario analysis

Mitigation/response		Financial impact: Short term 0-5 years	Financial impact: Medium term 5-10 years	Financial impact: Long term 10+ years	Inherent likelihood
PHYSICAL RISK – Increased frequency/severity of extreme weather and climate-related natural disasters					
Our technology infrastructure is cloud-based and supported by disaster recovery and business continuity plans, including tools to help employees in emergencies. COVID-19 showed we can complete sales without physical showrooms, and digital retailing will help retailers compete online.	>2°C	Minor	Minor	Minor	Low
	1.5°C	Minor	Minor	Minor	
Significant cost increases would be required to materially affect the business. We continually review the cost base so we can manage increases and protect profit margins.	>2°C	Minor	Moderate	Moderate	Medium
	1.5°C	Minor	Minor	Minor	
TRANSITION RISK – Increased regulation relating to climate change					
We monitor policies affecting our core business to identify emerging risks, opportunities, and financial impacts. In parallel, we are evolving our EV offering and marketplace information to meet shifting buyer preferences. The Responsible Change Forum drives our environmental strategy, overseen by the Corporate Responsibility Committee. We report in line with the TCFD recommendations and report progress towards our net zero ambitions against our science-based targets.	>2°C	Minor	Minor	Moderate	High
	1.5°C	Minor	Minor	Minor	
TRANSITION RISK – Regulation discouraging the use of internal combustion engine ('ICE') vehicles and demand for sustainable products and services					
We will keep adapting our marketplace to meet changing buyer preferences. Used car prices should continue to reflect supply and demand, potentially improving affordability if demand softens.	>2°C	Minor	Minor	Moderate	High
	1.5°C	Minor	Minor	Minor	
TRANSITION RISK – Increased reputational risk associated with the automotive industry and misrepresenting environmental claims					
We are targeting net zero by 2040, reducing our operational footprint while supporting broader industry progress. We set clear reduction targets, report progress, and collaborate with customers, suppliers, and policymakers.	>2°C	Minor	Minor	Moderate	High
	1.5°C	Minor	Minor	Minor	
TRANSITION RISK & OPPORTUNITY – Changing consumer preferences					
There is risk and opportunity associated with consumers' preferences for certain vehicle types. Likely the risk and opportunity would be taken together, and supply/demand would be maintained as the desire for personal transportation/vehicle ownership remains strong. We will continue with our strategy to adapt our marketplace to meet changing preferences for all car buyers and continue to be the largest marketplace for EVs.	>2°C	Minor	Minor	Moderate	Low
	1.5°C	Minor	Minor	Minor	
TRANSITION RISK – Achieving resource efficiency through cutting our carbon footprint and improving energy efficiency					
This creates opportunity as costs associated with energy use are reduced and increased costs associated with carbon taxation are avoided. We continue to identify and implement reduction initiatives to reduce our absolute usage.	>2°C	Minor	Minor	Minor	Medium
	1.5°C	Minor	Minor	Minor	

Financial impact: Minor, Moderate, Major

Working responsibly continued

Targets and metrics

To monitor progress against our environmental strategy, we have key metrics and targets. We also disclose our Scope 1, 2 and 3 GHG emissions.

The Group is required to report its energy use and measure and report its direct and indirect greenhouse gas ('GHG') emissions by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The GHG reporting period is aligned to the financial reporting year.

Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol and SECR guidelines.

METHODOLOGY

The methodology used to calculate emissions is based on the financial control consolidation approach, as defined in the Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard (Revised Edition).

Emission factors used are from the UK Government's GHG Conversion Factors for Company Reporting, and selected other emissions factor datasets as applicable, for the year reported. For Scope 3 Category 1, an Environmentally Extended Input Output database methodology was used to calculate the GHG footprint across total spend in the year. We calculate relevant Scope 3 emissions by using activity data where possible (rather than spend data). Data quality will improve as our measurement matures.

INDEPENDENT VERIFICATION OF OUR GHG EMISSIONS

SE Advisory Services has independently assessed and verified Autotrader's GHG emissions following verification standard ISO 14064-3:2019. Based on the data and information provided by Autotrader and the processes and procedures followed, nothing has come to their attention to indicate that the GHG emissions totals for all years reported are not fairly stated and free from material error.

Energy and emissions reporting

Our total CO_2 emissions[1]

	2026		2025	
	UK	Global	UK	Global
Scope 1	179	179	116	116
Scope 2 (location based)	510	510	204	204
Total (Scopes 1 and 2)	689	689	320	320
KwH ('000s)	3,092	3,092	1,277	1,277
Purchased goods and services		25,096		19,457
Capital goods		11,531		1,375
Fuel and energy-related activities		218		91
Upstream transportation and distribution		–		–
Waste generated in operations		95		100
Business travel		555		933
Employee commuting (inc. working from home)		683		725
Upstream leased assets		–		–
Use of sold products		104,923		69,950
End of life treatment of sold products		267		172
Investments		67		45
Scope 3 (total)		143,435		92,848
Total (Scopes 1, 2 and 3)		144,124		93,168
Group revenue		£624.3m		£601.1m
Tonnes of CO_2 equivalent per FTE[2]		115.9		73.5
Tonnes of CO_2 equivalent per £million turnover		230.9		155.0
Scope 2 (market based)		0.2		0.1
% renewable		99%		99%
Autotrader total emissions		19,434		9,903
Autorama total emissions		124,690		83,265

1. Scopes 1, 2 & 3 are reported in tonnes of CO_2 equivalent.
2. Based on average number of employees in the Group throughout the year 2026: 1,244 (2025: 1,267).

Working responsibly continued

OUR EMISSIONS

A core part of our environmental strategy is reducing emissions from our operations and facilities. Scope 1 and Scope 2 are relatively low, but have increased this year due to our larger new office and more electric company mileage from salary sacrifice vehicles.

Our Scope 3 emissions have increased this year owing to two primary factors: the initial costs of our new office; and the practice of purchasing vehicles within our Leasing business. Vehicle purchases is the primary source of our carbon emissions and this activity will continue in the near future, leading to higher carbon emissions.

Other key metrics

SUPPORTING THE AUTOMOTIVE AND TECHNOLOGY INDUSTRIES

Number of EVs advertised on Autotrader
34,153
average as at March 2026 (2025: 33,603)

Share of EVs advertised on Autotrader
7.8%
during FY26 (FY25: 5.6%)

Number of EVs delivered by Autorama
1,514
during FY26 (FY25: 950)

Number of videos produced covering EVs
45
during FY26 (FY25: 41)

SUPPORTING CONSUMERS

Number of EV advert views on Autotrader
189 million
during FY26 (FY25: 150 million)

Share of EV advert views on Autotrader
6.5%
during FY26 (FY25: 5.0%)

Targets and metrics

OUR OPERATIONS

We have established near-term (2030) and long-term (2040) emissions reduction targets in line with the SBTi Net Zero Standard.

SCOPE 1 & 2 REDUCTION TARGET (TONNES OF CO_2)		SCOPE 3 REDUCTION TARGET (TONNES OF CO_2)	
Near-term target	Long-term target	Near-term target	Long-term target
50% reduction	**90%** reduction	**46.2%** reduction	**90%** reduction

Metric	Scope	Implemented or planned activities	Timeline
Switch 100% of our fleet vehicles (Autotrader and Autorama) to be EV or low emission	SCOPE 1	• 2 remaining vehicles, both of which are fully electric or hybrid.	IMPLEMENTED
Energy: reduce overall electricity/gas usage by 50% (against a 2023 baseline) and procure 100% renewable energy for our remaining needs	SCOPE 1 & 2	• All of our offices are on renewable energy tariffs.	IMPLEMENTED
		• In all our offices, lighting has been upgraded to LED light bulbs and sensors installed so that lighting is activated by movement.	IMPLEMENTED
		• We have reduced the carbon lifecycle of our employee focused technology.	IMPLEMENTED
		• We have reduced our office space in London and Hemel Hempstead. During the year we relocated our Manchester head office to state-of-the-art facilities in the heart of Manchester's tech community. Sustainability was a core design principle and the building is expected to achieve BREEAM Excellent status, as well as a NABERS 5-star rating and an EPC A rating.	IMPLEMENTED
Migrating our data centres to the cloud and review of data retention policies	SCOPE 2	• 100% of our data centres have been migrated to cloud providers. • We have been reviewing how we store data in each of our productivity suite solutions (including Office 365, Slack) and implementing changes which will help us save on storage, energy and productivity.	IMPLEMENTED
Gathering supplier data and engaging suppliers	SCOPE 3.1	• We have introduced a supplier engagement strategy to gather ESG and performance data. Ethical procurement questionnaires now cover c.75% of supplier spend. • We have expanded sustainability discussions with the suppliers driving our highest emissions to understand their maturity, including whether they monitor and report emissions and which scopes they cover.	IMPLEMENTED
		• Develop guidance for supplier selection criteria specifically relating to climate, including sharing knowledge and learnings with suppliers that are seeking to improve their environmental maturity.	PLANNED
Business travel	SCOPE 3.6	• We have updated our travel policy and booking system to promote lower-carbon business travel choices. • Salary sacrifice scheme introduced for employees to lease an EV or low emission hybrid vehicle in a tax efficient way.	IMPLEMENTED
Purchased vehicles	SCOPE 3.1, 3.10 & 3.11	• Develop a clear plan for managing the volume of vehicles taken on balance sheet through Autorama.	IN PROGRESS