



This is my ninth and final statement as Chair of Auto Trader Group plc. As such, rather than focus on the year just gone, I would like to offer a longer perspective regarding Auto Trader's history and future. It has been my privilege to serve as the Auto Trader Chair throughout our eight years as a public company.

A reflection on my tenure as Chair

I first got to know Auto Trader around 15 years ago when I was chief executive of Rightmove Plc. I first attended an Auto Trader Board meeting as a guest. That meeting decided to sell Auto Trader's last remaining print plant, though Auto Trader would continue to publish weekly magazines for a few years after that. Auto Trader had a successful website but it contributed a small amount to our overall revenues. Our online product offering was simple and focused on tools to help car retailers get their adverts online and monitor their success. We had a number of small wholly owned or partly owned businesses in other countries. We operated out of a number of physical offices spread around the UK.

Today, we operate a sophisticated online automotive marketplace, with our car retailers able to select from a range of advertising options and data products that not only help them sell vehicles but manage the effectiveness of their operations including the stock they hold. We operate in a single country with the considerable majority of our office-based staff in a single office in Manchester.

During the previous year we took a number of steps to complete the simplification of our business, including the sale of Webzone Limited (trading as 'Carzone'), our Irish business, reducing and simplifying our property holdings and starting the process

to exit our legacy defined benefit pension scheme. I would particularly like to thank Warren Cray and his team at Carzone in Ireland for their contribution to the Group over many years.

2023 saw the completion of one of the largest product development projects in the Company's history, enabling our car retailer customers to provide a complete transactional service to car buyers on the Auto Trader platform. This includes the ability to reserve a car online with a deposit, arrange finance, obtain a trade-in valuation on an existing car and delivery to a buyer's home or other convenient location.

2023 also saw the purchase of Autorama, which offers new vehicles on leases to the public. This gives us a substantial potential position in the online transactional market for new cars. A current priority is the integration of the Autorama offering into our existing new car proposition and further developments to that combined offering.

So not only have we successfully transitioned from a print to digital, advertising-only to data business, but we have also embarked on the journey from a used car advertising service to a platform for advertising and transacting in both used and new cars. It will take time for all these businesses to realise their potential and if the past is any guide, we will be both pleasantly surprised in the long term and sometimes disappointed at the speed of adoption and the path to full commercial value being realised.

It is unhelpful for outgoing Chairs to seek to tie the hands of their successors. It is the job of future Auto Trader Board members to exercise their judgement in pursuing the course that makes most sense to them at the time in the knowledge of the marketplace as they then see it. I hope, though, that they will come to the view that the current Board has left the business stronger, simpler and with a wider range of opportunities open to them than when they first became involved.

Board succession

As announced on 1 June 2023, the Board has approved the appointment of Matt Davies as Chair Designate with effect from 1 July 2023, to succeed me as Chair at the conclusion of the 2023 Annual General Meeting, prior to me becoming non-independent and in line with good corporate governance. Therefore, I will not be standing for re-election at our September 2023 AGM and expect a smooth transition to the new Chair.

As a result of the Company becoming public in 2015 we put in place a new Board; as such over the next two years, three further Non-Executive Directors will be deemed to have become non-independent under the nine-year rule. We have plans in place to recruit new Non-Executives, staggering renewal dates to mitigate against large changes in the Board and to preserve and build on diversity and experience which will best serve the business moving forward.

This is covered in more detail in the Nomination Committee report.

Dividend and capital return strategy

We are recommending to shareholders a final dividend of 5.6p, bringing the total dividend for the year to 8.4p. The value of dividends paid in respect of the 2023 financial year totals c.£77.7m, with a further £147.3m returned through share buybacks at an average share price of 582.1p.

Annual General Meeting

Our Annual General Meeting ('AGM') will be held at our Manchester office on 14 September 2023 at 10am.

A big thank you

As this is my last statement as Chair, it remains for me to say a big thank you to everyone involved with Auto Trader over the last eight years, including car buyers and sellers, our business customers, past and present employees, the current and previous executive teams, our Board of Directors and our shareholders, many of whom have held our shares continuously since the Company went public in 2015.

In particular, I would like to thank those with whom I have worked closely, including a large number of executives outside the Board. From the start of my involvement with Auto Trader one thing was obvious: an enormous commitment and enthusiasm to simply "get stuff done". I am sure the new Board members, who will replace those of us reaching the end of our Board service, will value this as much as we have. It has allowed us to focus a huge proportion of our time and attention on opportunities and not problems, making it critical to our success and such a pleasure to be part of.

Ed Williams

Chair
1 June 2023