

# Strategic report

## P02-52

How our performance, purpose, strategy and risk management are shaping the long-term value we deliver for our stakeholders.

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## Highlights of the year

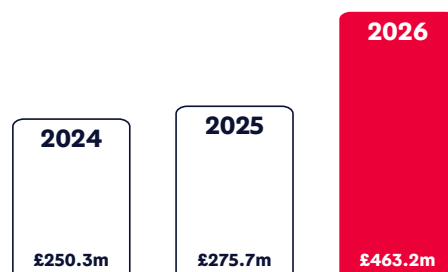
# Continuing to deliver value for our stakeholders

## Financial

### RETURNED TO SHAREHOLDERS

# £989.2m

returned to shareholders over  
the past three years



# £624m

Group revenue  
(+4% YoY)

# £393m

Group operating profit  
(+4% YoY)

# 34.17p

Basic earnings  
per share (+8% YoY)

# £418m

Cash generated from  
operations (+5% YoY)

## Operational



### RECORD NUMBERS OF BUYERS USING OUR PLATFORM

# 81.7m

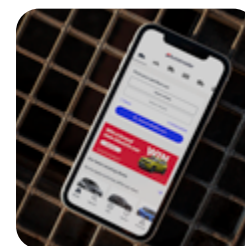
monthly visits  
(2025: 81.6m)

# 548m

monthly minutes  
(2025: 557m)

# 6x

more time spent on  
Autotrader than all  
our main competitors  
combined (2025: 6x)

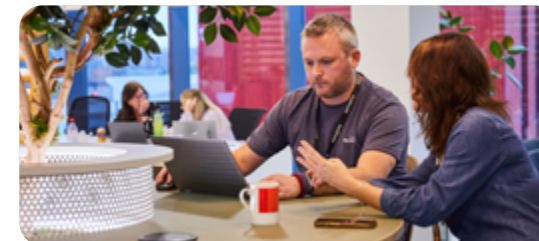


### HELPING RETAILERS TO POWER THEIR BUSINESSES

# 13,942

The average number of  
retailer forecourts in the  
period was down 0.5%  
to 13,942 (2025: 14,013)

## Cultural

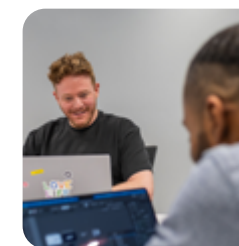


### DIGITAL INCLUSION

Tackling digital exclusion through a new partnership with the national charity, Good Things Foundation and Greater Manchester Combined Authority ('GMCA'). The output will create a five-year roadmap to help shape future policy.

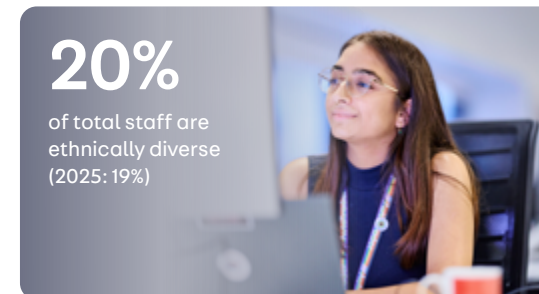
# 72%

of employees  
proud to work  
at Autotrader  
(2025: 91%)



# 20%

of total staff are  
ethnically diverse  
(2025: 19%)



At a glance

## Why we exist

Our purpose: **Driving Change Together. Responsibly** guides our strategy, our ways of working and our culture.

## How we work

Whilst it lacks precision, our culture is often described internally as 'doing the right thing', which comes through as 'Responsibly' in our purpose:

WORKING  
AS ONE AUTOTRADER

WORKING  
IN PARTNERSHIP

WORKING  
AS OWNERS

## What we do

Our strategy has three focus areas that are closely interconnected, with working responsibly embedded into everything we do:



### Marketplace

Be the best place to buy and sell a car



### Platform

Be the industry's data and technology platform



### Digital retailing

Be the enabler for more to be done online



### Working responsibly

Be a responsible business

## Who we are

Our values are the guiding characteristics that underpin our culture. They are embedded into our ways of working and core to our success:

### COMMUNITY

We connect and understand each other, respect our differences and focus on finding common ground. We are committed to making a difference in the communities around us.



### CURIOUS

We look up, listen, think beyond the obvious and find the Autotrader way. We're restless and always thinking about what's next.

### DETERMINED

We get stuck in and have the conviction to make big things happen. We persevere and aren't scared to do the hard thing.

### DECISIVE

We crack on, trusting our instincts, data and experience. We sometimes disagree, but we always commit and deliver together.

### ADAPTABLE

Our ability to change and change again is our greatest strength. We act for the long term, accept uncertainty and challenge everything.

### HUMBLE

We share in our failures as well as our successes. We earn our place and take nothing for granted.

## Chair's statement



## We are already seeing the application of AI improve the buyer experience, automate retailer tasks and enhance colleague productivity.

**Matt Davies**  
Chair



### INTRODUCTION

Autotrader delivered growth in revenue and profit this year, despite more challenging market conditions, with continued strong demand and constrained supply, added to by increased cost pressure for retailers and manufacturers. During the year, we have maintained our large and highly engaged audience, strong brand trust and the network effects between buyers and sellers on our platform. Our competitive position has strengthened when measured against other automotive marketplaces. This market position ensures we are well-placed to navigate both cyclical macroeconomic shifts and the long-term trends shaping the future of the automotive industry.

AI is one of these long-term trends, presenting opportunity for both our business and the wider industry. We are already seeing the application of AI improve the buyer experience, automate retailer tasks and enhance colleague productivity. To support these we're actively using over 50 AI models across our operations, combining advanced Large Language Models with our own proprietary, real-time dataset. While AI will change how many users begin their research, buying a car remains a complex, time-consuming journey for a high-value item, where inventory changes daily. We believe a trusted, up-to-date information source will remain an important part of the journey and Autotrader is well placed to continue in this role.

For retailers, we are increasingly a software and data platform that supports profitable retailing from sourcing through to sale. In the last financial year, we included our AI-powered Co-Driver product within our pricing and packaging event, continued the roll-out of Deal Builder, and launched Buying Signals. Having received increased levels of feedback in November on the roll-out of some of these products, we remain committed to delivering value to customers and will continue to listen and evolve our product offering.

On behalf of the Board, I would like to thank all our colleagues for their continued dedication, professionalism and commitment, through what has been a challenging year.

### RESULTS OVERVIEW

In the core Autotrader business, we achieved revenues of £585.3m, an increase of 4% on 2025. Group revenue also increased 4% to £624.3m (2025: £601.1m) with Autorama revenue contributing £39.0m (2025: £36.3m). Operating profit in the core Autotrader business was £408.0m (2025: £394.0m), up 4% on last year, with an operating profit margin of 70% (2025: 70%). Autorama saw reduced operating losses of £2.0m (2025: £4.3m). Group operating profit increased by 4% to £392.7m (2025: £376.8m), reflecting the increase in revenue, reduced

operating loss in Autorama, and broadly maintaining Group central costs at £13.3m (2025: £12.9m). Group operating profit margin remained consistent at 63% (2025: 63%). Basic earnings per share increased 8% to 34.17p (2025: 31.66p).

### UPDATED CAPITAL POLICY, WITH ACCELERATED SHARE BUYBACK PROGRAMME

Autotrader has a long track record of strong cash generation which we expect to continue. Autotrader's capital allocation policy continues to focus on investment in the business supporting growth, while returning approximately one third of net income to shareholders through dividends. We are proposing a final dividend of 7.8 pence per share (2025: 7.1 pence per share) giving total dividends of 11.6 pence per share for the year (2025: 10.6 pence per share). In the year, we have accelerated our share buyback programme, purchasing 58.5 million shares in the year, 6.6% of issued share capital. At year end we had drawn £165m of our debt facility, increasing leverage up to 0.3x. Combined with dividends we have returned £463.2m (2025: £275.7m) to shareholders.

The Board believes the prevailing Autotrader share price does not reflect the Company's underlying fundamentals or long-term prospects. Despite a rapidly changing technology environment, our current competitive position has strengthened, we are adapting our car buying experience to evolve with consumer habits, and we remain comfortable our investment in technology is sufficient to take full advantage of AI. We do recognise that we have had a challenging end to the year which impacts growth in both 2026 and 2027, although we have seen a gradual increase in some of our core metrics as we've entered the new financial year.

With this in mind, in 2027 we currently expect to return £600m to shareholders. This will be through purchasing c.£500m of shares (we will be seeking authority to purchase up to 15% of issued share capital at our AGM), as well as paying a third of net income in dividends. Based on current assumptions, this would increase leverage to c.1.0x. In aggregate this returns over £1bn to shareholders over the course of 2026 and 2027.

### BOARD CHANGES

Megan Quinn and Adam Jay were appointed to the Board with effect from 1 July 2025, strengthening the Board's technology and digital marketplace experience. Both have also joined the Audit, Remuneration, Corporate Responsibility and Nomination Committees, and at the conclusion of the 2025 AGM, Megan assumed the role of Chair of the Corporate Responsibility Committee. Their appointments follow a comprehensive search led by the Nomination Committee, supported by an external search firm, and form an integral part of the Board's long-term succession planning. These changes mark a significant refresh of the Board following the scheduled completion of several Non-Executive Directors' third three-year terms since the Company's IPO in 2015. The Board now benefits from a balanced mix of technology, marketplace, retail and financial services experience, positioning the Company well for the years ahead.

We would also like to acknowledge Catherine Faiers, our Chief Operating Officer, who stepped down from the Board on 9 December 2025. Catherine has taken up the role of Chief Executive Officer at Moonpig plc, an opportunity that is well deserved. Catherine made a significant contribution to the business, and we are extremely grateful for her leadership and impact. While we are sad to see her leave, she departs with the very best wishes of everyone at Autotrader.

### ANNUAL GENERAL MEETING

The AGM will be held on 16 July 2026 at 11am in our Manchester office.

**Matt Davies**  
Chair  
21 May 2026

## CEO's statement

**//**  
**We are committed to delivering more, higher quality enquiries, that convert at double the rate into sale for our customers, which has always been at the core of our Deal Builder proposition.**

**Nathan Coe**  
 Chief Executive Officer

**INTRODUCTION**

Our purpose, Driving Change Together. Responsibly, guides how we use our brand, technology and data to improve the UK automotive market.

We can do this better than any other business for car buyers, sellers and retailers in the UK. The market is large, the transaction is important and often filled with complexity for millions of buyers and sellers every year.

Our strategy has three focus areas: our marketplace; our platform; and digital retailing. These areas are closely interconnected, as our platform and digital retailing capabilities build on and contribute to the strength of our marketplace. Over time we have embedded our proprietary data and services into the systems and processes used by both our retailer partners and wider automotive related businesses.

I would like to thank all my colleagues across Autotrader for their commitment and professionalism throughout the year. It has been a demanding period, and your contribution and teamwork has been humbling.

**OUR MARKET-LEADING POSITION**

For much of the past 50 years under the Autotrader brand, we have built a large, highly engaged audience that is difficult for others to replicate. This year, on average each month, we saw over nine million unique visitors, averaging 548 million (2025: 557 million) minutes of activity on site. Through the strength of our brand, the large majority of these buyers came direct to Autotrader: over 80% of our visits were either direct to our mobile apps, direct to our URL or through searches for "Autotrader"; 13% were from organic search; and only 4% from paid for web traffic. Currently less than 1% of audience comes from generative AI chat assistants.

In the year our competitive position has strengthened. We were 11x larger (2025: 10x) than our nearest competitor in terms of time on site, which was against a collection of four brands. We were 22x larger (2025: 23x) than the next largest individual brand and six times more time was spent on Autotrader than all our main competitors combined. 67% of our audience was unique to Autotrader, not visiting these other sites.

Retailer numbers softened slightly during the year, reflecting both the more difficult cost-related trading conditions and concerns with the speed and nature of our Deal Builder product roll-out. Average retailer forecourts advertising with us for the year decreased by 0.5% to 13,942 (2025: 14,013) and were 236/1.7% lower in the second half. Whilst this was disappointing, we have listened carefully to customer feedback, taken proportionate action and remain focused on winning back retailers and strengthening our long-term partnership with customers.

Average revenue per retailer ('ARPR') increased 5% (or £141) to £2,995 (2025: £2,854). This was primarily driven by our April 2025 pricing and product event which included our generative AI powered product, Co-Driver, which automates vehicle description generation and vehicle highlights for retailers, as well as image tagging, ordering and optimisation. Despite higher average live car listings of 451,000 (2025: 449,000), which was supported by an offer, paid for stock was a drag on ARPR this year. This was largely due to customers moderating spend at the end of the calendar year, which also impacted our prominence products. We are evolving our package staircase in H1, with the aim of returning prominence to long-term growth.

**A WELL-INVESTED TECHNOLOGY AND DATA PLATFORM**

Our technology platform reflects decades of consistent, long-term investment. We have already transitioned fully to a modern cloud-based delivery and data platform based largely on open-source technologies. We've adopted these emerging technologies always within our existing cost base. The highly performant, reliable and consistent architecture allows us to build new features quickly on stable foundations. The recent addition of an AI platform built using the same principles allows us to quickly build, train and roll-out AI services and products utilising a wide range of foundational Large Language Models ('LLMs').

Alongside this, we hold a proprietary dataset covering everything from vehicle specifications to real-time buyer behaviour, which retailers have come to rely on as much as our advertising products. With the broadest view of the UK car market, we can provide unparalleled insight into which cars retailers should be stocking, what retail prices they are likely to achieve, likely days to sell and how they are performing against competitors. We have almost 300 people in our customer-facing teams, who are equipped with tools that identify operational opportunities, problem vehicles, areas of future risk and opportunity and performance variation across different retail sites. By combining these tools with hands-on support, we help retailers drive efficiencies and improve profitability over time.

The use of our data also extends beyond just retailers to become an important industry asset, integrated with over 220 technology partners and increasingly central to finance and insurance companies. The number of calls on these technology and data services increased to an average of 155 million per month (2025: 91 million), demonstrating the embedded nature of this data into many customer systems and decision-making processes. We see further opportunity in continuing to expand this capability to deliver business improvements to a range of automotive industry participants.

SCAN TO LISTEN TO NATHAN'S  
 INTERVIEW ON THE BBC BIG BOSS

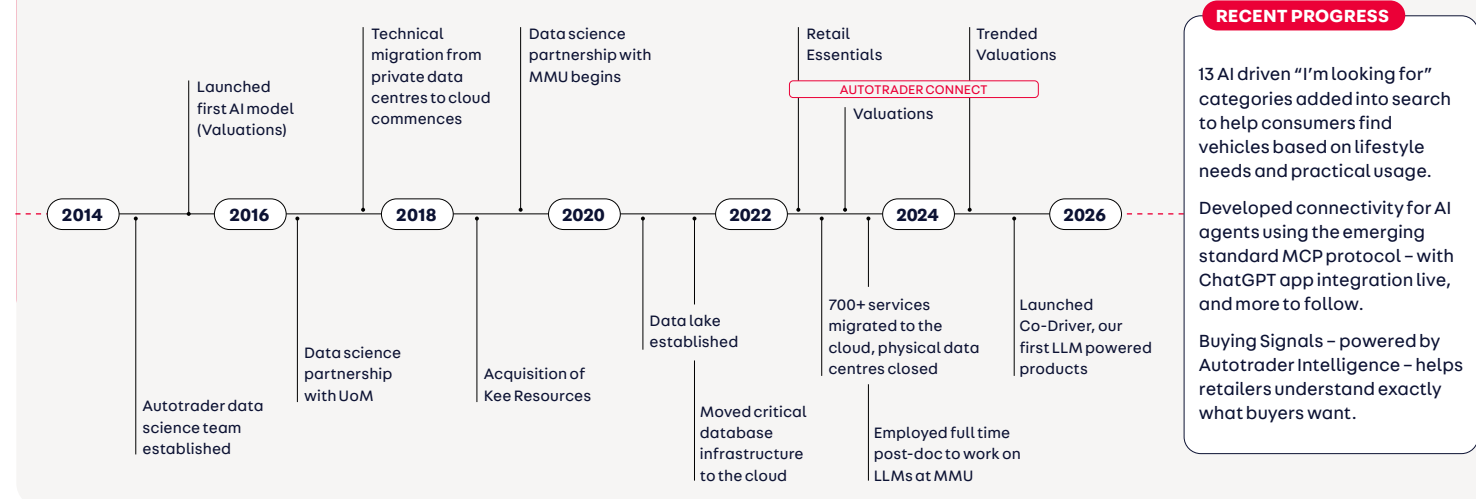


## CEO's statement continued

**AI PRESENTS SIGNIFICANT OPPORTUNITY TO IMPROVE OUR EXPERIENCES**

We believe the shift in AI capability over the next few years will be as big if not a bigger technology transition than the internet, mobile, big data, cloud and machine-learning. The products we are building today provide a long runway for us to provide an even richer experience for car buyers, better tooling for retailers, enabling them to automate tasks that previously relied on the manual effort of people, and better tooling for our colleagues enabling us to improve our ways of working. We are well positioned to do this with a technology stack that already has examples of these types of products at scale today.

Our product and technology organisation includes a growing data science and analytics community and has had ongoing research partnerships with Manchester Metropolitan University and the University of Manchester since 2019, focused on Natural Language Processing and Large Language Models, producing academic whitepapers and insights that inform internal development. Our data platform includes more than 50 proprietary AI and machine learning models, and our advantage lies in training these specialised models that leverage our significant volume of consumer, vehicle and retailer data to deliver a level of accuracy and consistency that general-purpose LLMs cannot achieve on their own. Publicly available vehicle listings represent only a small part of the required data, and our products are dependent on deep technical integrations including vehicle checks, integrated retailer finance offers, and integrations with manufacturer production systems, all of which have been built over many years and are generally specific to the UK.

**We are benefiting from a long history of investment in our technology, data and AI platform**

For car buyers, we have delivered:

- Our new "I'm looking for" AI-powered search, which uses proprietary models to enable car buyers to search across car listings using categories.
- A trial of conversational-based text search to discover filters more easily.
- ChatGPT app integration via Model Context Protocol ('MCP'), which benefits future integrations.
- AI-generated vehicle highlights, identifying what characteristics are most valuable compared to similar vehicles.
- Improved search relevancy algorithm that also underpins our advertising products.
- "You may also like" suggested recommendations.
- Specification adjusted valuations underpinning our price flags.
- Independent valuations for private sale, part-exchange, sale to a retailer or a retailer auction.
- Enhanced imagery and descriptions through Co-Driver.

For retailers, we have delivered:

- Tools that help optimise inventory performance (pricing, retail rating, market health, demand, supply, vehicle marketplace performance and predicted days to sell).
- APIs that power manufacturer and retailer websites, business intelligence tools, point-of-sale systems and third-party applications.
- Improved car buyer conversion through Deal Builder and Buying Signals.
- Productivity improvements through AI-powered Co-Driver image and description tools. 86% of retailers have used one of our Co-Driver tools since launch. There have been 1.9 million descriptions generated and 700k smart image re-orders. 66% of retailers have used Co-Driver in the past 30 days.

Consumer behaviour is changing, with increased use of conversational chat interfaces powered by LLMs. We expect this trend to continue, with AI taking on more of the buying experience for many goods sold online. Whilst this change presents some risk, car buying is a high-value, multi-step and often regulated process, where each vehicle is unique and changes daily. We see opportunity to provide seamless pathways into real-time vehicle results through efficient and effective integrations with AI assistants and agents. As with search engines over the past two decades, AI agents will rely on Autotrader as a trusted source of truth, ensuring that wherever a buyer's journey begins, the most accurate and up-to-date information comes from our platform.

## CEO's statement continued

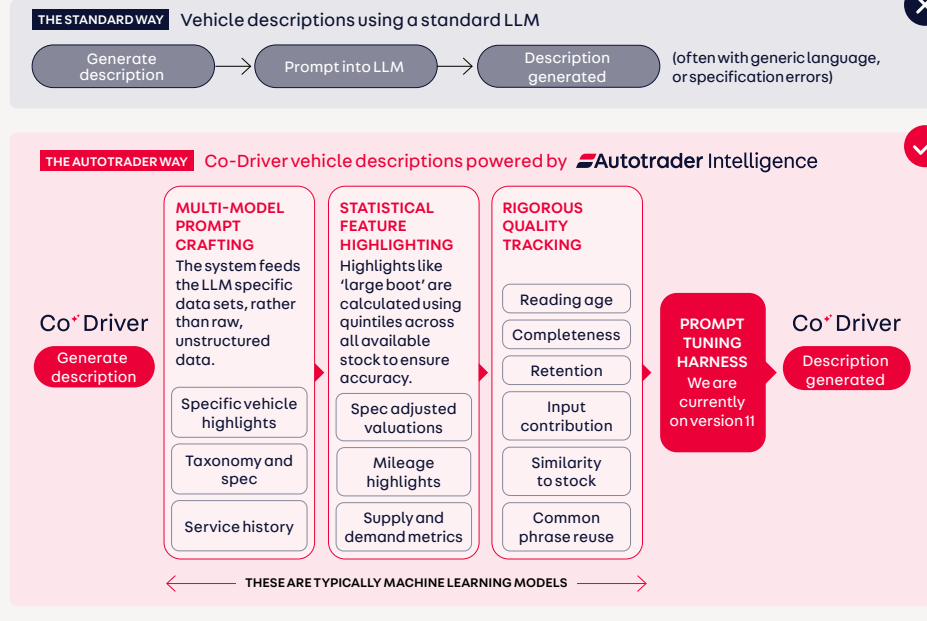
**INCREASING VALUE FOR OUR RETAILERS**

As part of our 1 April 2025 pricing and product event, we included Co-Driver which anecdotally reduces the average time taken to list a vehicle from 28 minutes to 5 minutes, which is significant when multiplied across more than 340,000 vehicles uploaded every month by retailers. Vehicle Highlights, which appear on the majority of adverts, has seen strong buyer engagement and feedback.

We are committed to delivering more, higher quality enquiries, that convert at double the rate into sales for our customers, which has always been at the core of our Deal Builder proposition. We believe doing so will drive long-term value for buyers, our retailer customers and Autotrader, whilst being difficult for others to replicate. During the year we recognised the need to change both our approach and aspects of the product to better accommodate the needs of some retailers. Sentiment has now improved following our response, which included: pausing auto-roll-out; holding open listening sessions; establishing customer advisory groups; and introducing "request a reservation".

In the year, we have continued to scale Deal Builder, with over 6.7k retailers on the product (March 2025: 2.0k) and 175k vehicles live at the end of March (March 2025: 84k). Within the 6.7k retailers, we have started onboarding some of our largest customers with custom integrations. In the year, we saw 137k deals with a full reservation placed (2025: 49k), which continue to be the very best enquiries in terms of conversion to sale.

In January 2026, we launched our Buying Signals product, which uses a proprietary machine learning model trained on verified but anonymised sales transactions and consumer interactions. Buying Signals has already featured on over 800k enquiries, and early results indicate that leads flagged as high-intent convert at twice the average rate. With over 15 million enquiries generated annually, some of which go unanswered, the potential for better outcomes for both car buyers and retailers is clear.

**Building on our unique data sets to enable robust customer and consumer facing AI products****OUR CULTURE**

Culture for us is as tangible and important to our performance as our strategy, competitive position, product and technology.

During the year, we completed the move to our new office at Circle Square in Manchester. Although only a short distance from our previous site, this new campus represents a meaningful step forward. It can accommodate all our people and provides a modern working environment, increased space for collaboration, improved facilities for customers and community activity, enhanced technology and stronger environmental credentials. Employee engagement has fallen to 72% from 91% a year ago. It has been a challenging year for colleagues with restructures, external factors and a tighter approach to working in the office. We remain committed to improving

this measure over the next 12 months. Other core people measures including recruitment and colleague turnover remain largely unchanged.

At the end of March 2026, women represented 43% of our organisation (March 2025: 44%) and 43% (March 2025: 43%) of leadership roles as defined by the FTSE Women Leaders Review. Ethnically diverse employees represent 20% of our organisation (March 2025: 19%), and 9% (March 2025: 10%) of leaders. We remain focused on improving both of these percentages, albeit in a sustainable way. Our Board comprises four women and four men, with two from an ethnically diverse background and a woman as Senior Independent Director.

We are committed to being net zero by 2040 and halving our carbon emissions by 2030, targets which have been validated by the Science Based Targets initiative ('SBTi'). Our calculations

estimate our GHG emissions during the year were 55% higher at c.144.1k tonnes of CO<sub>2</sub> across Scopes 1, 2 and 3 (2025: 93.2k tonnes). The majority of our emissions are Scope 3, with the increase driven by both one-off capital expenditure on our new office and an increase in the number of vehicles taken on balance sheet by Autorama.

**OUTLOOK**

We remain comfortable with our current levels of investment such that Group operating profit margins, excluding Vehicle & Accessory sales, will be at least maintained. Group operating profit is expected to be £395m – £415m for financial year 2027. With an accelerated level of share buybacks, we anticipate at least high single digit Basic EPS growth.

Autotrader revenue was flat year-on-year in April 2026, due to a lower run rate and a lower price increase. However, retailer forecourts, volumes of paid stock and package penetration are now improving, and we expect to grow in the second half. Full-year expectations are as follows:

- Our pricing and product event has gone well, growing the price lever within ARPR by £85-95. Growth in the product lever is expected to contribute £65-75.
- Stock will recover resulting in an improvement from current levels to minus £30-40 for the full year.
- Average retailer forecourts are now growing but will be 1-2% lower for the full year.
- Other revenue will be broadly flat in aggregate, with a decline in Consumer Services offset by growth in Manufacturer & Agency.

We expect Autorama to make a small profit for the year, with Commission & Ancillary revenue growing 8-12% and Vehicle & Accessory sales of c.£40m.

As the majority of leasing transactions now originate on Autotrader we will move to one reported operating segment in 2027. More detail is provided within the Financial review.

**Nathan Coe**  
Chief Executive Officer  
21 May 2026

## Our strategy

### Marketplace - Be the best place to buy and sell a car

#### FOCUS

Our marketplace delivered robust revenue and operating profit growth. In the year our competitive position strengthened; 6x more time was spent on Autotrader than all our main competitors combined. Retailer numbers softened slightly during the year, due to both the more difficult trading conditions and the pushback related to the speed and nature of our Deal Builder product roll-out.

#### HOW WE MEASURE PROGRESS

- Revenue
- Average revenue per retailer ('ARPR')
- Operating profit (and margin)
- Basic EPS
- Cash generated from operations
- Cross-platform visits
- Cross-platform minutes
- Number of retailer forecourts
- Live car stock
- Employee engagement

#### PROGRESS 2026

- We retained record numbers of buyers, with an average number of cross-platform visits of 81.7 million per month (2025: 81.6 million).
- The majority of our audience continues to come direct to us, either through our app, direct to our URL or through searches for "Autotrader", emphasising the strength of our brand and the role we play in searching real-time inventory.
- Achieved 5% ARPR growth from pricing and product initiatives, which included the launch of our Co-Driver product.
- Live car listings increased marginally year-on-year to 451,000 (2025: 449,000).
- Supported the EV transition, with EVs making up 24% of new car stock.

#### ASSOCIATED RISKS

1 2 3 4 5 6 7 8 9 10

2.5x  
car leasing  
volumes up

#### INCREASING LEASING VOLUMES

##### Increased choice through new car and leasing

We continued to focus on integrating leasing offers into the core Autotrader search experience. The goal is to enable a more scalable and robust checkout journey on all platforms and to ensure we are set up to grow profitably as volume returns to the personal leasing channel ('PCH').

#### PRINCIPAL RISKS

- |  |   |  |
|--|---|--|
| 1. Macro risks   | 5. IT systems and cyber security                    | 9. Climate change                          |
| 2. Automotive economy, market and business environment | 6. Employees  | 10. Reliance on third parties and partners |
| 3. Legal and regulatory compliance                     | 7. Brand and reputation                             |  |
| 4. Competition   | 8. Failure to innovate continuously and responsibly |  |

### Platform - Be the industry's data and technology platform

#### FOCUS

Our technology platform reflects a decade of consistent, long-term investment. We have already transitioned from legacy systems to a modern cloud-based delivery and data platform capable of managing the full data lifecycle. We've adopted these emerging technologies always within our existing cost base. Our AI gateway enables us to abstract our proprietary models from open-source LLMs ('Large Language Models'), ensuring we can integrate the latest innovations while maintaining our unique data advantage.

#### HOW WE MEASURE PROGRESS

- API calls on average per month
- Number of lender integrations
- Number of product releases

#### PROGRESS 2026

- Saw strong adoption of platform data, tools and technology, with high engagement across integrated retailers and over 220 technology partners.
- The number of calls on these technology and data services increased to average 155 million per month (2025: 91 million), demonstrating the embedded nature of this data into many customer systems and decision-making processes.
- Launched new "I'm looking for" AI-powered suggested search, which uses a proprietary LLM to enable car buyers to search across makes and models using categories in more natural language.
- Productivity improvements through AI-powered Co-Driver image and description tools.

#### ASSOCIATED RISKS

5 8 10

155m

technology and  
data service calls  
per month  
(2025: 91m)

#### LEVERAGING AI TOOLS

##### Developing AI-enabled products for retailers

Our generative AI powered product, Co-Driver, which automates vehicle description generation and vehicle highlights for retailers, as well as image tagging, ordering and optimisation.



Our strategy continued

**Digital retailing** – Be the enabler for more to be done online

**FOCUS**

We are committed to delivering more, higher quality enquiries, that convert at a high rate into sale for our customers, which has always been at the core of our Deal Builder proposition. We believe doing so will drive long-term value for buyers, our retailer customers and Autotrader, whilst also being difficult for others to replicate. We have launched Buying Signals which identifies high-intent leads and buying preferences, allowing retailers to prioritise those buyers that are most ready to buy.

**HOW WE MEASURE PROGRESS**

- Number of Deal Builder customers
- Number of Deal Builder live stock
- Number of submitted deals
- Number of leasing vehicles delivered

**PROGRESS 2026**

- In the year, we have continued to roll out Deal Builder, with over 6.7k retailers on the product (March 2025: 2.0k) and 175k vehicles live at the end of March (March 2025: 84k).
- As part of the 6.7k retailers, we have begun onboarding some of our largest customers with custom integrations.
- In November 2025, we received some negative sentiment around the Deal Builder products. We subsequently held customer listening sessions, made product variations, tested various front-end consumer journeys and changed the language around “Deals” which was causing confusion for some customers.

**ASSOCIATED RISKS**

3 5 8 10

**c.6,700**

retailers live with Deal Builder in March 2026 (2025: c.2,000)

**LAUNCHED BUYING SIGNALS**

**Gives retailers the power to understand exactly what buyers want**

**High-intent, local buyers**

Spot high-intent buyers in your area using AI-driven signals, so you can focus on leads most likely to convert.

**Deep insight into buyer preferences**

Understand exactly what buyers want, from preferred make and model to mileage, age, and price range. Buying Signals gives the clearest summary of individual preferences.

**PRINCIPAL RISKS**

- |  |   |  |
|--|---|--|
| 1. Macro risks   | 5. IT systems and cyber security                    | 9. Climate change                          |
| 2. Automotive economy, market and business environment | 6. Employees  | 10. Reliance on third parties and partners |
| 3. Legal and regulatory compliance                     | 7. Brand and reputation                             |  |
| 4. Competition   | 8. Failure to innovate continuously and responsibly |  |

**Working responsibly** – Be a responsible business

**FOCUS**

Our ESG strategy is underpinned by our purpose of Driving Change Together. Responsibly.

This ensures we strive to make a positive difference to our people, our communities, the industries we operate in and the wider environment to create a more accessible, equitable and sustainable future.

**PROGRESS 2026**

**The environment**

- Further engagement with Government departments, including participation in Parliamentary groups and committees.
- Continued our partnership with the Carbon Literacy Trust and funding of the Automotive and Digital & Tech Carbon Literacy Sector Toolkits.

**Our people & communities**

- Developing our leaders through investment in tools and resources and our “Leader as Coach” programme.
- Partnered with the Good Things Foundation to support research and strategic planning focused on digital inclusion.
- Launched our first T-Level placement and expanded our L4 software engineering apprenticeship.

**Our governance & compliance**

- Established our Responsible Change Forum to drive forward our ESG priorities.

**HOW WE MEASURE PROGRESS**

- See our cultural KPIs and Working responsibly section

**ASSOCIATED RISKS**

6 7 9

**72%**

of employees say they're proud to work for Autotrader (2025: 91%)

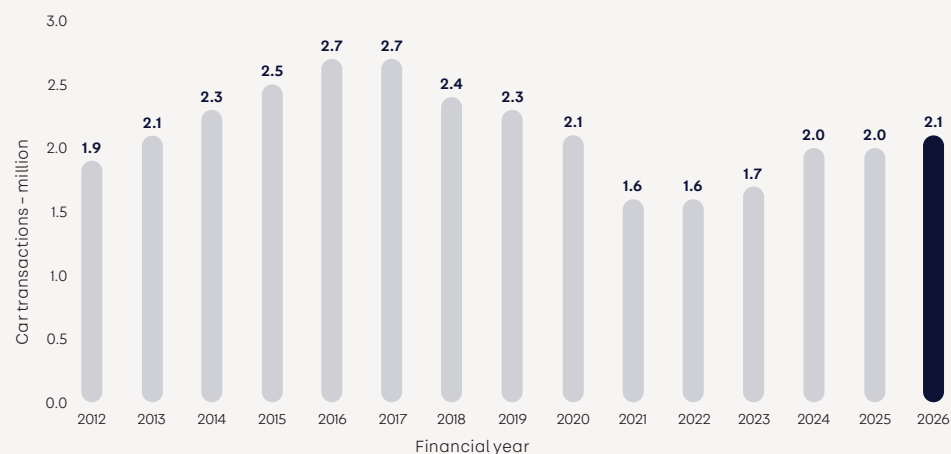
**DRIVING POSITIVE CHANGE**

Working responsibly is central to our purpose and strategy. We are committed to doing business the right way, acting with integrity, and measuring and reporting transparently to drive meaningful change.

## Market overview

# A resilient market growing in both volume and value

## New car registrations



### NEW CAR REGISTRATIONS

New car registrations grew 5% over the past 12 months to 2.1 million (2025: 2.0 million), with growth coming through the retail channel for the first time in four years. We have seen a notable increase in volumes from newer Chinese manufacturers, providing franchise retailers with opportunities to broaden their portfolios at a time when profitability in some established brands has come under pressure, partly due to the costs of meeting the Zero Emission Vehicle ('ZEV') mandate.

The electric transition remains integral to the health of the new car market, with EVs achieving a record 23.4% share (nearly half a million registrations), while the Government's

new Electric Car Grant, launched in 2025 successfully stimulated private demand. With increasing numbers of models becoming eligible for the grant, it opened up EVs to a wider pool of buyers.

However, mixed messaging from the Government is risking interest in EVs, as a newly proposed pay per mile EV tax (Electric Vehicle Excise Duty) threatens to erode the cost savings of running an EV. Despite regulatory complexities, the market benefits from stiff competition, with 72 brands now operating in the UK. This has created an influx of affordable electric models, expanding consumer choice and affordability.

## Used car transactions



### USED CAR TRANSACTIONS

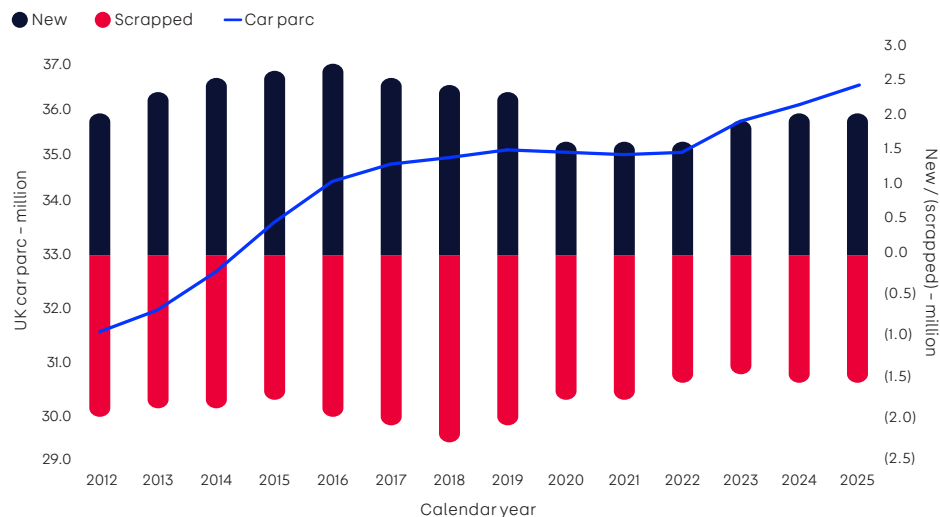
The used car market demonstrated exceptional resilience throughout the financial year, concluding 2026 with 7.7 million transactions, representing steady 1% year-on-year growth. This sustained recovery provides a very robust foundation for the next financial year. With new registrations also increasing, the combined UK car market is moving closer to 10 million total transactions, effectively returning the industry to its pre-pandemic scale for the first time since 2019.

This growth is driven by continued consumer appetite for vehicle ownership. Last year we recorded nearly one billion platform visits to Autotrader, helping our partners' stock to continue turning over at a highly profitable pace.

While demand is secure, the market faces structural supply headwinds as the estimated 2.5 million "lost" pandemic registrations age through the vehicle parc. This shortfall is now maturing into a "cliff edge" for middle-aged stock, resulting in a forecasted 17% drop in the availability of 5-7-year-old vehicles over the next two years. However, by leveraging our unparalleled data and AI-powered tools, retailers are well equipped to navigate these supply gaps, adapt their forecourts, and fully capitalise on the very strong levels of buyer engagement.

Market overview continued

UK car parc

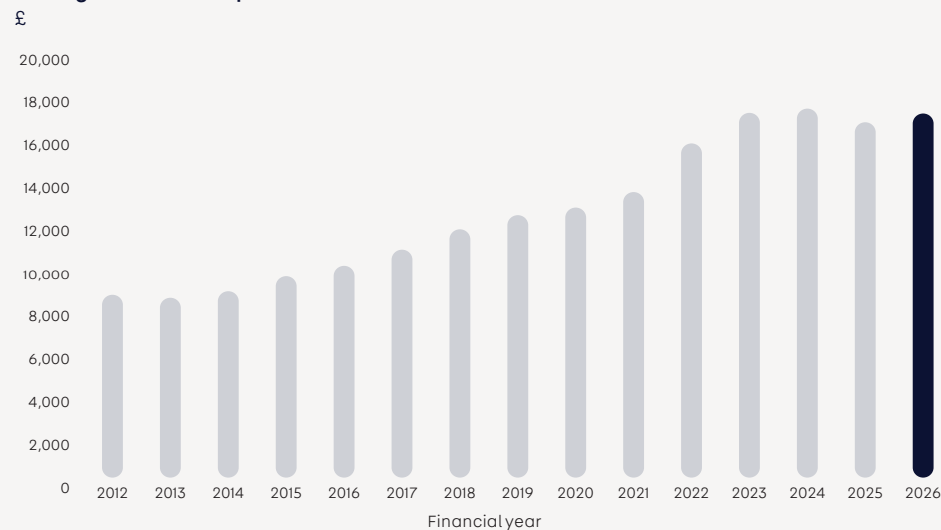


UK CAR PARC

The UK car parc has continued to grow steadily, increasing by just over 300,000 vehicles - or around 1% per year on average over the past two decades, reaching 37 million today. Transaction volumes have also generally grown at a similar pace, as the speed at which the overall car parc turns has consistently ranged between three and four years over this period. These long-term trends were temporarily disrupted during the COVID-19

pandemic, when new car production fell to levels below those seen during the 2008-09 financial crisis. The resulting constraints on supply across several age bands reduced supply and accelerated stock turn. These cyclical movements are typical, and while we expect periods of both above and below trend growth, the underlying drivers of a growing population, an expanding parc and increasing transaction volumes remain firmly in place.

Average used vehicle price



LONG-TERM PRICES

Over the past financial year, the automotive market has demonstrated remarkable resilience. We have seen used car retail prices stabilise and return to normal seasonal patterns, with average values averaging £17,597 across financial year 2026.

Looking ahead, we confidently expect the value of both new and used cars to continue increasing over the long term. This upward trajectory is not purely inflationary; it is fundamentally driven by the longer useful

lives of modern vehicles, enhanced technological functionality, and the ongoing structural shift towards higher-value electric vehicles ('EVs'). Crucially, as vehicle values rise, historical data shows retailer gross margins remain consistently stable between 9% and 11%. Empowered by our proprietary data and 800,000 daily market observations, retailers are equipped to price accurately to live market demand. This ensures that higher vehicle prices reliably translate into higher absolute gross profits, underpinning robust, growing profit for the industry.

[plc.autotrader.co.uk/news-views/retail-price-index/](https://plc.autotrader.co.uk/news-views/retail-price-index/)

How we create value

# Creating value as the UK's largest automotive marketplace and leading digital platform for the automotive industry

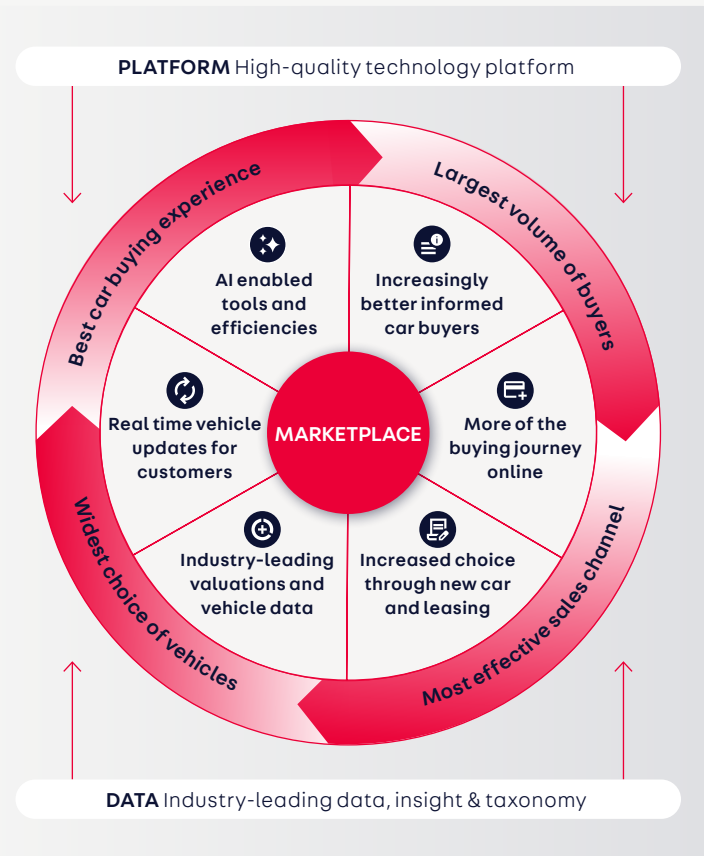
Our marketplace is built on an industry-leading technology and data platform, which is increasingly used across the automotive industry. The scale and engagement with our platform deepens our relationship with both customers

and car buyers, as well as presenting long-term growth opportunities. Autotrader is continuing to bring more of the car buying journey online, creating an improved buying experience for both buyers and sellers.

Our key drivers of value

- 1 A growing automotive market and profit pool
- 2 Our market-leading position
- 3 Our heritage of innovation
- 4 A focused and consistent strategy
- 5 Our purpose and culture

Powering the automotive ecosystem



Value created for shareholders

**Our investors**  
Long-term revenue and profit growth leading to significant cash generation and returns to shareholders through dividends and share buybacks.

**Our consumers**  
The best buying experience with the greatest choice of vehicles regardless of type or purchase method. Continuing to create greater levels of transparency for car buyers.

**Our customers**  
The most effective sales channel with market-leading insight, data and products. Continue to drive efficiencies with AI and more of the buying journey being completed online.

**Our people**  
We continue to evolve our culture so everyone can develop and achieve their career aspirations, in an environment that supports collaboration, wellbeing and creativity.



## Section 172(1) statement

# Considering our stakeholders

The Directors of the Company have acted in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as

a whole, having due regard in doing so for the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006.

To achieve our goals and ensure long-term success, we recognise the importance of establishing and maintaining meaningful, mutually beneficial relationships with our stakeholders. We actively consider different stakeholder perspectives, identify their priorities, and assess the long-term impact of our business on both the industry and the environment. The Board and the Autotrader Leadership Team are dedicated to upholding our high standards of business conduct.

A detailed stakeholder framework is applied to all decision papers prepared for the Board in advance and is key to thoughtful and considered boardroom discussions.

The framework which has been adopted allows decision-makers to consider the balance of interests of affected stakeholders and ultimately to do the right thing for the long-term success of the Company for the benefit of its members as a whole. The Board recognises that not every decision will result in an equally positive outcome for all stakeholders. However, by genuinely understanding our stakeholders and considering their diverse needs, the Board incorporates into discussions the potential impact of decisions taken on each stakeholder group and the other matters required by section 172(1).

## Considering the long-term consequences of our decisions

How we create value **P12**  
Strategic progress **P08**  
Material decisions made **P16**

## Considering the interests of our employees

How we create value **P12**  
Our stakeholders **P14**  
Our people & communities **P35**

## The need to foster good relationships with our stakeholders

How we create value **P12**  
Our stakeholders **P14**

## Considering our impact on the environment and our community

Report of the Corporate Responsibility Committee **P72**  
Our ESG strategy **P25**  
TCFD disclosures **P30**

## Maintaining high standards of conduct

Governance **P53**  
How we manage risk **P43**  
Our governance & compliance **P40**

## Acting fairly between stakeholders

How we create value **P12**  
Our stakeholders **P14**

## Section 172(1) matters

Our purpose is Driving Change Together. Responsibly

We are **driving change** in an industry that needs to evolve to adapt to changing consumer needs, and the changing product, as electric vehicles become the mainstream.

Our business model results in bringing **together** a diverse set of stakeholders - consumers, customers (including retailers, manufacturers and other customers), suppliers and partners - underpinned by our collaborative, people-led culture.

We are committed to acting **responsibly** through our focus on diversity and inclusion, the environment, our sustainability practices and maintaining high levels of ethical conduct, trust and transparency.



## Section 172(1) statement continued

## Maintaining stakeholder relationships

We highlight our key stakeholder groups, their importance to our business, their priorities, and how both the organisation and the Board engage with them and respond through meaningful actions.



## Consumers

## WHY ARE OUR CONSUMERS IMPORTANT TO US?

The continued success of our business model is underpinned by maintaining and strengthening relationships with consumers. Our business thrives by creating a large, engaged community of car buyers, sellers and researchers who trust our brand and reputation and have trust and confidence in Autotrader as a marketplace.

## WHAT MATTERS TO OUR CONSUMERS?

- Wide choice of vehicles and choice of ways in which to buy
- Hassle free and trusted buying and selling processes.
- Clear, transparent and accurate details for vehicles, sellers, and payment options.
- Reliable and accessible service with knowledgeable support and responsive communication when needed.

## HOW DO WE ENGAGE WITH OUR CONSUMERS?

- Regular contact with a diverse group of consumers for research and insight purposes looking into their car buying intentions and beyond.
- Conducting consumer user testing for new and existing products, services and website designs with a wide range of demographics.
- Providing in-house consumer facing support seven days a week.
- Utilising social media and marketing channels to communicate.

## WHAT ACTIONS DID WE TAKE?

- Partnered with an accessibility agency to test our approach to building accessible products and journeys.
- Conducted one-on-one interviews with consumers who had experienced our Deal Builder journey (checkout experience) to understand their path to purchase and the impact of our experience.
- New benchmarking to a broader audience to understand brand awareness, preference, considerations and product.
- Outputs of consumer research shared with Autotrader Leadership Team ('ALT') and Board to factor into decision-making.

## MATERIAL ISSUES

- 2 Data privacy and security
- 4 Product innovation
- 5 Customer satisfaction
- 11 Driving transparency



## Customers

(retailers, manufacturers and other customers)

## WHY ARE OUR CUSTOMERS IMPORTANT TO US?

Our partnerships with vehicle retailers, manufacturers, leasing companies and other customers enable us to offer consumers the widest choice of vehicles. The majority of our revenue is generated from our customers.

## WHAT MATTERS TO OUR CUSTOMERS?

- Access to a large volume of engaged car buyers.
- Streamlining the car selling process for greater efficiency.
- Effectively sourcing vehicles.
- Easy access to trusted, understandable data for informed sourcing and disposal decisions.
- Ensuring value for money with Autotrader through product choice, quality and cost.
- Establishing two-way lasting partnerships.

## HOW DO WE ENGAGE WITH OUR CUSTOMERS?

- Newly established Customer Advisory Groups for retailer customers.
- Board members accompany sales teams on customer visits.
- Retailer sentiment surveys.

## MATERIAL ISSUES

- 2 Data privacy and security
- 4 Product innovation
- 5 Customer satisfaction
- 6 Pricing fairness
- 8 Advocacy

## MATERIAL ISSUES

## E The environment

Where engagement does not take place directly with the Board, stakeholder feedback is communicated through detailed reports to the Board and/or its Committees throughout the year to inform decision-making.

## S Our people &amp; communities

A strong understanding of our stakeholders and their diverse interests enables the Board to consider the potential impact and long-term consequences of its decisions as part of boardroom discussions.

## G Our governance &amp; compliance



## Our people

## WHY ARE OUR PEOPLE IMPORTANT TO US?

Our people are one of our most valuable assets and the key to our ongoing success. To thrive, it is important to attract new talent while supporting and developing our highly skilled workforce. We aim to create a diverse and inclusive culture and environment where everyone has the right tools to achieve their full potential and feels a valued part of our community.

## WHAT MATTERS TO OUR PEOPLE?

- Fair reward, recognition and benefits.
- Opportunities for training, career development and professional growth.
- Supportive leadership with open communication and appreciation for contributions.
- A working environment that provides a comfortable, inspiring physical space with an emphasis on wellbeing.
- An inclusive values-led culture.

## MATERIAL ISSUES

- 2 Data privacy and security
- 3 Employee wellbeing, engagement and safety
- 7 Investment in talent
- 10 Diversity and inclusion
- 16 Ethics and integrity
- 17 Remuneration

## HOW DO WE ENGAGE WITH OUR PEOPLE?

- The Board Engagement Guild, made up of employees from across the business, engages with the Board (without management present).
- Regular employee engagement surveys.
- Annual all-employee conference, regular virtual business updates and daily updates via slack.
- Open wellbeing forums.
- Health and safety assessments.
- Independent whistleblowing service.

## WHAT ACTIONS DID WE TAKE?

- Ran both an Inclusive People Management Programme and Diverse Talent Accelerator, focused on developing diverse talent across the business.
- Launched a new 'Leader as Coach' programme for all our people managers.
- Ongoing review and refresh of annual employee benefits including a change to our pension plan.
- Benchmarking of salary and benefits in line with the market.
- Continuing with annual Save As You Earn share scheme and One Autotrader Share Award.
- Offered a free financial wellbeing education session conducted by an external leading specialist.
- Moved into new office in Circle Square, Manchester.

## Section 172(1) statement continued

## MATERIAL ISSUES

E The environment

S Our people &amp; communities

G Our governance &amp; compliance



## Partners &amp; suppliers

## WHY ARE OUR PARTNERS AND SUPPLIERS IMPORTANT TO US?

Our suppliers and partners support our technology infrastructure, supply of vehicle and financing data, and the fulfilment of some of our revenue-generating products. Building trusted partnerships allows us to collaborate more effectively and consistently to deliver the highest-quality products and services.

## WHAT MATTERS TO OUR PARTNERS AND SUPPLIERS?

- Collaborating on innovative solutions.
- Creating shared opportunities to increase revenue and generate additional income streams.
- Fair trading practices and clear terms and conditions.
- Building long-term trusted relationships.

## HOW DO WE ENGAGE WITH OUR PARTNERS AND SUPPLIERS?

- Maintaining regular engagement with suppliers and partners at the appropriate levels and fostering an open dialogue for collaborative relationships and creating opportunities for shared learning.
- Implementing structured procurement processes to onboard new suppliers and then conducting regular check-ins for familiarisation, updates and building ongoing relationships.
- Agreeing initial ways of working with new suppliers and partners and providing feedback throughout ongoing projects.

## WHAT ACTIONS DID WE TAKE?

- Regularly monitoring and reviewing metrics such as financial health, IT security and operating resilience.
- Reporting on the time taken to pay suppliers within agreed payment terms.
- Using our Supplier Code of Conduct to guide a holistic assessment of cultural alignment when selecting suppliers and partners.

## MATERIAL ISSUES

- 4 Product innovation
- 13 Responsible supply chain
- 16 Ethics and integrity



## Community &amp; environment

## WHY ARE OUR COMMUNITY AND OUR ENVIRONMENT IMPORTANT TO US?

We aim to have a net positive impact on the planet while mitigating the effects of climate change on our business. We strive to strengthen communities and create positive social and environmental change.

## WHAT MATTERS TO OUR COMMUNITY AND OUR ENVIRONMENT?

- Energy consumption and carbon emissions.
- Transitioning to electric vehicles.
- Supporting local communities in which we operate and beyond.
- Other Environmental, Social and Governance ('ESG') factors.

## HOW DO WE ENGAGE WITH OUR COMMUNITY AND OUR ENVIRONMENT?

- Employee networks support our charitable initiatives, including the Autotrader Community Funds.
- We support and partner with organisations such as Manchester Digital, Good Things Foundation and the Automotive 30% Club, to address issues such as the national tech skills shortage, digital inclusion and the gender gap.
- We work with local schools and colleges through our STEM ambassador programme to support early career development.
- We regularly share data and insights with industry bodies and Government departments to shape policies that support the mass adoption of electric vehicles.
- The Corporate Responsibility Committee holds the business accountable for its cultural KPIs and external reporting. We also established the Responsible Change Forum to drive our ESG strategy.
- Continued Carbon Literacy training for all employees and funded a new Carbon Literacy@ Toolkit for the digital & tech industries.
- Formed a new long-term partnership with Good Things Foundation and Greater Manchester Combined Authority to fund a new project aimed at eradicating digital exclusion in Greater Manchester and beyond.
- Launched our new public affairs campaign focus for the year: No Driver Left Behind, sharing key consumer insights with the industry to ensure an accessible and equitable transition to EVs.
- Charitable donations of £590k through a mixture of Community Funds and sponsorships.
- Our employees took 513 volunteering days during the year, making a difference in local communities.
- Continued to invest in our Autotrader Community Funds which aim to deliver financial support to local community groups. We operate four different funds which support grassroots community organisations.

## MATERIAL ISSUES

- 1 Climate

- 9 Making a difference to our local communities and industries
- 10 Diversity and inclusion



## Investors

## WHY ARE OUR INVESTORS IMPORTANT TO US?

Maintaining an ongoing, transparent dialogue with current and potential investors fosters confidence, resulting in continued access to capital that enables us to invest in the long-term success of the business.

## WHAT MATTERS TO OUR INVESTORS?

- Financial performance, with a balanced and fair representation of current financial results and future prospects.
- Share price performance and overall returns.
- Equitable remuneration practices for both executives and employees.
- Adherence to high governance standards.
- A continued commitment to being a responsible business and focusing on key environmental and social issues.

## HOW DO WE ENGAGE WITH OUR INVESTORS?

- Open, honest and balanced communication accessible to all shareholders.
- Private shareholders are encouraged to contact the Board through [ir@autotrader.co.uk](mailto:ir@autotrader.co.uk).

## MATERIAL ISSUES

- 4 Product innovation
- 12 Digital infrastructure
- 14 Responsible tax strategy and total tax contribution

- Comprehensive investor relations programme.
- Annual Report, AGM, corporate website and regulatory news announcements.
- Ongoing dialogue with proxy advisors and other agencies.
- The Chair and the Chair of the Remuneration Committee maintain contact and correspondence with investors throughout the year.
- Governance-related meetings attended by the Chair or another Non-Executive Director.
- Feedback regularly given to the Board.
- Sharing relevant industry-related data and internally produced market reports with analysts and investors on a monthly basis.

## WHAT ACTIONS DID WE TAKE?

- Continued with our capital policy and share buyback programme, accelerating buybacks (see page 16).
- Paid an interim and final dividend.
- Continued succession planning to ensure the Board remains independent.
- Maintained an ongoing commitment to enhancing the transparency and relevance of our information.

- 15 Corporate governance
- 16 Ethics and integrity
- 17 Remuneration

## Section 172(1) statement continued

## OUR STRATEGIC PRIORITIES



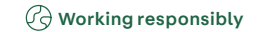
Marketplace



Platform



Digital retailing



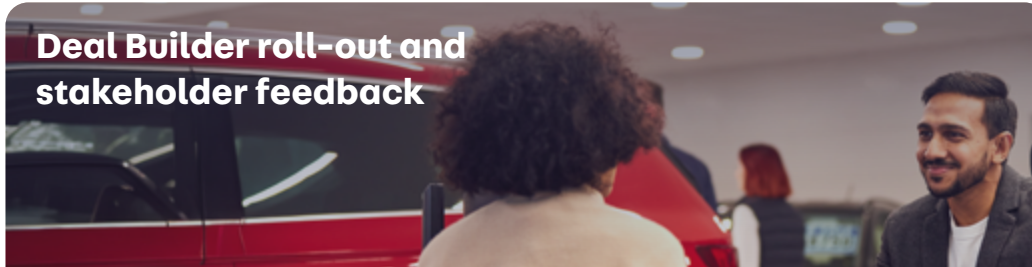
Working responsibly

## Material decisions taken by the Board

Here are examples of two key decisions taken this financial year, illustrating how the Board has had regard to the matters

set out in s.172, including where the Board discussed, considered and balanced stakeholder interests.

## Deal Builder roll-out and stakeholder feedback

**CONTEXT**

We remain in a unique position to connect online journeys to offline retailer forecourt visits. Today, these journeys typically start on Autotrader and transfer into retailers' systems and processes through our Retailer Portal and APIs. Our Deal Builder product makes this process easier, faster and more effective for car buyers and retailers. In May 2025, we made our Deal Builder product part of our core proposition, accelerating adoption and materially increasing the number of deals being submitted on Autotrader, thereby strengthening the competitive moat for our core business.

**BOARD CONSIDERATIONS**

In reviewing the acceleration plan, the Board considered the impact across stakeholder groups:

- Consumers would benefit from a more consistent marketplace experience, with flexible ways to engage with retailers and less friction for the many buyers who arrive at a forecourt without prior contact.
- The finance journey within Deal Builder considered legal & regulatory compliance.
- Retailers would gain a smoother online to offline sales journey, higher conversion, less administrative effort and improved out-of-hours activity.
- Shareholder value would be increased for the long term, through a stronger differentiated, subscription-based business with opportunities to enhance monetisation of ancillary products. The Board also recognised that the technical complexity of the solution presents a meaningful competitive advantage.

**OUTCOME AND MANAGEMENT RESPONSE**

We recognise the impact of a social media campaign in November 2025, which whilst prompted by the accelerated roll-out of Deal Builder, also reflected broader concerns in what had been a difficult trading period for many. This was disappointing given the significant

investment we make in supporting retailers, but it also highlighted areas we need to improve. We received constructive feedback and took swift action.

This included:

- Holding listening sessions open to all customers in London and Manchester.
- Establishing formal Customer Advisory Groups for independent and franchise retailers, complementing our existing monthly forums which typically include businesses representing c.1,700 retailer forecourts.
- Introducing a "request reservation" option within Deal Builder for retailers whose processes were not aligned with full reservations.
- Updating the product page to increase the prominence of lead types most valued by retailers.
- Pausing the auto-roll-out of Deal Builder to enable direct engagement with retailers ahead of onboarding.
- Testing changes to consumer sign-in requirements for submitting enquiries.
- Clarifying language so retailers do not assume we are completing transactions which is how they understand "Deal".

All actions were debated with the Board and received its full support. Feedback from retailers already using Deal Builder and Buying Signals remained positive, and the Board continues to view these products as integral to Autotrader's future platform experience.

**RELEVANT STAKEHOLDERS**

- Consumers
- Customers
- Our People

**RELEVANT STRATEGIC PRIORITIES:**

## Capital policy

**CONTEXT**

Autotrader's long-term capital allocation policy focuses on investing in the business to support growth while returning approximately one-third of net income to shareholders through dividends. Any surplus cash generated following these activities is allocated to continuing the Company's ongoing share buyback programme.

Amid widespread share price declines across nearly all major classifieds platforms globally, driven by concerns over AI-driven disruption, Autotrader's share price also experienced a significant decline during financial year 2026. Consequently, the Company's earnings multiple fell to historic lows, presenting a potential opportunity to review this capital policy.

**BOARD CONSIDERATIONS**

The Board reviewed whether the materially lower share price presented an opportunity to enhance shareholder value by utilising debt capacity to reduce capital. In doing so, it considered:

- Alternative approaches to reducing capital, including standard share buybacks, tender offer or special dividend with consolidation;
- Existing and potential increased debt facility;
- The impact on EPS, interest costs and liquidity;
- The effect on leverage, informed by modelling that indicated additional borrowing capacity could support incremental repurchases, subject to remaining fiscally responsible;
- Alignment with the existing capital policy and long-term capital allocation priorities; and
- The impact on remuneration plans, as detailed in the DRR on page 73.

**OUTCOMES**

The Board believes the prevailing Autotrader share price does not reflect the Company's fundamentals or long-term prospects. Despite a rapidly changing technology environment, our current competitive position has strengthened, we are adapting our car buying experience to evolve with consumer habits, and we remain comfortable our investment in technology is sufficient to take advantage of AI. We do recognise that we have had a challenging end to the year which has impacted growth in both 2026 and 2027, although we have seen a gradual increase in some of our core metrics as we've entered the new financial year.

With this in mind, in 2027 we will continue to assess the attractiveness of the share price and currently expect to return c.£600m to shareholders. This will be through purchasing c.£500m of shares and we will be seeking authority to purchase up to 15% of issued share capital at our AGM, as well as paying a third of net income in dividends. Based on current assumptions, this would increase leverage to c.1.0x. In aggregate this returns over £1bn to shareholders over the course of FY26 and FY27.

**RELEVANT STAKEHOLDERS**

- Investors
- Our People


**RELEVANT STRATEGIC PRIORITIES:**

## Key performance indicators

## Measuring our performance

We measure our performance through a defined set of financial, operational and cultural KPIs.

## OUR STRATEGIC PRIORITIES

-  Marketplace
-  Platform
-  Digital retailing
-  Working responsibly

## OUR PRINCIPAL RISKS AND UNCERTAINTIES

1. Macro risks
2. Automotive economy, market and business environment
3. Legal and regulatory compliance
4. Competition
5. IT systems and cyber security
6. Employees
7. Brand and reputation
8. Failure to innovate continuously and responsibly
9. Climate change
10. Reliance on third parties and partners

1-10. All principal risks could impact this KPI

## FINANCIAL

## Revenue

£m



2026 PROGRESS

LINK TO RISKS

**+4%**

1-10

## PROGRESS

Group revenue increased by 4% year-on-year, with Autotrader revenue increasing to £585.3m, also up 4% on the prior year. Trade revenue grew by 4% to £531.3m, reflecting contributions from Retailer, Home Trader and other smaller revenue streams. Autorama generated £39.0m of revenue, comprising £29.6m from Vehicle & Accessory sales and £9.4m from Commission & Ancillary revenue.

Linked to remuneration? **Yes**

## Basic EPS

Pence per share



2026 PROGRESS

LINK TO RISKS

**+8%**

1-10

## PROGRESS

Basic EPS increased by 8% year-on-year, 4% more than the increase in net income. We purchased and cancelled 58.5 million shares during the year, resulting in the average number of shares in issue declining 4%.

Linked to remuneration? **Yes**Average revenue per retailer<sup>1</sup>

('ARPR') £ per month



2026 PROGRESS

LINK TO RISKS

**+5%**

1-10

## PROGRESS

ARPR grew 5%/£141 in the year to £2,995, driven by our product and pricing levers. Our annual pricing and packaging event combined a like-for-like price increase with additional products, including Co-Driver. Stock had a negative contribution in the year due to a small decline in retailers and some customers moderating spend in the fourth quarter.

Linked to remuneration? **No**

## Cash generated from operations

£m



2026 PROGRESS

LINK TO RISKS

**+5%**

1-10

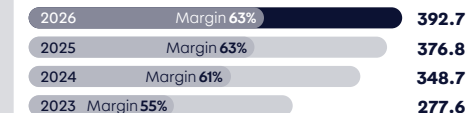
## PROGRESS

Cash generated from operations increased 5%, largely driven by the increases in Group operating profit.

Linked to remuneration? **No**

## Operating profit

£m



2026 PROGRESS

LINK TO RISKS

**+4%**

1-10

## PROGRESS

Group operating profit increased by 4% to £392.7m, reflecting the increase in revenue and reduced losses of £2.0m in Autorama. Operating profit in the core Autotrader business was £408.0m, up 4% on last year. Group operating profit margin remained at 63%.

Linked to remuneration? **Yes**

1. Average revenue per retailer ('ARPR') is calculated by taking the average monthly revenue generated from retailer customers and dividing by the average monthly number of retailer forecourts who subscribe to an Autotrader advertising package.

Key performance indicators continued

OUR STRATEGIC PRIORITIES

- Marketplace
- Platform
- Digital retailing
- Working responsibly

OUR PRINCIPAL RISKS AND UNCERTAINTIES

1. Macro risks
2. Automotive economy, market and business environment
3. Legal and regulatory compliance
4. Competition
5. IT systems and cyber security
6. Employees
7. Brand and reputation
8. Failure to innovate: disruptive technologies and changing consumer behaviours
9. Climate change
10. Reliance on third parties and partners

1-10. All principal risks could impact this KPI

OPERATIONAL

Cross-platform visits<sup>1</sup>

Monthly average visits spent across all platforms



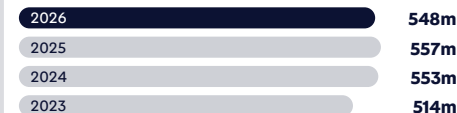
2026 PROGRESS **+0%** LINK TO RISKS 2, 4, 7, 8

**PROGRESS**  
Average monthly cross-platform visits marginally increased to 81.7 million per month (2025: 81.6 million). Continued high levels of demand from car buyers, despite continued economic uncertainty, underpinned strong visit numbers across the year.

Linked to remuneration? **No**

Cross-platform minutes<sup>1,2</sup>

Monthly average minutes spent across all platforms



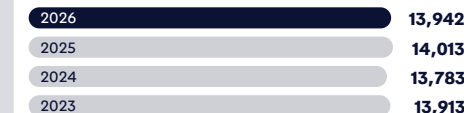
2026 PROGRESS **-2%** LINK TO RISKS 2, 4, 7, 8

**PROGRESS**  
Engagement, measured by total minutes spent onsite, decreased by 2% to an average of 548 million per month (2025: 557 million). We continue to account for over 75% of all minutes spent on automotive classified sites and were 11x larger than our nearest competitor.

Linked to remuneration? **No**

Number of retailer forecourts<sup>3</sup>

Average number per month



2026 PROGRESS **-1%** LINK TO RISKS 2, 4, 7, 8

**PROGRESS**  
The average number of retailer forecourts advertising on our platform decreased 1% to 13,942 (2025: 14,013). This reflects both the difficult trading conditions and the pushback related to the speed and nature of our Deal Builder product roll-out.

Linked to remuneration? **No**

Number of full-time equivalent employees ('FTEs')<sup>4</sup>

Average number (including contractors)



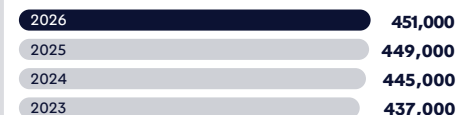
2026 PROGRESS **-2%** LINK TO RISKS 6

**PROGRESS**  
The average number of FTEs declined 2% to 1,244, as we stabilise resourcing levels currently required to support the business.

Linked to remuneration? **No**

Live car stock<sup>5</sup>

Average number per month



2026 PROGRESS **0%** LINK TO RISKS 2, 4, 7, 8

**PROGRESS**  
The average number of live cars advertised on Autotrader increased to 451,000 (2025: 449,000). Average underlying live used car stock declined marginally in the year to 428,000 (2025: 429,000). Therefore, growth was driven by new car stock, which increased on average to 23,000 (2025: 20,000).

Linked to remuneration? **No**

1. As measured internally by Snowplow.
2. We use Comscore for a comparison to competitors.
3. The average number of retailer forecourts per month that subscribe to an Autotrader advertising package.
4. Full-time equivalent employees ('FTEs'), which includes contractors, are measured on the basis of the number of hours worked by full-time employees, with part-time employees included on a pro-rata basis. FTEs are reported internally each month; the full-year number is the average of those.
5. The average number of physical cars (either new or used) that are advertised on autotrader.co.uk per month.

Key performance indicators continued

OUR STRATEGIC PRIORITIES

- Marketplace
- Platform
- Digital retailing
- Working responsibly

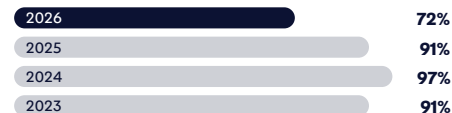
OUR PRINCIPAL RISKS AND UNCERTAINTIES

1. Macro risks
2. Automotive economy, market and business environment
3. Legal and regulatory compliance
4. Competition
5. IT systems and cyber security
6. Employees
7. Brand and reputation
8. Failure to innovate: disruptive technologies and changing consumer behaviours
9. Climate change
10. Reliance on third parties and partners

1-10. All principal risks could impact this KPI

CULTURAL

Employee engagement<sup>1</sup>  
% of employees who are proud to work at Autotrader

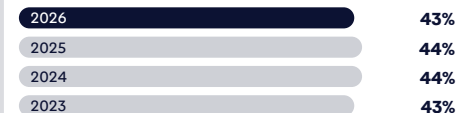


2026 PROGRESS **-19%** LINK TO RISKS 6,7

**PROGRESS**  
This year we saw a reduction in our proud to work at Autotrader KPI to 72%. We remain committed to improving this measure over the next 12 months.

Linked to remuneration? **Yes**

Women as a % of total staff<sup>Δ</sup>  
% as at March each year

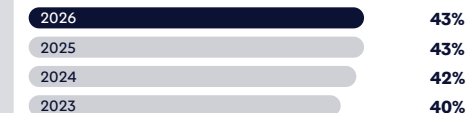


2026 PROGRESS **-1%** LINK TO RISKS 6,7

**PROGRESS**  
We are committed to having a representative workforce across all levels of our business and recognise the importance of gender diversity. Over the past 12 months, the percentage of our employees who are women marginally decreased to 43% (2025: 44%). We remain committed to improving gender diversity across our organisation.

Linked to remuneration? **Yes**

Women as a % of leadership<sup>3,Δ</sup>  
% as at March each year



2026 PROGRESS **0%** LINK TO RISKS 6,7

**PROGRESS**  
The percentage of employees who are women in leadership roles has remained at 43% (2025: 43%). Of the 100 people in leadership positions who define their gender when asked, 43 are women. We have well established development programmes to increase our representation across all levels of the organisation.

Linked to remuneration? **Yes**

Ethnically diverse representation as a % of total staff<sup>2,Δ</sup>  
% as at March each year

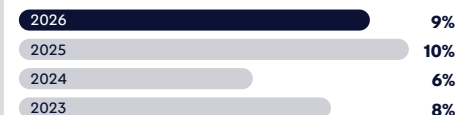


2026 PROGRESS **+1%** LINK TO RISKS 6,7

**PROGRESS**  
Over the past 12 months we have increased the percentage of our employees who define themselves as ethnically diverse to 20% (2025: 19%). Of the 1,179 people who disclose their ethnicity when asked, 242 are ethnically diverse. There were 60 employees (5%) who have not disclosed their ethnicity or opted not to do so.

Linked to remuneration? **Yes**

Ethnically diverse representation as a % of leadership<sup>2,3,Δ</sup>  
% as at March each year



2026 PROGRESS **-1%** LINK TO RISKS 6,7

**PROGRESS**  
The percentage of ethnically diverse employees in leadership roles decreased in the year to 9% (2025: 10%). Of the 100 people in leadership positions, 96 define their ethnicity when asked; 9 are ethnically diverse.

Linked to remuneration? **Yes**

Total CO<sub>2</sub> emissions<sup>4</sup>  
Tonnes of carbon dioxide equivalent



2026 PROGRESS **+55%** LINK TO RISKS 3, 9, 10

**PROGRESS**  
GHG emissions during the year totalled 144.1k tonnes of CO<sub>2</sub> (March 2025: 93.2k tonnes). Most of our CO<sub>2</sub> emissions are Scope 3; the material increase is attributable to a greater volume of vehicles sold by Autorama that pass through the balance sheet and the capex incurred as part of our Manchester office relocation.

Linked to remuneration? **Yes**

1. Based on an all-employee survey in April 2026 asking people to rate the statement "I am proud to work for Autotrader".  
 2. We include those who have chosen not to specify their ethnicity in the calculation.  
 3. A leadership position is defined as ALT and their direct reports minus positions with Senior or Principal job titles within the Product & Tech function.  
 4. The total amount of CO<sub>2</sub> emissions includes Scope 1, 2 and 3 across all relevant categories.  
 Δ This KPI has been subject to limited assurance - see [plc.autotrader.co.uk/esg/policies-reports](http://plc.autotrader.co.uk/esg/policies-reports) for a copy of the report and methodology.

## Non-financial and sustainability information statement

## NON-FINANCIAL AND SUSTAINABILITY INFORMATION

The table below sets out where stakeholders can find further non-financial and sustainability information.

NON-FINANCIAL RISKS	POLICIES AND PROCEDURES	WHERE TO READ MORE WITHIN THIS ANNUAL REPORT	EMPLOYEE GUILDS, NETWORKS AND WORKING GROUPS
<b>ENVIRONMENTAL</b>	<ul style="list-style-type: none"> <li>Environmental Policy</li> </ul>	Environment section, pages 28 to 34, which also sets out our statutory carbon emissions and energy data (page 33)	<ul style="list-style-type: none"> <li>Environmental Strategy working group</li> </ul>
<b>OUR PEOPLE</b>	<ul style="list-style-type: none"> <li>Whistleblowing Policy</li> <li>Equality &amp; Diversity Policy</li> <li>Inclusive Recruitment</li> <li>Disability Confidential leader</li> <li>Health &amp; safety</li> <li>HR policies including adoption leave, parental leave, flexible working</li> <li>Gender Pay Gap reports</li> </ul>	<ul style="list-style-type: none"> <li>Diversity and inclusion: pages 36 to 38</li> <li>Section 172(1) statement: pages 13 to 16</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Board Engagement Guild</li> <li>Ethnicity Network</li> <li>Women's Network</li> <li>LGBT+ Network</li> <li>Parents' Network</li> <li>Disability &amp; Neurodiversity Network</li> <li>Social Mobility Network</li> <li>Wellbeing Guild</li> </ul>
<b>SOCIAL AND COMMUNITY</b>	<ul style="list-style-type: none"> <li>Ethical Procurement Policy</li> <li>Customer Charter</li> <li>Volunteering days</li> <li>Environmental Policy</li> </ul>	<ul style="list-style-type: none"> <li>Diversity and inclusion: pages 36 to 38</li> <li>The environment: pages 28 to 34</li> </ul>	<ul style="list-style-type: none"> <li>Make a Difference Guild</li> <li>Parents' Network</li> <li>Disability &amp; Neurodiversity Network</li> <li>Social Mobility Network</li> <li>Wellbeing Guild</li> </ul>
<b>HUMAN RIGHTS</b>	<ul style="list-style-type: none"> <li>Modern Slavery Policy</li> <li>Data Privacy Policy</li> <li>Data Retention and Destruction Policy</li> <li>Data Handling and Data Quality Policy</li> </ul>	<ul style="list-style-type: none"> <li>Governance &amp; compliance: pages 40 to 42</li> </ul>	–
<b>ANTI-BRIBERY AND ANTI-CORRUPTION</b>	<ul style="list-style-type: none"> <li>Anti-bribery, Gifts and Hospitality Policy</li> <li>Whistleblowing Policy</li> </ul>	<ul style="list-style-type: none"> <li>Governance &amp; compliance: pages 40 to 42</li> </ul>	–
<b>BUSINESS MODEL</b>	–	<ul style="list-style-type: none"> <li>How we create value: page 12</li> </ul>	–
<b>PRINCIPAL RISKS</b>	–	<ul style="list-style-type: none"> <li>Principal risks and uncertainties: pages 46 to 50</li> </ul>	–
<b>NON-FINANCIAL KEY PERFORMANCE INDICATORS</b>	–	<ul style="list-style-type: none"> <li>Operational and cultural KPIs: pages 17 to 19</li> </ul>	–

Please note, certain Group policies are not published externally.

## 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. SASB assigns Autotrader 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
<b>ENVIRONMENTAL FOOTPRINT OF HARDWARE INFRASTRUCTURE</b>	<ol style="list-style-type: none"> <li>Total energy consumed.</li> <li>Percentage grid electricity.</li> <li>Percentage renewable.</li> </ol>	Scope 1, 2 and 3 GHG emissions disclosed. See page 33.
	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.
<b>DATA PRIVACY, ADVERTISING STANDARDS AND FREEDOM OF EXPRESSION</b>	Description of policies and practices relating to behavioural advertising and user privacy.	See page 40 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, Autotrader is a UK based company with a predominantly UK based target audience.
<b>DATA SECURITY</b>	<ol style="list-style-type: none"> <li>Number of data breaches.</li> <li>Percentage involving personally identifiable information ('PII').</li> <li>Number of users affected.</li> </ol>	We report qualifying incidents to the relevant regulators (including the Information Commissioner's Office ('ICO')) and impacted individuals where we are legally required and within the mandated timeframes. No sanctions relating to the Group's data security or breach management were issued during 2025/26.
	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards.	See page 40 for our approach to data security and privacy. We have adopted the National Institute of Standards and Technology ('NIST') Cyber Security Framework to manage and reduce cyber security risks.
<b>EMPLOYEE RECRUITMENT, INCLUSION AND PERFORMANCE</b>	Percentage of employees that are foreign nationals.	The Group has a total of 121 foreign nationals, representing 9.8% of total employees as at 31 March 2026.
	Employee engagement as a percentage.	72%, see pages 19 and 37.
	Percentage of gender and racial/ethnic group representation for: <ol style="list-style-type: none"> <li>Management.</li> <li>All other employees.</li> </ol>	See page 38.
<b>INTELLECTUAL PROPERTY PROTECTION AND COMPETITIVE BEHAVIOUR</b>	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 associated with anti-competitive behaviour regulations.

## Financial review



## For financial year 2027, we expect to continue the acceleration of share buybacks, purchasing c.£500m.

**Jamie Warner**  
Chief Financial Officer



## GROUP RESULTS

	2026 £m	2025 £m	Change %
Revenue	<b>624.3</b>	601.1	4%
Operating costs	<b>(235.7)</b>	(227.9)	(3%)
Share of profit from joint ventures	<b>4.1</b>	3.6	14%
Group operating profit	<b>392.7</b>	376.8	4%
Group operating profit margin	<b>63%</b>	63%	0% pts

Group revenue increased by 4% to £624.3m (2025: £601.1m) driven by Autotrader revenue which increased by 4% to £585.3m (2025: £564.8m) with Autorama contributing £39.0m (2025: £36.3m). Group operating profit also grew by 4% to £392.7m (2025: £376.8m).

Autotrader operating profit increased by 4% to £408.0m (2025: £394.0m), which included £4.1m share of profit from joint ventures (2025: £3.6m). Autorama had an operating loss of £2.0m (2025: £4.3m).

	2026 £m	2025 £m	Change %
Autotrader	<b>408.0</b>	394.0	4%
Autorama	<b>(2.0)</b>	(4.3)	53%
Group central costs - relating to Autorama acquisition	<b>(13.3)</b>	(12.9)	(3%)
Group operating profit	<b>392.7</b>	376.8	4%

Group central costs comprise an amortisation charge of £13.3m (2025: £12.9m) relating to the Autorama intangible assets acquired. Group central costs, which will be consolidated into total depreciation & amortisation in 2027, will be £13.0m for the year.

Group profit before tax increased by 3% to £388.8m (2025: £375.7m). Cash generated from operations was £418.0m (2025: £399.7m).

## AUTOTRADER RESULTS

Revenue increased to £585.3m (2025: £564.8m), up 4% when compared to the prior year. Trade revenue, which comprises revenue from Retailer, Home Trader and other smaller revenue streams, also increased by 4% to £531.3m (2025: £509.1m).

	2026 £m	2025 £m	Change %
Retailer	<b>501.1</b>	480.0	4%
Home Trader	<b>16.7</b>	16.1	4%
Other	<b>13.5</b>	13.0	4%
Trade	<b>531.3</b>	509.1	4%
Consumer Services	<b>38.8</b>	42.4	(8%)
Manufacturer & Agency	<b>15.2</b>	13.3	14%
Autotrader revenue	<b>585.3</b>	564.8	4%

Retailer revenue increased by 4% to £501.1m (2025: £480.0m). The average number of retailer forecourts advertising on our platform declined 0.5% to 13,942 (2025: 14,013).

Average revenue per retailer ('ARPR') per month increased by 5% to £2,995 (2025: £2,854). ARPR growth was driven by the product and price levers, with a negative contribution from the stock lever.

- Price: Our price lever contributed growth of £117 (2025: £78) to ARPR, reflecting the annual 1 April 2025 pricing and product event, which combined a like-for-like price increase with additional products.
- Stock: Our stock lever negatively impacted ARPR by £48 (2025: negative £22). From November 2025, prompted by the speed and nature of our Deal Builder product and reflecting more difficult trading conditions, a number of retailers reduced the number of vehicles advertised on the platform, contributing to lower paid stock levels. The average number of live cars advertised on Autotrader increased to 451,000 (2025: 449,000). Stock levels were supported by the introduction of a stock offer at the start of the year, which had no impact on ARPR.

Average underlying live used car stock declined marginally in the year to 428,000 (2025: 429,000). Therefore growth was driven by new car stock, which increased on average to 23,000 (2025: 20,000).

- Product: Our product lever contributed £72 (2025: £77) to ARPR, driven primarily by the inclusion of Co-Driver within retailer packages and further supported by an increase in new car paying retailers, offset by lower average package penetration.

Home Trader revenue increased by 4% to £16.7m (2025: £16.1m). Other revenue also increased by 4% to £13.5m (2025: £13.0m).

Consumer Services revenue (comprising Private and Motoring Services revenue) declined by 8% in the year to £38.8m (2025: £42.4m). This decline was primarily driven by Private revenue, which is largely generated from individual sellers who pay to advertise their vehicle on the Autotrader marketplace, which decreased 11% to £23.6m (2025: £26.6m). Motoring Services revenue decreased 4% to £15.2m (2025: £15.8m) due to a decline in revenue from our insurance partner.

Revenue from Manufacturer & Agency customers increased 14% to £15.2m (2025: £13.3m), largely due to certain brands supporting their franchise network on both new and used car advertising.

Total costs increased 4% to £181.4m (2025: £174.4m).

	2026 £m	2025 £m	Change %
People costs	<b>93.6</b>	92.8	1%
Marketing	<b>21.9</b>	24.6	(11%)
Other costs	<b>45.9</b>	40.5	13%
Depreciation & amortisation	<b>9.4</b>	6.3	49%
Digital Services Tax	<b>10.6</b>	10.2	4%
Autotrader costs	<b>181.4</b>	174.4	4%

## Financial review continued

People costs increased by 1% to £93.6m (2025: £92.8m), predominantly due to an increase in underlying salary costs as we continue to maintain a strong and competitive digital workforce. The average number of full-time equivalent employees ('FTEs') remained broadly flat at 1,138 (2025: 1,140), reflecting the stable resourcing levels currently required to support the business. Within people costs, share-based payments decreased 18% to £9.3m (2025: £11.3m), primarily reflecting lapsed awards following the COO's departure and lower national insurance on unexercised awards, partially offset by the third year of our all-employee share scheme. Share-based payments are expected to be £14m in 2027.

Marketing expenditure decreased 11% to £21.9m (2025: £24.6m). We expect this to increase in financial year 2027.

Other costs, comprising data services, property-related expenses and overheads, increased by 13% to £45.9m (2025: £40.5m). The year-on-year uplift was mainly driven by higher cloud infrastructure expenditure and property costs related to our new head office.

Depreciation and amortisation increased by 49% to £9.4m (2025: £6.3m) driven by our new head office lease that commenced in June 2025. The associated fit-out was capitalised and depreciation began in January 2026 when the premises became operational.

	2026 £m	2025 £m	Change %
Revenue	<b>585.3</b>	564.8	4%
Operating costs	<b>(181.4)</b>	(174.4)	(4%)
Share of profit from joint ventures	<b>4.1</b>	3.6	14%
Autotrader operating profit	<b>408.0</b>	394.0	4%
Autotrader operating profit margin	<b>70%</b>	70%	(0%) pts

The Group's share of profit from our joint venture, Dealer Auction, increased 14% to £4.1m (2025: £3.6m), driven by a higher volume of vehicle transactions.

## AUTORAMA RESULTS

	2026 £m	2025 £m	Change %
Vehicle & Accessory Sales	<b>29.6</b>	26.1	13%
Commission & Ancillary	<b>9.4</b>	10.2	(8%)
Autorama revenue	<b>39.0</b>	36.3	7%

Autorama revenue was £39.0m (2025: £36.3m), with Vehicle & Accessory sales contributing £29.6m (2025: £26.1m), and Commission & Ancillary revenue contributing £9.4m (2025: £10.2m).

Total deliveries amounted to 8,056 units (2025: 6,268), which comprised 5,302 cars (2025: 2,124), 2,520 vans (2025: 3,498) and 234 pickups (2025: 646). Deliveries from Autotrader, which were predominantly cars, increased over three times to 3,804 (2025: 976). Average commission and ancillary revenue per unit delivered was £1,167 (2025: £1,627).

	2026 £m	2025 £m	Change %
Cost of goods sold	<b>29.9</b>	26.2	14%
People costs	<b>6.8</b>	7.4	(8%)
Marketing	<b>1.4</b>	2.7	(48%)
Other costs	<b>2.2</b>	2.8	(21%)
Depreciation & amortisation	<b>0.7</b>	1.5	(53%)
Autorama costs	<b>41.0</b>	40.6	1%

The Autorama business delivered c.1,350 (2025: c.900) vehicles which were temporarily taken on balance sheet in the year to 31 March 2026. This represented 17% (2025: 14%) of total vehicles delivered in the period. The cost of these vehicles was taken through cost of goods sold, with the corresponding revenue in vehicle and accessory sales.

People costs of £6.8m (2025: £7.4m) related to the 106 FTEs (2025: 127) employed on average through the year. Marketing in the year was £1.4m (2025: £2.7m). Other costs of £2.2m (2025: £2.8m) include IT services, property costs, and other overheads. Depreciation and amortisation totalled £0.7m (2025: £1.5m).

	2026 £m	2025 £m	Change %
Revenue	<b>39.0</b>	36.3	7%
Operating costs	<b>(41.0)</b>	(40.6)	1%
Autorama operating loss	<b>(2.0)</b>	(4.3)	53%

## GROUP NET FINANCE COSTS

Group net finance costs increased to £3.9m (2025: £1.1m). Interest costs on the Group's Syndicated Revolving Credit Facility ('Syndicated RCF') totalled £2.8m (2025: £1.1m) due to higher borrowing in the year.

At 31 March 2026, the Group had drawn £165.0m of its available facility (31 March 2025: £nil). Other finance costs comprised amortisation of debt issue costs of £0.4m (2025: £0.5m), vehicle stocking loan interest of £0.3m (2025: £0.3m) and interest costs relating to leases of £1.7m (2025: £0.1m). This was offset by interest receivable on cash and cash equivalents of £1.3m (2025: £0.9m).

## TAXATION

Group profit before taxation increased by 3% to £388.8m (2025: £375.7m). The Group tax charge of £94.9m (2025: £93.1m) represents an effective tax rate of 24% (2025: 25%). This was lower than the standard rate of UK corporation tax due to the tax impact of a property disposal.

The operating expense relating to the UK Digital Services Tax ('DST') was £10.6m (2025: £10.2m).

## EARNINGS PER SHARE

Basic earnings per share increased by 8% to 34.17 pence (2025: 31.66 pence) based on a weighted average number of ordinary shares in issue of 860.2 million (2025: 892.4 million). Diluted earnings per share, which accounts for the dilutive impact of outstanding share awards, also increased by 8% to 34.07 pence (2025: 31.56 pence), based on 862.7 million shares (2025: 895.4 million).

## Financial review continued

**CASH FLOW AND NET CASH**

Cash generated from operations increased to £418.0m (2025: £399.7m) predominantly due to the increase in operating profit. Corporation tax payments increased to £95.2m (2025: £95.1m). Net cash generated from operating activities was £322.8m (2025: £304.6m).

As at 31 March 2026, the Group had net bank debt of £146.8m (31 March 2025: net cash of £15.3m). At the year end, the Group had drawn £165.0m of its Syndicated RCF (31 March 2025: £nil) and held cash and cash equivalents of £18.2m (31 March 2025: £15.3m).

Leverage, defined as the ratio of Net bank debt to EBITDA was 0.3 times (2025: 0.0 times) and interest paid was £2.8m (2025: £1.2m).

**CAPITAL STRUCTURE AND DIVIDENDS**

During the year, a total of 58.5 million shares (2025: 23.9 million) were purchased for a consideration of £369.1m (2025: £187.3m) before transaction costs of £1.9m (2025: £0.9m). A further £94.1m (2025: £88.4m) was paid in dividends, giving a total of £463.2m (2025: £275.7m) in cash returned to shareholders.

The Directors are recommending a final dividend of 7.8 pence per share. Subject to shareholders' approval at the AGM on 16 July 2026, the final dividend will be paid on 25 September 2026 to shareholders on the register of members at the close of business on 28 August 2026. The total dividend for the year is therefore 11.6 pence per share (2025: 10.6 pence per share).

Autotrader's capital allocation policy continues to focus on investment in the business supporting growth, while returning approximately one third of net income to shareholders through dividends. For financial year 2027, we expect to continue the recent acceleration of share buybacks, purchasing c.£500m of shares and continuing with our existing dividend policy.

**GOING CONCERN**

The Group delivered strong operating cash generation during the year. At 31 March 2026, the Group had drawn £165.0m of its Syndicated RCF and held £18.2m in cash. With a robust balance sheet, flexible liquidity position and a Syndicated RCF, which has recently increased to £300m and is committed until February 2030, the Directors consider the Group to have sufficient resources to continue as a going concern.

**CONTINGENT LIABILITIES AND FCA REVIEW OF AUTOMOTIVE FINANCE**

On 27 March 2026 the Competition and Markets Authority ('CMA'), exercising its new direct consumer enforcement powers, announced an investigation into a number of companies in relation to online consumer reviews, including Autotrader and our third-party moderator, Feefo. We have no additional information from the regulator to better understand their specific concerns, but we endeavour always to operate as a responsible and compliant business and will cooperate fully with the CMA's investigation.

On 30 March 2026, the FCA set out confirmation of a consumer redress scheme for certain commissions earned on historic motor finance agreements. On 1 May, the FCA confirmed that the scheme had been subject to legal challenges from several lenders. The challenges will be referred to the Upper Tribunal where they will be subject to judge-led review, and therefore the scheme's launch has been paused. We continue to believe that Autotrader has no direct liability or financial exposure, but we continue to monitor developments closely, including the impact on the wider financial health of the automotive market.

**AUDIT TENDER**

KPMG LLP were first appointed as the Group's statutory auditor for the financial year ending 31 March 2017. In accordance with the Large Companies Market Investigation Order 2014, the Group is required to undertake a competitive tender process for its statutory audit at least every ten years. As announced on 12 February 2026, the Group has now completed this tender, led by the Chair of the Audit Committee, and

**CHANGE TO OPERATING SEGMENTS IN 2027**

From financial year 2027, Autorama will operate and be reported as a single operating segment with the rest of the Autotrader Group as more than half of all leasing transactions were delivered through the Autotrader platform in the second half of financial year 2026. Below we provide a breakdown of financial year 2025 and 2026 in this new format:

	2026 £m	2025 £m	Change %
Trade	531.3	509.1	4%
Consumer services	38.8	42.4	(8%)
Commission & Ancillary	9.4	10.2	(8%)
Manufacturer & Agency	15.2	13.3	14%
Leasing, Manufacturer & Agency	24.6	23.5	5%
Vehicle & Accessory sales	29.6	26.1	13%
<b>Total revenue</b>	<b>624.3</b>	<b>601.1</b>	<b>4%</b>
Total revenue excl. Vehicle & Accessory sales	594.7	575.0	3%
Salaries	90.7	88.5	2%
Share-based payments	9.7	11.7	(17%)
People costs	100.4	100.2	0%
Marketing	23.3	27.3	(15%)
Cost of goods sold	29.9	26.2	14%
Other costs	48.1	43.3	11%
Depreciation & amortisation	23.4	20.7	13%
Digital services tax	10.6	10.2	4%
<b>Total costs</b>	<b>235.7</b>	<b>227.9</b>	<b>3%</b>
Profit from joint ventures	4.1	3.6	14%
<b>Operating profit</b>	<b>392.7</b>	<b>376.8</b>	<b>4%</b>
Operating profit margin excl. Vehicle & Accessory sales	66%	66%	0% pts

following a thorough evaluation the Board has approved the reappointment of KPMG LLP as statutory auditor. This will take effect from the financial year ending 31 March 2027, subject to shareholder approval at the 2026 AGM.

**POST BALANCE SHEET EVENT**

On 15 May 2026, the Group accessed its £100.0m accordion, increasing its existing debt facility

to £300.0m. Debt fees of £0.7m were incurred and will be amortised over the facility term. All lenders are now committed to the maturity date of February 2030 and there are no changes to the terms of the Syndicated RCF.

**Jamie Warner**  
Chief Financial Officer  
21 May 2026

Working responsibly

# Driving positive change

Working responsibly is central to our purpose and strategy. We are committed to doing business the right way, acting with integrity, and measuring and reporting transparently to drive meaningful change across the industry.

Our ESG strategy focuses on the issues most material to our business whilst considering the expectations of our stakeholders. It reflects our wider impacts beyond financial performance, considering the environment, our people and society, and strong/effective governance. Our ESG activity is focused

on doing business responsibly and, as the UK's largest automotive platform, helping to create a more accessible, equitable and sustainable future over the long term.

We track progress through our cultural KPIs (see page 19).

**Our ESG strategy is underpinned by our purpose, Driving Change Together. Responsibly**



P28 The environment [Q](#)

P35 Our people & communities [Q](#)

P40 Our governance & compliance [Q](#)

## Our materiality assessment

In order to remain successful in the long term, an understanding of our most material ESG topics is essential to inform Company strategy, targets and reporting. Our most recent materiality assessment was conducted in 2025, taking a financial materiality approach to our assessment.

ESG factors of material importance to our business were identified and assessed, taking into consideration risks, opportunities and potential financial impact on the Group's cash flow before any mitigating actions. To help inform our assessment, we sought feedback from our stakeholder groups on which ESG factors they consider most important with regards to Autotrader.



### OUR MATERIAL ESG ISSUES

#### THE ENVIRONMENT

- 1 Reducing our environmental impact
- 2 Biodiversity

#### OUR PEOPLE & COMMUNITIES

- 3 Customer satisfaction
- 4 Driving trust and transparency
- 5 Diversity and inclusion
- 6 Community impact
- 7 Human rights and labour practices in our supply chain
- 8 Investment in talent
- 9 Health, safety and wellbeing
- 10 Workplace culture and employee engagement
- 11 Government affairs and lobbying

#### OUR GOVERNANCE & COMPLIANCE

- 12 Artificial intelligence in the digital workplace
- 13 Artificial intelligence in products
- 14 Data privacy
- 15 Digital infrastructure and cyber security
- 16 Ethics, integrity and business conduct
- 17 Compliance with legislation, regulations and codes of practice
- 18 Corporate governance
- 19 Risk management

Want to know how we define each material issue? Head online: [plc.autotrader.co.uk/esg](https://plc.autotrader.co.uk/esg)

Working responsibly continued



**The environment**

**OUR AMBITION**

Minimise our environmental impact to protect our business from climate change.

**FOCUS AREAS**

- Measuring and reducing our GHG emissions, aiming to be net zero by 2040.
- Using our capabilities and voice to influence industry and Government in the transition towards a low-carbon economy.
- Supporting consumers to make more environmentally friendly vehicle choices.

**SUPPORTING THE UN SDGs MOST RELEVANT TO OUR STRATEGY**



**657**

tonnes carbon removals purchased this year

**451**

organisations trained in Carbon Literacy

**CLIMATE TRANSITION PLAN**  
Our Climate Transition Plan sets out our strategic ambition and action we are taking to transition to a low carbon economy.



[plc.autotrader.co.uk/esg/the-environment](https://plc.autotrader.co.uk/esg/the-environment)



**Our people & communities**

**OUR AMBITION**

Be a responsible employer and maintain a strong, purpose-led culture.

**FOCUS AREAS**

- Being an inclusive workplace that builds diverse and inclusive teams.
- Supporting employee health and wellbeing and cultivating an engaged, skilled and rewarded workforce.
- Partnering with charities, community groups and industry bodies to support the communities where we work and live and empowering our employees to support causes they care about.

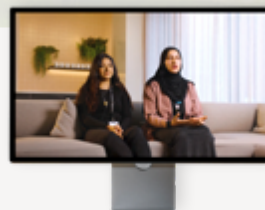
**SUPPORTING THE UN SDGs MOST RELEVANT TO OUR STRATEGY**



over **10** years  
of our Make a Difference Guild

**Digital inclusion**

Partnering with the Good Things Foundation and Greater Manchester Combined Authority to tackle digital exclusion



**PROMOTING DIVERSITY IN THE WORKPLACE**  
We continue to build a diverse and inclusive culture at every level of the Company, with particular focus on leadership.

[plc.autotrader.co.uk/esg/our-people-communities/diversity-inclusion](https://plc.autotrader.co.uk/esg/our-people-communities/diversity-inclusion)



**Our governance & compliance**

**OUR AMBITION**

Uphold the values of good corporate governance and risk management, underpinned by robust and effective policies.

**FOCUS AREAS**

- Comply with our legal and regulatory obligations and behave ethically and with integrity at all times.
- Maintain a trusted marketplace for our customers and consumers to find, buy and sell vehicles.
- Strengthen cyber security and manage AI risks by protecting our data and systems.

**SUPPORTING THE UN SDGs MOST RELEVANT TO OUR STRATEGY**



**Establishing our Responsible Change Forum**  
to drive progress of our key initiatives and embed ESG across the business

**97%**

of supplier invoices paid within agreed terms

**ESG POLICIES AND REPORTS**  
Our ESG policies and reports which form part of our commitment to being a responsible and transparent business can be found on our investor website.



[plc.autotrader.co.uk/esg/policies-reports](https://plc.autotrader.co.uk/esg/policies-reports)

Working responsibly continued

## Governance of our ESG strategy

Governance is a key component of our ESG strategy. Our Corporate Responsibility Committee (a formal Committee of the Board) oversees the Group's corporate responsibility agenda and ESG governance. This year, we established a new executive forum, the Responsible Change Forum.

### NEW RESPONSIBLE CHANGE FORUM

The Responsible Change Forum brings together senior stakeholders from across Autotrader to shape and oversee our ESG strategy and initiatives. It aligns priorities, drives progress and helps embed ESG considerations across the business.

Reporting to the Corporate Responsibility Committee, the Forum monitors performance against KPIs and commitments, supports constructive challenge and ensures clear accountability for delivery. This strengthens governance and helps the Board satisfy its oversight responsibilities.

Meeting quarterly, the Forum has currently identified two key priorities alongside its broader role across ESG. These priorities are: helping consumers make more sustainable vehicle choices, and tackling digital inclusion.

The Forum will review external reporting requirements and emerging regulations, and monitor delivery against our KPIs and commitments.



**The Responsible Change Forum ensures our ESG strategy is focused, measurable and aligned to what matters most – driving meaningful progress in areas like environment and digital inclusion while maintaining strong governance and accountability.**

**Nathan Coe**  
Chief Executive Officer



### Corporate Responsibility Committee

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

### Responsible Change Forum

#### FORUM REPRESENTATIVES

CEO and CFO

Senior Leadership members

#### FORUM OBJECTIVES

To agree and deliver on what we commit to delivering and how and when we achieve this.

Oversee initiatives across Autotrader

Monitor and discuss progress against KPIs and commitments

Engage with external reporting and rating agency scores

Ensure clear ownership and accountability for delivery

#### EMPOWERING COMMUNITIES

[P72 Report of the Corporate Responsibility Committee](#)

Working responsibly continued

## Driving forward our priority initiatives

The Forum will focus on two priority areas central to our ESG strategy: the environment and digital inclusion.

### Helping consumers make more sustainable vehicle choices

The UK aims to achieve net zero greenhouse gas emissions by 2050. Our strategy is 'Putting the brakes on carbon', not only across our own operations and supply chain, but also by using our capabilities and voice to influence the automotive and technology industries to support others in the transition to a low carbon economy. As a responsible business, Autotrader is committed to reaching net zero in its operations by 2040. We also focus our efforts on supporting the automotive industry and informing public policy, and helping consumers through platform and information improvements.

#### KEY AREAS OF FOCUS:

- How we influence the transition to electric vehicles – informing public policy and regulation by sharing our data and insights with Government.
- Empowering consumers to make more sustainable vehicle choices by developing our platforms to provide transparent information on fuel efficiency, emissions and alternative energy options.
- Progress against our net zero targets – this includes monitoring our carbon emissions and actions that we can take to reduce these. In addition, reviewing our strategy for purchasing carbon removal credits.

# 72

electric vehicle brands in the UK  
(up from c.45 in 2019)

Source: Autotrader Road to 2030, Feb 2026.

SCAN TO READ THE LATEST  
EDITION OF THE ROAD TO 2030



### Our commitment to digital inclusion

Digital inclusion remains a major challenge. Digital inclusion is being able to access the internet and engage online – safely and confidently – when you need and want to. With opportunities and services increasingly online, digital inclusion is a basic need. As a minimum, this requires a device, connectivity, digital skills, and support when needed. As a tech company, Autotrader is committed to tackling digital inclusion and we have therefore partnered with Good Things Foundation and Greater Manchester Combined Authority ('GMCA') to tackle digital exclusion across Greater Manchester. Through the partnership we will contribute commercial insight and help explore sustainable, long-term approaches to improving affordable digital access.

#### KEY AREAS OF FOCUS:

- How we can support the development of essential digital skills, providing education and training so people can use digital tools confidently and safely.
- How we can support access to necessary equipment, such as computers and smartphones, that enable individuals and communities to connect and engage in the digital world.
- Ensuring our platform and resources are accessible, so everyone, regardless of background or ability, can participate in our increasingly digital society.

# 21m

adults can't complete the essential digital tasks for work

Source: Good Things Foundation Digital Nation Report 2025.

Working responsibly continued



## 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:

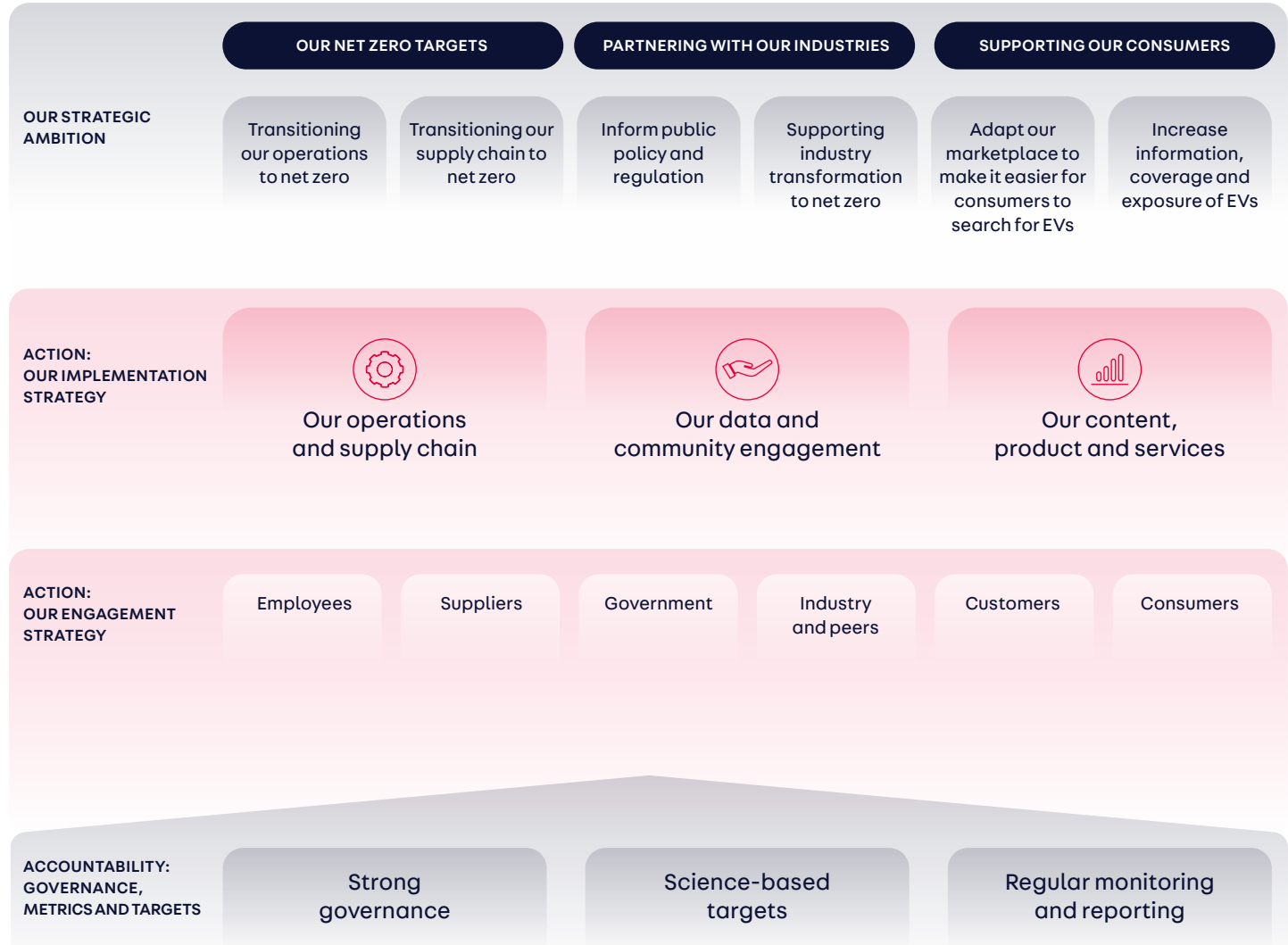
[plc.autotrader.co.uk](https://plc.autotrader.co.uk)

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



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
<b>Governance</b> 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.
<b>Risk management</b> 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.	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
<b>Strategy</b> 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.	<p>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.</p> <p>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.</p>
<b>Metrics and targets</b> 9. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. 10. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions and the related risks. 11. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<p>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.</p> <p>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:</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, SE Advisory Services, providing assurance over our emissions reporting.</p> <p>We also monitor other metrics to assess our progress against our environmental priorities. These are set out on page 34.</p>

## 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)
<ul style="list-style-type: none"> <li>• Assumes business as usual, some climate policies are implemented but efforts are insufficient to halt significant global warming</li> <li>• Continuation of current projection of carbon emissions with little or no abatement or mitigation</li> </ul>	<ul style="list-style-type: none"> <li>• Assumes climate policies and legislation are introduced early to limit climate change and become gradually more stringent</li> <li>• Both physical and transition risks are relatively subdued</li> </ul>

## IMPACT TIME HORIZONS, ALIGNED TO OUR BUSINESS PLANNING CYCLE:

Short term 0-5 years	Medium term 5-10 years	Long term 10 years +
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## 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			Inherent likelihood
		Minor	Moderate	Major	
		Short term 0-5 years	Medium term 5-10 years	Long term 10+ years	
<b>PHYSICAL RISK – Increased frequency/severity of extreme weather and climate-related natural disasters</b>					
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	●	●	●	Low
	1.5°C	●	●	●	
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	●	●	●	Medium
	1.5°C	●	●	●	
<b>TRANSITION RISK – Increased regulation relating to climate change</b>					
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	●	●	●	High
	1.5°C	●	●	●	
<b>TRANSITION RISK – Regulation discouraging the use of internal combustion engine ('ICE') vehicles and demand for sustainable products and services</b>					
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	●	●	●	High
	1.5°C	●	●	●	
<b>TRANSITION RISK – Increased reputational risk associated with the automotive industry and misrepresenting environmental claims</b>					
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	●	●	●	High
	1.5°C	●	●	●	
<b>TRANSITION RISK &amp; OPPORTUNITY – Changing consumer preferences</b>					
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	●	●	●	Low
	1.5°C	●	●	●	
<b>TRANSITION RISK – Achieving resource efficiency through cutting our carbon footprint and improving energy efficiency</b>					
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	●	●	●	Medium
	1.5°C	●	●	●	

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<sub>2</sub> emissions<sup>1</sup>

	2026		2025	
	UK	Global	UK	Global
Scope 1	179	179	116	116
Scope 2 (location based)	510	510	204	204
<b>Total (Scopes 1 and 2)</b>	<b>689</b>	<b>689</b>	<b>320</b>	<b>320</b>
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
<b>Scope 3 (total)</b>		<b>143,435</b>		<b>92,848</b>
<b>Total (Scopes 1, 2 and 3)</b>		<b>144,124</b>		<b>93,168</b>
Group revenue		£624.3m		£601.1m
Tonnes of CO <sub>2</sub> equivalent per FTE <sup>2</sup>		115.9		73.5
Tonnes of CO <sub>2</sub> 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<sub>2</sub> 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<sub>2</sub>)

Near-term target

**50%**  
reduction

Long-term target

**90%**  
reduction

SCOPE 3 REDUCTION TARGET (TONNES OF CO<sub>2</sub>)

Near-term target

**46.2%**  
reduction

Long-term target

**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	<ul style="list-style-type: none"> <li>2 remaining vehicles, both of which are fully electric or hybrid.</li> </ul>	✓ 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
Migrating our data centres to the cloud and review of data retention policies	SCOPE 2	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
		<ul style="list-style-type: none"> <li>100% of our data centres have been migrated to cloud providers.</li> <li>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.</li> </ul>	✓ IMPLEMENTED
Gathering supplier data and engaging suppliers	SCOPE 3.1	<ul style="list-style-type: none"> <li>We have introduced a supplier engagement strategy to gather ESG and performance data. Ethical procurement questionnaires now cover c.75% of supplier spend.</li> <li>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.</li> </ul>	✓ IMPLEMENTED
		<ul style="list-style-type: none"> <li>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.</li> </ul>	📅 PLANNED
Business travel	SCOPE 3.6	<ul style="list-style-type: none"> <li>We have updated our travel policy and booking system to promote lower-carbon business travel choices.</li> <li>Salary sacrifice scheme introduced for employees to lease an EV or low emission hybrid vehicle in a tax efficient way.</li> </ul>	✓ IMPLEMENTED
Purchased vehicles	SCOPE 3.1, 3.10 & 3.11	<ul style="list-style-type: none"> <li>Develop a clear plan for managing the volume of vehicles taken on balance sheet through Autorama.</li> </ul>	🔄 IN PROGRESS

Working responsibly continued



## Our people & communities

We're proud of the diverse, dedicated and talented people behind our success.

We continue to evolve our culture, with a clear focus on accelerating performance and supporting an environment where everyone feels empowered to be themselves, challenge boundaries and go further, faster – together.

### INVESTING IN AND SUPPORTING OUR TALENT

We are committed to personal development and career progression – whether mastering current roles, gaining professional qualifications or preparing for the next role. Our emphasis on growth has led to strong retention rates – attrition remains low at 16% (2025: 10%).

Our Learning Academy offers courses and programmes that support inclusion, personal growth and high performance, complemented by coaching available to everyone. We promote mentoring and sponsor professional qualifications to foster continuous growth. Mandatory training ensures compliance with legislative and regulatory standards.

Year	2026	2025
Hours of mandatory training	1,756	2,328
Hours of non-mandatory training	33,528	28,291
Annual cost of training <sup>1</sup>	£568k	£476k
Average cost per employee <sup>2</sup>	£456	£376
Employees studying for professional qualification	13	16
Employees on an apprenticeship/early careers <sup>3</sup>	53	66

1. This includes external trainer and platform costs, but excludes the employment costs of our in-house Learning & Development team.
2. Based on average number of employees in the Group throughout the year 1,244 (2025: 1,267).
3. As at 31 March – this excludes individuals who completed their programme during the reporting period.

### DEVELOPING OUR LEADERS

Leadership and people management are critical to sustainable growth and an inclusive, high-performing culture. This year we invested in leaders with tools, resources and skills to grow individuals and teams, collaborate, live our values and deliver results for Autotrader and our customers.

Our core programme, Leader as Coach, is a three-day course for managers, focused on psychological safety and trust, listening, coaching for high performance and abundant thinking.

Our inclusive leadership programme builds role-model behaviours so teams feel valued, respected, supported and inspired.

We continue to strengthen our internal coaching capability, with a well-established group of accredited in-house coaches and a strong

pipeline progressing towards accreditation, helping people grow and thrive by embedding development into everyday work.

### EARLY CAREERS

Our Early Careers team develops future talent for critical business roles through our Early Careers Academy, supporting onboarding, skills and wellbeing. In 2026, we welcomed 38 apprentices, and graduates, with 15 apprentices completing Level 3–5 qualifications.

This year we launched our first T Level placements, offering eight roles to students from Manchester and Oldham colleges, all of whom completed the programme. To further strengthen this pathway, we also expanded our Level 4 Software Engineering Apprenticeship, with several T Level students progressing into the September 2026 cohort.

### Inclusive Culture Development Programme

Autotrader's Inclusive Culture Development Programme is a series of learning and development programmes driven throughout the business, with diversity and inclusion at their core.

#### ONE AUTOTRADER – A CULTURE OF INCLUSION

As part of Autotrader's 'Great Start', all new starters attend this workshop. In one day, colleagues build a shared understanding of diversity and inclusion, meet our Employee Networks, and explore bias and how to challenge non-inclusive behaviour.

#### INCLUSIVE RECRUITMENT

Everyone involved in hiring completes a full-day inclusive recruitment workshop, covering bias, best practice, our scoring frameworks, and stronger shortlisting and interview skills.

#### INCLUSIVE PEOPLE MANAGEMENT

This year we relaunched our Inclusive People Management module to help managers get the best from every team member. Using real scenarios, it supports safe, practical conversations about inclusion and signposts the support available across Autotrader.

#### DIVERSE TALENT ACCELERATOR PROGRAMME ('DTA')

DTA accelerates high-potential talent to build a pipeline of diverse future leaders, combining experiential and group learning with coaching and sponsorship.

We encourage colleagues from groups under-represented in senior leadership – including people of colour, women, LGBT+, disabled and neurodiverse colleagues, and those from lower socio-economic backgrounds – to apply.

#### THE BLACK EXPERIENCE

Co-designed with an external inclusion consultant and Autotrader's Black colleagues, these workshops build awareness of the challenges Black employees can face in and out of work and highlight practical behaviours managers can use to strengthen Black inclusion.

#### NEURODIVERSITY AND MENTAL HEALTH MANAGER AWARENESS

Alongside Mental Health Awareness training, we refreshed our Neurodiversity and Mental Health Manager Awareness module to equip people managers to have confident, meaningful conversations and signpost the right support across the business.

## Working responsibly continued

**DIVERSITY AND INCLUSION**

At Autotrader, building a diverse and inclusive community isn't just something we talk about, it's something we actively work towards every day. We value a diverse and inclusive workforce, which enhances our culture and business by attracting and developing talent. Our diversity and inclusion vision is: "To nurture our inclusive culture and enrich our community with diverse individuals, who collaborate effectively, perform at their best, and contribute to the success of our organisation, benefiting our industries and wider communities". A mix of ideas and perspectives is essential for innovation and creating the best experience for our customers and consumers.

Diversity includes gender, sex, age, sexual orientation, disability, neurodiversity, race, ethnicity, religion, faith, marital status, social background, educational background, and way of thinking. Inclusion means being valued, respected and supported for who you are. We aim to achieve this authentically and systematically, reflected in our metrics over time. We're committed to long-term change in the technology and automotive industries, focusing on developing diverse leaders and representative workforces.

We continue to build a diverse and inclusive culture at every level of the Company, with particular focus on leadership. During the year, we enhanced our Inclusive Culture Development Programme to further support these goals.

**Employment of disabled persons**

We remain committed to supporting disabled and neurodiverse employees and those who become disabled during their employment with us. We focus on individualised support, enabling all colleagues to achieve their potential and develop their careers with us. Selection for employment, promotion, training and development (as well as other benefits and awards) is made based on merit, aptitude and ability and the Group does not tolerate discrimination in any form, including in relation to disabled candidates. This year, we introduced

our Inclusion Passport, a personalised document capturing health conditions, disabilities, neurodiversity, and related workplace adjustments to ensure clarity and continuity. Autotrader continues to be recognised as a Leader of the Disability Confident Scheme, reflecting our ongoing commitment to inclusivity. We work directly with employees to address health needs and implement reasonable adjustments that meet individual requirements. 18.6% (2025: 13.3%) of our employees have disclosed a disability or neurodiverse condition.

We have been recognised as one of the Top 75 employers in the Social Mobility Employer Index by The Social Mobility Foundation for the fifth consecutive year, ranking 21st in the index.

**GENDER AND ETHNICITY PAY GAP**

We published our Gender and Ethnicity Pay Gap Report 2025 (snapshot date: 5 April 2025). Ahead of expected mandatory Ethnicity and Disability reporting, we continue to report our Disability Pay Gap voluntarily.

We've made progress in our priority areas. At Autotrader Limited, the gender pay gap reduced (mean 9.6% to 8.4%; median 14.9% to 13.2%). Women's representation is at 42.9%. The median ethnicity pay gap reduced from 19.8% to 16.9% and the mean from 18.0% to 17.0%, with diverse hires exceeding 34%.

This reflects more inclusive hiring and a stronger employer brand, including our Career Stories campaign. We've also analysed the hiring funnel to remove barriers and support hiring teams with tools and training to reduce bias.

We remain focused on improving diversity at all levels, particularly in senior roles. The full report is available on our corporate website.

SCAN TO READ OUR  
LATEST PAY GAP REPORT

**Driving diversity and inclusion through our employee-driven networks**

A core part of our diversity and inclusion strategy is centred around our employee-driven networks. Everyone at Autotrader is encouraged to join one of these networks. The networks and their leaders are a core part of our culture and employee experience, helping to welcome employees

when they join our organisation, empowering team members to thrive and spearheading outreach programmes that support our local communities. We ensure each network has two senior leadership sponsors to help drive change and champion network initiatives.

To read more about our networks, go online:

[plc.autotrader.co.uk/esg/our-people-communities/diversity-inclusion/](https://plc.autotrader.co.uk/esg/our-people-communities/diversity-inclusion/)



## Working responsibly continued

**ELEVATING THE COLLEAGUE EXPERIENCE**

Culture is as tangible and important to our performance as our strategy, competitive position, product and technology. During the year, we completed the move to our new campus at Circle Square in Manchester. While only a short distance from our previous site, the new campus represents a meaningful step forward, providing a modern working environment, enhanced collaboration space, improved facilities for customers and community engagement, upgraded technology and stronger environmental credentials.

Our commitment to a high-performance culture is underpinned by transparent, multi-channel communication. We actively listen to colleagues throughout their career journey, from onboarding questionnaires through to exit interviews, enabling us to capture honest and timely feedback at every stage.

From a culture and morale perspective, it has been a challenging year for our people. Factors included organisational restructuring during the period, the recent decline in our share price and negative retailer sentiment in response to the scaling of Deal Builder, and a tighter approach to working in the office, which together contributed to a period of uncertainty for colleagues.

In our most recent annual confidential survey 72% of colleagues agreed or strongly agreed with the statement "I am proud to work for Autotrader" (2025: 91%). Whilst this is lower than in previous years, other people measures, such as recruitment, absence and talent retention, have not been impacted.

Engagement with our colleagues has remained a priority. To translate colleague feedback into tangible action, we launched Community Conversations – structured forums designed to develop collaborative solutions aligned to our key focus areas. The Remuneration Committee Chair held dedicated remuneration sessions with a wider colleague group, and Non-Executive Directors attended Community days and the annual all-employee conference. Strategic alignment is further reinforced through the Board Engagement Guild, an important conduit between colleagues and the Board. The Guild met three times during the year, enabling direct dialogue on topics including organisational change, workplace environment and executive remuneration.

**CONNECTED AND COLLABORATIVE WORKING**

Maintaining alignment with our purpose and strategy, and ensuring each team understands how their work contributes to our growth ambitions, is central to our ongoing success. We remain committed to Connected Working, our hybrid model that balances flexibility with collaboration. Our office space is designed to enhance connectivity and support effective collaboration across teams.

Senior leaders continue to be visible and accessible, supporting open and transparent communication. Our all-employee conferences provide updates on business strategy, while regular ALTV sessions enable leaders to share progress and celebrate achievements. We leverage communication tools, including Slack, to facilitate seamless collaboration across the business, regardless of working location.

Alongside this, we host regular and purposeful social events that bring colleagues together and reinforce our culture. From executive-led



International Women's Day panel discussions to wider cultural celebrations, these events build meaningful connection, strengthen relationships and foster a sense of belonging that underpins our collaborative culture.

**PAY AND BENEFITS PACKAGE**

Our reward structure is designed to attract, retain and motivate our colleagues, supporting delivery of our business strategy. We offer a comprehensive pay and benefits package, including employee pension contributions up to 7%, private medical cover, income protection, life assurance, retirement benefit and enhanced family/dependant leave provisions.

Share ownership remains central to our culture. All colleagues are eligible to participate in the One Autotrader Share Award ('OATSA'), which provides shares with a value equivalent to 10% of salary over three years. In addition, annual participation in our SAYE schemes remains strong, with 36% of colleagues actively contributing to one of the live schemes.

**WELLBEING AND SAFETY OF OUR EMPLOYEES**

We promote employee health and wellbeing through healthcare benefits, mental health support and leadership training, with access to Mental Health First Aiders and the Employee Assistance Programme.

Our 'Respect at Work' Policy sets clear expectations and zero tolerance for bullying, discrimination and harassment. Regular training is provided on sexual harassment and colleagues are supported in understanding their rights under the Equality Act 2010.

We support financial wellbeing through access to mortgage advice, will-writing services, travel loans and salary finance. Health and safety remains a priority, with appropriate policies and insurance in place. Two RIDDOR reports were submitted during the year, and DSE assessments continue to be completed in line with requirements.

## Working responsibly continued

**GENDER AND ETHNICITY DIVERSITY**

We are dedicated to fostering a diverse candidate pool and ensuring that fair representation is maintained in senior roles through refined talent management and succession planning. Our ongoing commitment is to increase ethnically diverse representation at leadership levels. As with our approach to gender diversity, we are focused on recruitment processes, most of which relate to lower-level roles, and on developing and promoting a broad and diverse group of individuals throughout the organisation.

The Parker Review has extended its scope to senior management, calling on the FTSE 350 to set percentage targets for ethnic minority executives in senior management roles by December 2027. In response, we have set a target for 10% of senior management positions (ALT and ALT-1) to be occupied by individuals from ethnically diverse backgrounds by March 2027.

At a Board level, as at 31 March 2026, the Board comprises an equal split of four men and four women (March 2025: six women and three men), exceeding both the FTSE Women Leaders Review recommendations and the FCA Listing Rules requirements, which set a target of 40% women's representation. In addition, a woman is appointed as the Senior Independent Director, meeting the targets outlined in the Listing Rules at LR 9.8.6 (9) (a). The Board also includes two members from ethnically diverse backgrounds, aligning with the recommendation set by the Parker Review.

	As at 31 March 2026									As at 31 March 2025								
	Board			Executive management ALT <sup>2</sup>		ALT direct reports		Total Company		Board			Executive management ALT <sup>2</sup>		ALT direct reports		Total Company	
	Number	%	Number of senior positions <sup>1</sup>	Number	%	Number	%	Number	%	Number	%	Number of senior positions <sup>1</sup>	Number	%	Number	%	Number	%
Men	4	50%	3	10	59%	45	56%	698	56%	3	33%	3	11	61%	50	56%	721	56%
Women	4	50%	1	7	41%	36	44%	533	43%	6	67%	1	7	39%	40	44%	562	44%
Non binary/ other	-	-	-	-	-	-	-	8	1%	-	-	-	-	-	-	-	7	-
<b>Total</b>	<b>8</b>	<b>100%</b>	<b>4</b>	<b>17</b>	<b>100%</b>	<b>81</b>	<b>100%</b>	<b>1,239</b>	<b>100%</b>	<b>9</b>	<b>100%</b>	<b>4</b>	<b>18</b>	<b>100%</b>	<b>90</b>	<b>100%</b>	<b>1,290</b>	<b>100%</b>

	As at 31 March 2026									As at 31 March 2025								
	Board			Executive management ALT <sup>2</sup>		ALT direct reports		Total Company		Board			Executive management ALT <sup>2</sup>		ALT direct reports		Total Company	
	Number	%	Number of senior positions <sup>1</sup>	Number	%	Number	%	Number	%	Number	%	Number of senior positions <sup>1</sup>	Number	%	Number	%	Number	%
White British or other White	6	75%	3	16	94%	69	85%	937	75%	7	78%	3	17	94%	73	81%	948	74%
Mixed ethnic groups	-	-	-	-	-	-	-	36	3%	-	-	-	-	-	1	1%	36	3%
Asian /Asian British	2	25%	1	1	6%	7	9%	132	11%	2	22%	1	1	6%	7	8%	144	11%
Black/African /Caribbean /Black British	-	-	-	-	-	1	1%	54	4%	-	-	-	-	-	2	2%	50	4%
Other	-	-	-	-	-	-	-	20	2%	-	-	-	-	-	-	-	16	1%
Not disclosed	-	-	-	-	-	4	5%	60	5%	-	-	-	-	-	7	8%	96	7%
<b>Total</b>	<b>8</b>	<b>100%</b>	<b>4</b>	<b>17</b>	<b>100%</b>	<b>81</b>	<b>100%</b>	<b>1,239</b>	<b>100%</b>	<b>9</b>	<b>100%</b>	<b>4</b>	<b>18</b>	<b>100%</b>	<b>90</b>	<b>100%</b>	<b>1,290</b>	<b>100%</b>

1. Senior positions defined as CEO, CFO, SID and Chair of the Board (and included the COO in 2025).

2. Excludes CEO and CFO who are included in the Board numbers.

**Representation at senior levels**

The percentage of women on our Autotrader Leadership Team (ALT):

**41%**

(2025: 39%)

The percentage of ethnically diverse people on our ALT:

**6%**

(2025: 6%)

The percentage of women leaders within the Group:

**44%**

(2025: 44%)

The percentage of ethnically diverse leaders:

**9%**

(2025: 9%)

## Working responsibly continued

### MAKING A DIFFERENCE TO OUR COMMUNITIES AND THE INDUSTRIES WE OPERATE IN

Our people are committed to making a difference and having a meaningful impact on the communities we operate in.

Our Make a Difference Guild is committed to empowering our employees to support national and local charities and communities, supporting the causes that are close to their hearts and delivering real and visible change to our communities. We support various initiatives in both the automotive and technology industries.

We are proud members of the Automotive 30% Club, an organisation dedicated to the recruitment, retention and development of female talent in the automotive industry. Our CEO, Nathan Coe, serves as a patron of the club. We continue to collaborate closely with the Automotive 30% Club and the Consent Collective to drive forward the 'Great Events for All' initiative, which educates the automotive sector about sexual harassment and consent, ensuring that industry events are safe, respectful and inclusive spaces for all. Our podcast series, 'Women in the Driving Seat', continues to highlight both the challenges and achievements of women working within the automotive sector. At our annual Retailer Awards, we celebrate outstanding women in automotive retail through our Woman of the Year Award which recognises inspiring, high-performing women in operational management roles across the industry.

Additionally, we partner with BEN to support mental and physical health throughout the automotive sector, and work with Speed of Sight, providing driving experiences and track days for people who are blind or disabled, regardless of age or ability.



### Championing local charities and communities

#### SUPPORTING LOCAL COMMUNITIES

Our Autotrader Community Funds provide financial support to local community groups and charities in our office locations of Manchester, London, Hemel Hempstead and across the UK.

Through our Autotrader sponsorships, we back fundraising efforts by employees and customers, and offer funding for sports kit and equipment sponsorship for our employees and their families.

#### PAYROLL GIVING

Employees can donate through payroll giving – 17% do so – which is further supported by Autotrader's match funding of up to £5 monthly per participant.

#### VOLUNTEERING

All colleagues can take up to two days per year to volunteer in the community. This year, 513 volunteer days were taken, giving colleagues the opportunity to make a difference in their local communities.

# 513

volunteering days taken

Over the past year, Autotrader hosted a range of meetups in our event space, bringing together Manchester's data, design, delivery and tech communities. Through recurring events and sponsorship with groups such as PyData, Her+ Data, Natter UX and the Manchester Java Community, we continue to support community engagement and knowledge sharing.

#### Educational Outreach

This year, we delivered Educational Outreach through our partnerships with DigitalHER and DigitalFutures. We supported the third MentorHER cohort for women early in their tech careers, ran more Curiosity Camps and Schools Safaris and launched two new events. Highlights included Ada Lovelace Day (85 young women joining our Women in Software Engineering (WISE) network) and Future Innovators Day, a digital inclusion hackathon for T Level, A Level and BTEC students. We also hosted a Black History Month School Safari with 45 students, led by our Ethnicity Network.

We continue to support the Careers & Enterprise Company through the Enterprise Advisor programme, partnering with two Manchester schools to shape their careers strategies and connect them to outreach opportunities. Additionally, we supported the Greater Manchester Combined Authority's MBacc initiative and promoted technical education pathways.

As active members of the GM Cornerstone Employer Group, we participated in numerous new initiatives, including the Raspberry Pi Foundation Applied Computing Certification, modern work experience through EqualEx and the introduction of virtual work experience.

Our Early Careers team and volunteers delivered 10 "This Girl Is Me" sessions in Manchester and Oldham, supporting the Automotive 30% Club to inspire more young women into automotive and technology careers.

#### Digital inclusion

This year, we have strengthened our commitment to tackling digital exclusion through a new partnership with the national charity, Good Things Foundation and Greater Manchester Combined Authority ('GMCA'). The partnership builds on the commitment made by Greater Manchester Mayor to address digital exclusion across the region, reflecting a shared ambition to translate policy into practical, long-term action.

Our funding has enabled the launch of a six-month Greater Manchester initiative focused on addressing data poverty through research and strategic planning, rather than direct delivery. Supported by academic input from the University of Liverpool, the project will combine desk research, stakeholder and community engagement, and a series of workshops to better understand the scale and drivers of data poverty. Outputs will include a co-produced five-year roadmap to help shape future policy, coordination and investment, strengthening Greater Manchester's leadership on digital inclusion and generating insights with relevance across the UK.

This year, we continued our partnership with Forever Manchester to provide the Autotrader Digital Inclusion Fund, supporting local charities to deliver technical workshops and programmes. These efforts are designed to upskill members of the local community and help bridge the digital divide.

To further combat digital exclusion, we partner with local charities to repurpose laptops and devices. This sustainable approach ensures our old technology is put to good use, helping individuals and communities overcome digital poverty and promoting greater digital inclusion.

## Working responsibly continued



## Our governance & compliance

Uphold the values of good corporate governance and risk management, underpinned by robust and effective policies.

### OVERVIEW

We are dedicated to conducting business ethically. Strong governance forms the foundation of each of our ESG pillars, ensuring responsible decision-making, effective risk management, and a culture of integrity among our people in everything we do. We embed high standards across our business through a comprehensive compliance framework, which encompasses robust policies, procedures, guidance, and training. As an online marketplace, the security of our cyber infrastructure and the protection of data are central to sustaining customer trust, particularly as we transition further into digital retailing. Our systems are continuously updated to reflect our changing business priorities. In 2026, we achieved full compliance with the UK Corporate Governance Code 2024. Further information on our Board governance structure can be found in the Governance section from page 53.

### CYBER SECURITY

Trust is fundamental to our business. We therefore place strong emphasis on protecting our services against cybercrime and fraud. The cyber threat landscape continues to evolve, and as AI models become more sophisticated, there is an increasing risk that they may be exploited by bad actors. A material cyber breach could result in reputational damage, financial loss or regulatory sanctions. The risk of a cyber attack is considered in our viability scenarios (see page 52).

While cybersecurity risks cannot be fully eliminated, we mitigate their likelihood and impact through a comprehensive security programme overseen by our Chief Technology Officer. Guided by the NIST Cybersecurity Framework ('CSF'), we set clear maturity targets and use a security-by-design approach to product development.

Our 'defence in depth' strategy incorporates multi-factor authentication, least-privilege access controls, and continuous application testing across our corporate systems and the Autotrader platform. To ensure accountability, risks are monitored year-round by the Executive team and Risk Forum, with formal updates provided to the Board at least annually.

We validate our resilience through regular internal audits and annual red team testing to ensure our defences remain robust against evolving threats.

### Policies and procedures

We have robust measures to detect and respond to cyber threats, including:

- A comprehensive Cyber Security Programme defining scope and roles for leadership, forums and employees.
- Awareness initiatives to educate staff on risks.
- Key policies covering acceptable use, asset management, access control, bring your own device, document sharing, generative AI, information security, key management, network security, passwords, incident management, server security, development lifecycle and vulnerability management.
- A dedicated security operations team monitoring and managing incidents in line with our cyber security incident management procedures.
- Advanced data protection across systems to counter ransomware.
- Multi-factor authentication protects all employee accounts.
- Regular incident simulations, business continuity testing, vulnerability assessments, and penetration tests (application, platform, infrastructure, red team).
- Security is prioritised in every aspect of our applications to ensure a trusted platform for customers and consumers.

### PROTECTING OUR CUSTOMER AND CONSUMER DATA

At Autotrader, data compliance and protection are central to our operations. We strictly follow the Data Protection Act 2018 and UK GDPR, with policies in place for secure and responsible handling of personal data. This year, we have also updated our internal processes to reflect the changes introduced under the Data Use and Access Act 2025, ensuring our approach to data handling and governance remains aligned with the evolving regulatory framework. As a data controller for customer and employee data, and a data processor for customer data in some scenarios, we ensure transparent use governed by privacy notices across all platforms.

Dedicated teams oversee data privacy, breach prevention, reporting, compliance and subject rights. Adherence to regulations is monitored through our assurance framework, with consumer enquiries managed via a dedicated mailbox.

The Data Protection team regularly meets with each Data Owner to support them in managing their responsibilities, maintaining oversight of their data assets, and ensuring ongoing compliance with data protection and security requirements. In addition, a quarterly Compliance Steering Group reviews emerging risks and provides coordinated governance across the business. Our processes include Data Protection Impact Assessments ('DPIAs'), maintaining Records of Processing Activity ('ROPAs'), bi-annual audits, regular privacy notice updates, and procedures for Subject Access Requests ('SARs') and erasure requests. Consent is obtained for collecting personal data and marketing contact, and third-party providers are vetted for security of personal information. In case of data loss incidents, we follow a rigorous management process, report notifiable breaches promptly to regulatory authorities and take remedial action swiftly to ensure incidents are fully mitigated.

Working responsibly continued

**Maintaining a trusted and transparent marketplace underpinned by robust policies and compliance**

Autotrader aims to offer a marketplace that is relevant, reliable and fair. We ensure that advertisements shown are accurate and genuine, which is important for both our consumers and customers. Our goal is to deliver a valuable service and an engaging user experience.

**Customers**

**Retailer feedback**

We actively gather retailer feedback to enhance our products and services, supporting market-leading solutions for our retailer partners. Customer advisory groups have been launched to provide direct input into the product development roadmap.

**Retailer sentiment tracking**

We survey retailers monthly to gather structured feedback on our partnership relationship, satisfaction, value for money and brand sentiment.

**Voice of the customer**

We monitor weekly retailer feedback gathered by the Partnerships community to assess sentiment and respond promptly to market issues.

**Consumers**

**Consumer research**

We operate a dedicated user research capability within Product & Technology to inform product development and improve customer experience through data-led insight.

**Test-and-learn cycle**

Throughout the product development cycle, we adopt a test-and-learn approach, using surveys, user interviews, diary studies, usability testing and eye-tracking. This is complemented by A/B testing, ensuring continual learning and iteration.

**Consumer reviews**

We maintain strong feedback scores across Trustpilot, iOS App Store and Android Play Store. Regular consumer pulse surveys track brand health and consumer sentiment towards Autotrader.

**Our marketplace**

TAG VERIFICATION

VSTAG FORUM

CONSUMER DUTY

FCA COMPLIANCE

GDPR



## Working responsibly continued

### FCA COMPLIANCE

Autotrader Limited, the main trading subsidiary of the Group, is authorised by the FCA to conduct consumer credit and insurance intermediary activities, mainly facilitating finance and insurance introductions for third parties. It uses Blue Owl Limited's technology (trading as 'AutoConvert') to enhance digital retail journeys, with Blue Owl acting as an Appointed Representative for consumer credit. Autotrader Leasing Limited (trading as 'Vanarama') is FCA-approved for brokering leases and continues to develop consumer journeys starting on Autotrader.co.uk and ending with Autotrader Leasing.

We have experienced Governance, Risk, and Compliance teams, robust governance frameworks, and comprehensive policies, training and monitoring to ensure FCA compliance – including financial promotions, product changes, complaints and vulnerable customer support. Our Customer Charter commits to delivering positive outcomes. Our compliance monitoring supports Consumer Duty requirements amid regulatory changes in motor finance. We apply the FCA's Senior Managers & Certification Regime at both Autotrader Limited and Autotrader Leasing Limited, with the relevant ALT and Board members assessed as Fit and Proper.

### BUSINESS ETHICS AND COMPLIANCE

We operate to high standards of trust and integrity, underpinned by our governance framework, values, policies and training. The Group has a clear top-level commitment to preventing bribery, corruption and financial crime, with all employees, contractors and Board members required to complete annual ethics and compliance training.

Our values guide ethical decision-making and we work only with partners who share these principles. We continuously review and strengthen our policies, procedures, and controls. For example, over the last year we have benchmarked our arrangements against new laws & regulations such as the Digital Markets, Consumers, and Competition Act, the Online

Safety Act, the Economic Crime and Corporate Transparency Act and Provision 29. We are also reviewing our governance arrangements to capture emerging risks and opportunities surrounding AI, and have refreshed our complaints management process which aims to use customer and consumer feedback to inform future product development and process improvements. We publish information about our supplier payment practices and performance. On average, Autotrader takes 35 days (2025: 36 days) to pay our supplier invoices, with 97% (2025: 98%) paid within agreed terms during the reporting period.

### GRIEVANCE REPORTING OR ESCALATION PROCEDURES

We strive to provide a welcoming workplace where everyone can perform well and is treated fairly. We encourage open dialogue and mutual respect, and do not tolerate discrimination or harassment. Staff are free to report concerns and access support through our escalation procedures, with both informal and formal options outlined in our grievance policy.

### MODERN SLAVERY

Autotrader is committed to supporting human rights and is opposed to all forms of discrimination in our business activities, relationships and supply chain. We have zero tolerance towards modern slavery, human trafficking, forced or compulsory labour and child labour. Through compliance with national laws and our internal policies, we are committed to supporting human rights and adhere to internationally recognised human rights principles. In line with our commitment to creating a diverse and inclusive culture, our internal policies require respect and equitable and fair treatment of all persons we come into contact with. We are an accredited Living Wage Employer and safeguard our employees through a framework of policies and statements including Modern Slavery, Gender Pay, Flexible Working, Equal Opportunities and Inclusion Policies. All employees receive training to ensure they can identify the different types of modern slavery and the action they can take if they have any concerns. Our Modern Slavery Act statements



can be found here [https://plc.autotrader.co.uk/media/m0pl2qce/\\_modern-slavery-act-updated-1912.pdf](https://plc.autotrader.co.uk/media/m0pl2qce/_modern-slavery-act-updated-1912.pdf). During 2026, no incidents of modern slavery or human rights abuse were identified or reported in our business or supply chain.

### WHISTLEBLOWING

We actively cultivate a transparent and open culture, and our whistleblowing policy encourages employees to raise any concerns about illegal or improper behaviour without fear of victimisation, discrimination or disadvantage. We have an internal reporting facility for employees to discuss concerns and we also operate an anonymous and confidential whistleblowing helpline through an independent organisation for employees, customers and suppliers. Reports are directed to the Audit Committee Chair and the Company Secretary or via an independent hotline. No whistleblowing reports have been received in the year.

### TAX TRANSPARENCY

Autotrader maintains responsible tax practices through strong controls, clear processes and effective governance overseen by the Audit Committee. Our tax policy is reviewed annually

to ensure compliance and accuracy in filings. In 2026, our total tax contribution was £233.5m (2025: £230.2m), with £107.9m borne by the Group and £125.6m collected. We recognise tax supports public services and infrastructure, and we pay the correct taxes promptly as required by law. For full details, see our tax strategy at [https://plc.autotrader.co.uk/media/vl4fcqqu/at\\_grouptaxpolicy2026.pdf](https://plc.autotrader.co.uk/media/vl4fcqqu/at_grouptaxpolicy2026.pdf).

#### FURTHER INFORMATION

To find out more about all of our governance and compliance policies, please go online:

[plc.autotrader.co.uk/esg/policies-reports](https://plc.autotrader.co.uk/esg/policies-reports)

To find out more about how we are protecting our customer and consumer data, please go online:

[plc.autotrader.co.uk/privacy-notice](https://plc.autotrader.co.uk/privacy-notice)

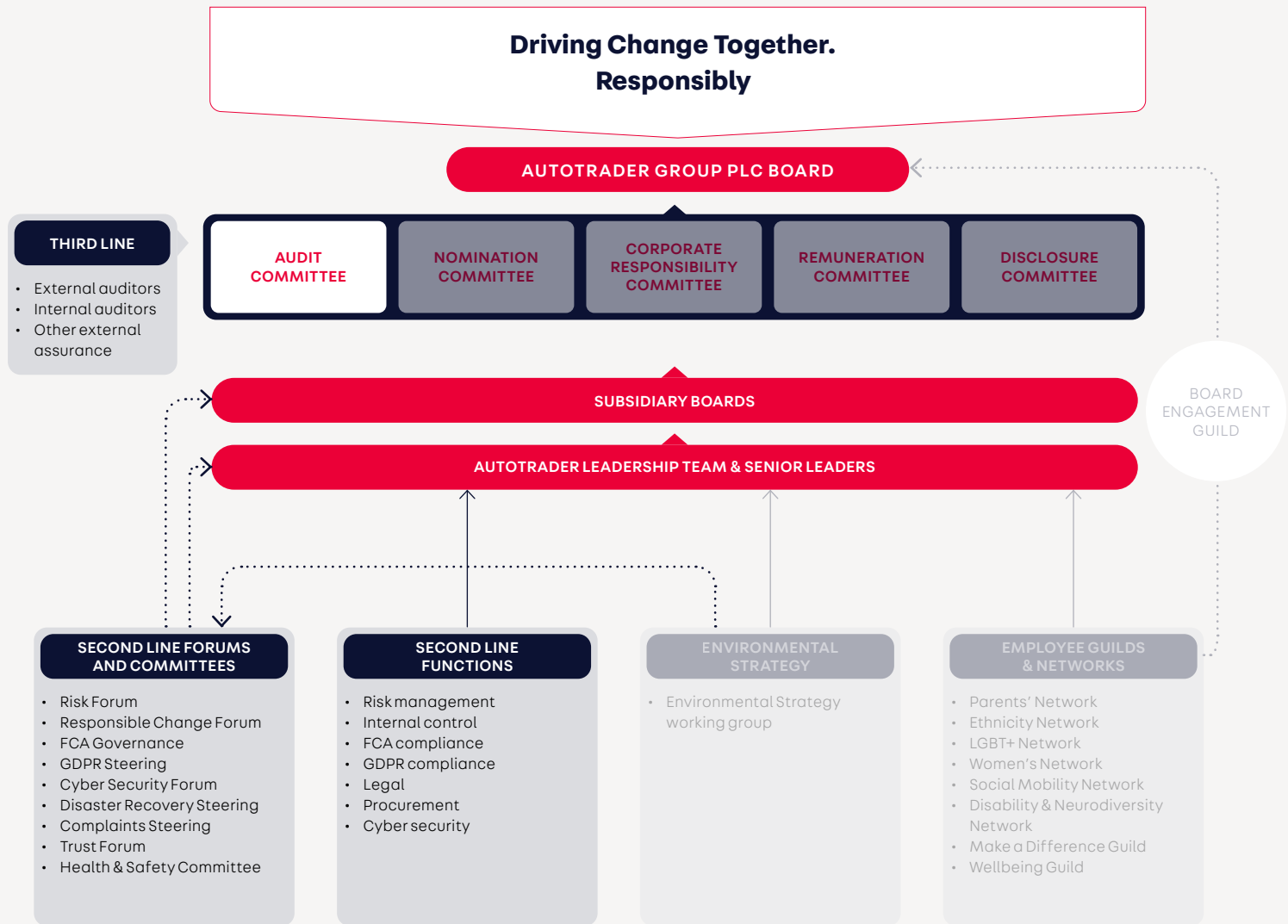
[plc.autotrader.co.uk/privacy-cookies](https://plc.autotrader.co.uk/privacy-cookies)

How we manage risk

# How we manage risk

Effective risk management supports sustainable long-term growth and it is an important part of our purpose of Driving Change Together. Responsibly.

The Board is responsible for determining the nature and extent of the risks the Group is willing to take to achieve its strategic objectives. The Board is responsible for establishing and maintaining effective risk and internal controls frameworks and the Audit Committee independently monitors the effectiveness of our frameworks.



## How we manage risk continued

### RISK IN THE BOARDROOM

Our risk management process aligns to our strategy. Whilst the Board reviews the Group's risk register at least half-yearly, the Board also considers the risks associated with every Board agenda item. Board meetings over the last year have considered risks associated with topics such as technology and cyber security, automotive market health, artificial intelligence and employees.

The Board also considers emerging risks, including emerging risks that arise from material decisions. Within the Board's decision surrounding Deal Builder, for example, the Board considered risks such as competitive threats and legal and regulatory compliance.

### Adopting Provision 29

The Board is overseeing our adoption of Provision 29 of the UK Corporate Governance Code 2024. The change to the Code has been an opportunity to reflect on how the Board oversees risks and controls. Our approach is detailed in the Report of the Audit Committee.

[P66 Report of the Audit Committee](#) 

### Effective risk management

Our risk management process has four steps, all of which are overseen by the Board.

#### 1 IDENTIFY

Risks are identified using both a top-down and a bottom-up approach and risks are captured on the Group risk register. Identification of risks is achieved mainly via the following:

- The Board, ALT, senior managers and Group's Governance, Risk and Compliance ('GRC') team perform continuous horizon scanning.
- Embedding 2nd Line Functions into teams executing strategic initiatives.
- GRC-facilitated risk workshops with ALT and senior managers.

#### 2 ASSESS AND QUANTIFY

All risks are evaluated to establish their root causes, the impact, the likelihood of occurrence, and the time between the risk occurring and its impact being felt. Risk assessments consider financial, reputational, regulatory, customer, consumer, operational and cultural impacts. Risks are then categorised as:

- Existential risks: those with the potential to cause fundamental change within our organisation and wider industry.
- Operational risks: these tend to be the most prevalent risks and they arise out of day-to-day business activities.
- Emerging risks: risks which could have an impact in the future, including risks arising from new initiatives, new products and new laws and regulations.

#### 3 RESPOND AND MITIGATE

Risk owners then consider how best to mitigate or control risks. Proposed controls and mitigants are reviewed and challenged by 2nd Line Functions, Forums and Committees to ensure that the response is in line with our risk appetite. If the residual level of risk after mitigation remains above our risk appetite, then action plans are agreed to reduce the risk to an acceptable level.

#### 4 REVIEW, MONITOR AND ASSURE

The Board and/or Audit Committee monitor the effectiveness of our material mitigations and controls. Monitoring includes:

- Continuous monitoring by 2nd Line Functions.
- Oversight from 2nd Line Functions, Forums and Committees, including Risk Forum, Cyber Security Forum and FCA Compliance.
- An Internal Audit programme.
- Specialist monitoring and assurance from other third parties such as penetration tests.

### Risk appetite

The Board has assessed the principal risks Autotrader faces. It has set a risk appetite that informs our risk mitigation strategy. Our risk appetite can be summarised as follows:

#### FLEXIBLE

As we develop new products to meet changing customer needs and to stay ahead of our competitors, we acknowledge that there is a potential for financial loss. As an agile and fast-paced business, we are flexible about taking on these risks where the potential losses are outweighed by long-term upside opportunities.

Additionally, our business and strategy are both built on the foundations of longer-term, sustainable growth, and we acknowledge the threats to our short-term performance from short-term fluctuations in: the macro-economic environment, the geo-political landscape and societal expectations of employers.

#### CAUTIOUS

It is crucial to the long-term sustainability of our business that we achieve our strategy in a responsible manner. There are some areas where pursuit of our objectives will inevitably involve exposure to risks, including a requirement to balance the differing needs of our stakeholders.

When we identify such risks, we take a cautious approach and apply measures to avoid exposing ourselves, and our stakeholders, to harm. Areas where we adopt a cautious approach to taking risks include our reliance on third parties and critical suppliers; our brand activity and marketing; and use of debt.

Similarly, whilst we are averse to non-compliance with laws and regulations, when operating at the forefront of digital innovation we will often need to apply a degree of legal and/or regulatory judgement, for example where guidance and market practices are still developing. In such cases we adopt a cautious approach: continuous, active judgement is applied by specialists, and the 'compliance by design' principle is always applied.

#### AVERSE

There are certain risks that we are generally unwilling to accept as we work towards our objectives. In these areas we strive to take all reasonable steps to prevent their occurrence. In particular, we are averse to taking risks in relation to the following:

- Threats to the security of our website and technology infrastructure.
- Risks that users of our website and services lose trust in us, including in relation to preventing frauds and scams.
- Breaches of laws, regulatory non-compliance, enforcement and financial crimes.
- Threats to our financial security and our ability to accurately report to our stakeholders.
- Criminal acts such as fraud, bribery and tax evasion.

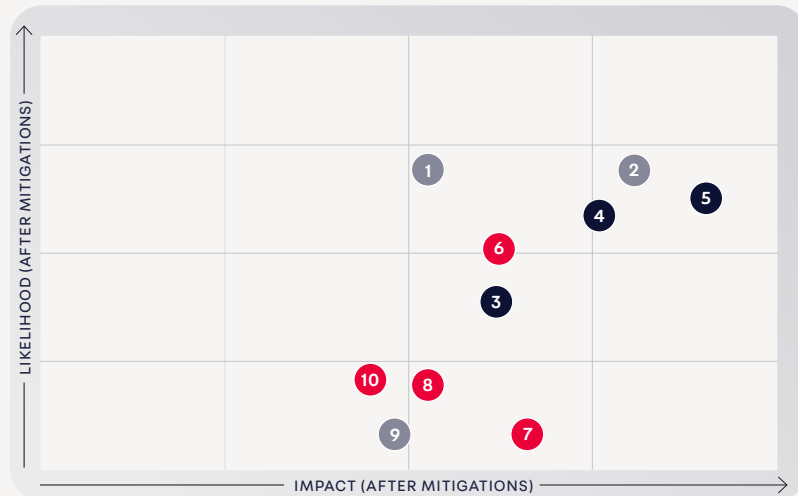
How we manage risk continued

**Our principal risks in 2026**

The risk landscape is always evolving. Our strategy is linked intrinsically to our principal risks and our principal risks can be grouped into three categories:

1. Risks we face which could affect the wider automotive industry.
2. Risks we face from external sources.
3. Risks we face from internal sources.

THE MATRIX BELOW SUMMARISES OUR VIEW OF THE PRINCIPAL RISKS WE CURRENTLY FACE:



- |   |  |
|---|--|
| 1 Macro risks   | 6 Employees  |
| 2 Automotive economy, market and business environment | 7 Brand and reputation                             |
| 3 Legal and regulatory compliance                     | 8 Failure to innovate continuously and responsibly |
| 4 Competition   | 9 Climate change                                   |
| 5 IT systems and cyber security                       | 10 Reliance on third parties and partners          |

Risks we face which could affect the wider industry  
 Risks we face from external sources  
 Risks we face from internal sources

**THE EVOLVING RISK LANDSCAPE AND EMERGING RISKS**

Identification of new and emerging risks is crucial to our risk management process. Details of each of our principal risks can be found on pages 46 to 50. Below we have summarised the most significant emerging risks.

**RISKS WE FACE WHICH COULD AFFECT THE WIDER AUTOMOTIVE INDUSTRY**

- The automotive industry is exposed to geo-political and economic risk, both directly and indirectly. Global macro events, such as the recent conflict in the Middle East, can lead to supply chain disruption, trade tensions, inflation and heightened finance costs for both retailers and consumers. These risks have an impact on retailer profitability, and consumer demand and a latent impact on the used car pipeline.
- The last year has seen improved new car supply compared to recent years, including stimulated supply of EVs, which should flow through to used car supply in future years.
- The Government is reviewing the Zero Emissions Mandate, which is scheduled to be completed in early 2027. This policy has already changed numerous times, and further changes could heighten uncertainty and affect the EV transition.



**RISKS WE FACE FROM EXTERNAL SOURCES**

- AI is evolving at a rapid pace. Adopting it in a meaningful way that adds real value to consumers and customers is crucial. There are also opportunities to use AI to further improve the trust and security of our website.
- Additionally, whilst we are confident in the value of our propriety systems and data, there remains a threat that agentic AI could evolve in a way that disintermediates Autotrader. Embracing and engaging with how AI could change how consumers use the internet will therefore be vital to Autotrader.
- The competitive landscape includes the threat of big tech companies venturing into automotive marketplaces, such as Amazon Autos. We continuously monitor the activities of existing and future competitors.

**RISKS WE FACE FROM INTERNAL SOURCES**

- Our employees are crucial to the success of Autotrader. The last year has involved lots of change and it has been a challenging time for our employees. However, the foundations have been laid for continued success in the future, including a state-of-the-art office, refreshed hybrid-working model and restructured teams in parts of our business.
- AI poses risks in relation to how it is used by employees within their roles. AI tools can heighten efficiency, but using them in a responsible manner is key to safeguarding confidential and personal data. As AI technology evolves, investment in the right AI tools will be important in the years to come.

## Principal risks and uncertainties

The principal risks and uncertainties are detailed in this section. Additional risks and uncertainties to the Group, including those that are not currently known or that the Group currently

deems immaterial, may individually or cumulatively also have a material effect on the Group's business, results of operations and/or financial condition.

### OUR STRATEGIC PRIORITIES

-  Marketplace
-  Platform
-  Digital retailing
-  Working responsibly

## 1. Macro risks

 Increasing    

### RISK AND POTENTIAL IMPACT

In a connected, global industry, we are exposed to the impacts of macro events from around the globe, as are our customers and consumers. We consider there to be a threat to the short-to-mid-term performance of our business posed by unpreventable macro events. Such events could result in our customers being unable to trade, leading to loss of revenue, stock, audience and market share.


### KEY CHANGES AND OUTLOOK

- Geo-political instability remains high and we tend to feel the disruption caused by knock-on impacts. Disrupted supply chains, for example, have a latent impact on used car stock pipeline, and there are signs that the conflict in the Middle East could cause inflation, higher finance and running costs, all of which can affect the affordability of cars for some consumers.
- Our ambitions to grow in new car could increase our exposure to the direct impacts of macro risks. Supply chain disruption, for example, will impact on new car stock available to advertise on Autotrader.
- Despite continued geo-political instability, we remain financially resilient to major shocks and incidents. We remain highly cash generative.

### HOW WE MANAGE THE RISK

- We monitor external events continuously. Both the ALT and the Risk Forum evaluate how our business could be impacted from external events, both in the short term and in the longer term.
- We regularly review our business continuity and crisis management arrangements to ensure that they consider the impacts of external events, including those which might affect our customers.
- Our crisis response team includes senior leadership and internal experts. Nominated delegates minimise single person dependencies. Where necessary we also have external advisors available to support us in our response.
- Our crisis management arrangements are tested regularly via simulated crisis scenarios, and we capture lessons learned to continually improve our crisis management arrangements.
- Our business continuity plan ('BCP'), IT disaster recovery plan ('ITDR') and wider crisis management arrangements all set out the key steps required for us to respond to major events and restore operations in the event of downtime.

## 2. Automotive economy, market and business environment

 Unchanged  

### RISK AND POTENTIAL IMPACT

Adverse changes in supply versus demand for new/used cars will affect retailer profitability. Higher operating costs and interest rates could also affect retailer profitability and reduce their advertising spend with Autotrader.

High cost of living and interest rates could affect car buyers' ability to afford a change of vehicle, affecting demand.

### KEY CHANGES AND OUTLOOK

- This year saw a tough trading environment for our customers. Higher operating costs and interest rates on stocking loans during the last year put financial pressures on our customers, affecting their profitability.
- New car supply increased in FY26, including strong supply from Chinese manufacturers. This, coupled with consistently high consumer demand, presents a positive outlook for the used car market in the coming years.
- The FCA's redress scheme for mis-sold car finance does not impact us directly and whilst there will be an impact on lenders, the FCA have stated that the impact on the automotive finance market will be "limited", reducing the level of uncertainty that we have seen in prior years.
- Whilst some OEMs have transitioned to the agency model, many have remained with the retailer franchise model and new entrants are typically opting for the retailer franchise model, reducing the threat that this risk poses.

### HOW WE MANAGE THE RISK

- We monitor new and used car transactions closely, including monitoring of data from SMMT and DVLA. We also monitor behaviour on our marketplace and engage closely with our customers and consumers to assess market health.
- We use our own Autotrader Retail Price Index and valuations data to monitor the pricing trends of used cars by trade sellers.
- We publish reports containing data and insights to help retailers understand the state of the automotive market.
- We adopt a partnership approach to support our customers in getting value from our products. By democratising our data, we provide retailers with the tools to enable them to inform their stock sourcing and pricing strategies.
- We continuously enhance existing products and seek opportunities to develop new products to support our customers.
- Our culture of agility and innovation enables us to respond quickly to new and emerging threats and opportunities.

## Principal risks and uncertainties continued

## OUR STRATEGIC PRIORITIES



## 3. Legal and regulatory compliance



## RISK AND POTENTIAL IMPACT

The Group operates in a complex regulatory environment. As we progress with our strategy, we have to navigate increased exposure to legal and regulatory risks, particularly those relating to financial services and data protection. Failure to comply with legal and regulatory requirements could lead to reputational damage, financial or criminal penalties and impact on our ability to execute our strategic objectives.

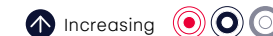
## KEY CHANGES AND OUTLOOK

- The Digital Markets, Competition and Consumers Act came into force during the financial year. This places new obligations on organisations around consumer protections, including Dealer Reviews, and we have taken several measures to comply. In March 2026 the CMA announced an investigation into online reviews across a number of companies, including Autotrader and our third party moderator, Feefo. The investigation is still in the very early stages and Autotrader is cooperating fully with the CMA.
- Over the last year we have reviewed our counter-fraud arrangements following introduction of the Economic Crime and Corporate Transparency Act. We have also reviewed our arrangements around protecting users of our website from illegal/harmful content, which is important to comply with the Online Safety Act.
- Our obligations under GDPR and FCA regulations will continue as we scale and evolve Leasing, Deal Builder and Buying Signals, as well as our ambitions in new car. Our Governance, Risk and Compliance ('GRC') team partners with product teams to build compliance into the design of our products.
- The regulated entities within the Group continue to comply with the FCA's Senior Managers and Certification Regime and relevant individuals have been assessed and certified as Fit and Proper. All employees are subject to the FCA's Conduct Rules and have received appropriate training and guidance.

## HOW WE MANAGE THE RISK

- We continuously monitor the legal and regulatory landscape to identify potential changes in laws and regulations. We utilise external specialists for specialist advice where needed.
- Our governance framework oversees our legal and regulatory risks. Governance forums receive internal reporting on our compliance with the principles, rules, and guidance applicable to our regulated activities. These forums then report to the Risk Forum.
- Our Governance, Risk and Compliance team ('GRC') consists of legal and regulatory expertise. GRC are embedded within the product development process to ensure that legal and regulatory compliance is built into the design of products.
- Regular 'product reviews' are performed by GRC to assess compliance with FCA regulations.
- Our suite of policies is reviewed regularly, and they are supplemented by mandatory training for all employees to ensure awareness of, and compliance with, regulatory requirements.

## 4. Competition



## RISK AND POTENTIAL IMPACT

External measures show that we have the largest and most engaged automotive audience. Nevertheless, we remain wary of competitive threats, including big tech and social media, who could develop products which fundamentally disrupt the car buying journey, and/or provide superior products for retailers. This could lead to a loss of market share.

## KEY CHANGES AND OUTLOOK

- The emergence of agentic AI presents opportunity but also has the potential to disrupt online marketplaces. Risks include: AI being used to disintermediate marketplaces like Autotrader; and AI being used to direct consumers directly to relevant adverts, negating the need for retailers to purchase prominence.
- Large technology organisations continue to operate in segments of the automotive sector. We expect Amazon to launch Amazon Autos in the UK which would be a new competitor.
- Despite these factors, our marketplace remains strong and last year saw continued record levels of cross-platform visits.

## HOW WE MANAGE THE RISK

- Continued investment in our branding and marketing helps us to protect and grow our audience. This aims to maintain our position as the most influential website for consumers when purchasing a vehicle.
- We monitor competitor activity closely. The competitive landscape is regularly reviewed at ALT and Board level.
- We continue to invest in and develop our product offerings to ensure we offer value to consumers, retailers, and manufacturers.
- Customer Advisory Groups have been introduced recently and will enable customers to provide feedback on our services.
- We also work with OEMs to develop solutions to enable them to advertise their new car pipeline stock on our website.
- We work in an agile way which enables us to respond quickly to emerging competitive threats.

## Principal risks and uncertainties continued

## 5. IT systems and cyber security


 Increasing

## RISK AND POTENTIAL IMPACT

As a digital business, we rely on our IT infrastructure to provide our services. A disruptive cyber security and/or business continuity incident could lead to downtime of our systems and infrastructure. Execution of our strategy also relies on us making appropriate investments in secure systems and technologies. Failure to invest in appropriate technology and safeguards could lead to us failing to achieve our objectives.

Delivery of our strategic objectives relies on us using data to provide valuable insights to customers. A significant data breach, whether because of internal threat or an external cyber-attack, would lead to a loss in confidence by the public, our suppliers, retailers and advertisers.

## KEY CHANGES AND OUTLOOK

- Our Cyber Security and Disaster Recovery Forums have continued to monitor the number and severity of incidents and vulnerabilities. We have not experienced any major or material disruptions or cyber attacks in the last year.
- We continuously monitor the external environment for cyber security threats. Over the last year we have continued to invest in our technology platform and in our cyber defences.
- Recently, Anthropic have withheld the public release of their Mythos AI model due to its ability to autonomously discover and exploit "zero-day" cyber security vulnerabilities. As AI models become increasingly sophisticated, there is a risk that they could be used by bad actors.
- We are also monitoring how quantum computing could evolve, which poses threats to security if it is used by bad actors.
- We have rolled out secure and confidential AI tools for all employees to enable them to use AI in their day-to-day roles. Our Cyber Security Forum oversees AI use from a security perspective and our Product & Technology Community is leading on developing AI tools, both for employee productivity and for customer- and consumer-facing products.
- We successfully rolled out Mac laptops to all employees and have built improved physical security into the design of our new Manchester office.

## HOW WE MANAGE THE RISK

- We have a BCP and ITDR which are regularly reviewed and tested.
- We continuously monitor the availability and resilience of our services.
- All our systems are cloud-based which brings resilience to incidents, and ability to recover quickly and efficiently.
- We have dedicated security teams, including white hat hackers, who carry out regular penetration testing of our systems to identify and fix potential vulnerabilities.
- All employees undergo IT and information security awareness training on at least an annual basis.
- Our multi-year project to upgrade our internal systems used by our customer and consumer support teams remains a priority.
- We use the NIST 2.0 Cyber Security Framework to manage and control cyber and technology risks. Our cyber security framework includes control activities such as firewalls to prevent external access, multi-factor authentication, conditional access, third-party application security, regular application penetration testing, and data minimisation and retention policies.

## 6. Employees


 Increasing

## RISK AND POTENTIAL IMPACT

To enable us to achieve our strategic objectives it is important that we continue to attract, retain and motivate a highly skilled workforce, including those with specialist skillsets in data and technology. Delivery of our strategy is also dependent on us maintaining a diverse, inclusive and representative workforce, a supportive, collaborative culture, and a safe environment, all of which will enable optimum performance from all our employees.

## KEY CHANGES AND OUTLOOK

- In January 2026, we moved to a new, state-of-the-art office in Manchester. This increased capacity and provided improved facilities, enabling better collaboration and productivity.
- Political and societal polarisation continues to be a threat, and this has the potential to affect our employees and affect our culture and morale.
- From a culture and morale perspective, the second half of the year has been difficult for our employees. Factors include some restructuring during FY26; the recent fall in our share price; and negative sentiment from retailers in response to the scaling of Deal Builder, all causing some uncertainty and unease.
- These factors have been reflected in our current measure of employee engagement, which saw a decline from 91% to 72%.
- We commenced 'listening' sessions within the business aimed at increasing engagement.
- We are reviewing and refreshing our policies and processes to comply with the Employment Rights Act.

## HOW WE MANAGE THE RISK

- A values-led culture is embedded throughout the organisation and is central to our recruitment, induction, training and development processes.
- Well-embedded policies covering all areas of employee risk to ensure that employee cases are handled in a compliant manner, including disciplinary, grievance and capability.
- Active succession planning and career development for key roles and senior executives. These are coupled with long-term incentive plans for senior staff, including incentives linked to diversity, inclusion and sustainability.
- Regular business updates, networks, guilds and all-employee conferences to maintain engagement.
- Career development plans aimed at developing all employees, especially those with ambitions to reach senior leadership. Talent development is part of the Terms of Reference of the Nomination Committee.
- Diverse Talent Accelerator and Inclusive Leadership programmes equip our employees, people leaders and future leaders with the skills to lead diverse teams.
- Monitoring how Connected Working affects engagement, inclusion, employee safety and productivity. Any overseas working must be approved by People Operations to ensure the safety of our employees, security of our systems and compliance with all relevant laws and regulations.

## OUR STRATEGIC PRIORITIES

-  Marketplace
-  Platform
-  Digital retailing
-  Working responsibly

## Principal risks and uncertainties continued

## OUR STRATEGIC PRIORITIES



## 7. Brand and reputation

— Unchanged    

## RISK AND POTENTIAL IMPACT

Our brand is one of our biggest assets. Our research shows that we are the largest and most trusted automotive classified brand in the UK. Failure to maintain and protect our brand and/or negative publicity affecting our reputation could diminish the confidence that retailers, consumers and advertisers have in our products and services. This could result in a reduction in audience and revenue.

## KEY CHANGES AND OUTLOOK

- We launched our new marketing campaign, 'It's Time for Autotrader', which was designed to target the 25-34 year-old demographic. We estimate that this campaign will reach 96% of this demographic in the UK.
- Our Customer Security team has continued to work proactively to block unscrupulous and potentially fraudulent activity on our website. The level of fraud remains low and our Trustpilot rating remains high at 4.7 out of 5.
- We are founding members of the Vehicle Safe Trading Advisory Group ('VSTAG') and this group will celebrate its 20th year in the coming year. We work with players in the industry to collectively fight against unscrupulous behaviours. We also work closely with law enforcement to help them to prevent and investigate potentially criminal behaviour.
- We continue to seek ways to use AI to prevent and detect potential frauds and scams, and this will evolve in the coming years as models become more sophisticated.

## HOW WE MANAGE THE RISK

- We invest in new and innovative marketing campaigns and new ways of engaging car buyers to continue to maintain brand awareness, and to change perceptions of Autotrader to be a destination for new cars as well as used.
- We have a clear and open culture with a focus on trust and transparency and Community is at the heart of our values.
- We proactively monitor our website to identify and quickly remove fraudulent or misleading adverts. Customer Security also works proactively with retailers, law enforcement and authorities, and the wider industry to highlight potential security concerns.
- Our approach to cyber security and data protection helps to protect us from the adverse impact of a significant data breach or cyber-attack. We also have mature breach reporting and crisis management programmes that enable us to identify, escalate and appropriately handle any emerging issues that could result in reputational damage.

## 8. Failure to innovate continuously and responsibly

— Unchanged    

## RISK AND POTENTIAL IMPACT

The automotive industry is changing. Should we fail to innovate our business and product offerings, we could lose relevance with our key stakeholders, including consumers and customers. It is crucial that we develop and implement new products, services and technologies safely and responsibly, and adapt to changing consumer behaviour towards car buying and ownership. Failure to provide both customers and consumers with the best possible products and online journey, including an online buying experience, could lead to reduced website traffic and loss of revenue.

## KEY CHANGES AND OUTLOOK

- Our roll-out of Deal Builder in the autumn was met with resistance from some retailers. We are evolving our retailer engagement strategy to ensure that our customers have a voice in how we shape our products, which includes Customer Advisory Groups with diverse representation from across our retailer customers.
- We launched Buying Signals which enables retailers to prioritise leads from high-intent buyers.
- We continue to invest heavily in our technology platforms. In FY26 we launched an AI platform which enables us to quickly productonise AI products.

## HOW WE MANAGE THE RISK

- Continuous research into changing consumer behaviour, regular horizon scanning of competitive threats, monitoring of emerging trends and use of external resources when needed.
- Recently introduced Customer Advisory Groups to capture retailer feedback supplement our existing forums which include the Manufacturers Forum and the CEO Forum.
- We engage and maintain regular contact with digital marketplaces around the world, both automotive and non-automotive, to enable peer-to-peer sharing of good practice.
- We continuously work collaboratively with all key stakeholders to ensure that we are aware of their needs and challenges. Doing so helps us to identify the best possible solutions for them.
- An inclusive and diverse workforce enables us to maximise creativity and performance, leading to innovation.
- An agile and collaborative culture, as well as continuous investment in a technology platform which enables us to develop and release software safely and securely, at pace.
- Dedicated workstreams as part of all our strategic priorities. These workstreams are aimed at developing the best products to meet the needs of the consumer and customer.

## Principal risks and uncertainties continued

## OUR STRATEGIC PRIORITIES



## 9. Climate change



## RISK AND POTENTIAL IMPACT

The automotive industry is a high contributor to emissions, and there is pressure from consumers and the Government for the industry to reduce its environmental impact. Failure to deliver on our environmental commitments could affect our reputation as a responsible business.

The shift from internal combustion engines ('ICE') to electric vehicles ('EVs') could prompt changes to car buyer behaviour. Factors which might inhibit mass consumer adoption of EVs include: the high price of EVs compared to ICE equivalents; potential for improvements in public transport; changing Government policy and reduced incentives such as increasing taxes on EVs; range anxiety; and anxiety over the residual value of EVs.

Changing and more stringent regulatory requirements could increase our cost base. Increased frequency and severity of extreme weather events could lead to heightened costs, including costs associated with heating/air conditioning, insurance and cloud infrastructure. Extreme weather events could also lead to short-term closure of retailer forecourts (for example, due to flooding).

## KEY CHANGES AND OUTLOOK

- Despite discounts aimed at stimulating demand for EVs, price disparity between ICE and EVs has remained a barrier to mass-adoption of EVs. Additional barriers include price inequality between public and private charging, and anxiety around the availability and reliability of public EV charging.
- In the calendar year 2025, EVs made up c.23% of all new car registrations, below the 28% target set by the ZEV mandate. The target for calendar year 2026 increases to 33% and it is likely that manufacturers will again use discounts to stimulate demand.
- We are seeing a pipeline of EVs flowing through to used, and our data indicates that consumer appetite for used EVs is strong.
- Historically, our carbon emissions have been relatively low. However, they 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 attributable to the Group versus prior years.
- We introduced the Responsible Change Forum. This brings senior stakeholders together to shape and oversee our ESG strategy.

## HOW WE MANAGE THE RISK

- We are evolving our marketplace to provide consumers with information about EVs. A cross-functional team is focusing on helping consumers make environmentally friendly vehicle choices.
- We lobby Government and share our data and insights to help guide policy on how to decarbonise the automotive industry.
- As part of our climate commitments, we are focusing not just on our own carbon footprint, but positively supporting the industry to decarbonise. Our partnership with the Carbon Literacy Project provides training and insights to employees and external stakeholders.
- The newly introduced Responsible Change Forum meets regularly and reports to the Corporate Responsibility Committee.
- We evaluate the environmental record and commitments of suppliers within our procurement processes.
- By digitising the automotive retail sector, we provide customers and consumers with purchasing options should extreme weather events lead to short-term retailer forecourt closures.

## 10. Reliance on third parties and partners



## RISK AND POTENTIAL IMPACT

To achieve our strategic objectives, we are reliant on partners to support certain product initiatives, for example having lenders integrated with our Deal Builder journey is a key dependency. We also rely on third parties to support our technology infrastructure, to supply vehicle data and financing, and in the fulfilment of some of our revenue generating products. Consequently, it is important that we manage relationships with, and performance of, key suppliers and strategic partners.

## KEY CHANGES AND OUTLOOK

- Retailers can use Autotrader's systems to access our services and data, whereas others use third-party technology systems that we have integrated with. We continue to work closely with these technology partners to enable our customers to use our platform capabilities.
- Our Vehicle Check product has been successfully rolled out and we are now entirely self-sufficient by sourcing all data directly from source, rather than via intermediary organisations.
- Despite the ongoing geo-political risks over the last year, our supplier-base has remained resilient. We have not experienced any major disruption or downtime arising from suppliers.

## HOW WE MANAGE THE RISK

- Our strategic approach is to build and develop tools and systems ourselves, rather than rely on outsourcing.
- Where possible, we limit reliance on single suppliers to reduce single points of failure.
- We maintain a list of critical suppliers and regularly review our contingency arrangements to ensure we can act quickly in the event of disruption.
- Contracts and service level agreements are in place with suppliers. New relationships go through a robust procurement and legal review process and are subject to regular review.
- We carry out due diligence on our key suppliers and partners at the onset of the relationship and throughout the life of these relationships. This includes financial viability, resilience and alignment with our values and culture.
- We seek to develop strong commercial relationships with our partners and regularly explore ways of working together even more effectively. We monitor the performance of partners and suppliers to ensure continued quality and uptime.

Principal risks and uncertainties continued

## Viability statement

In accordance with the UK Corporate Governance Code 2024 (the 'Code'), the Directors have assessed the Group's prospects and long-term viability over a period significantly longer than 12 months from the approval of these financial statements.

### ASSESSMENT OF PROSPECTS

The Group's overall business model and strategy, as set out on pages 8 to 12, are central to assessing its future prospects. The Group's aim is to continue growing its marketplace, which includes playing a larger role in new car sales and advertising, to surface the power of artificial intelligence ('AI') which will enhance our existing data products, and to move more of the car buying process online.

As such, key factors likely to affect the future development, performance and position of the Group are:

- data and technology: continuous investment is made in developing platform and AI technologies which lead to improvements for consumers, retailers and manufacturers;
- market position: the Group is the UK's largest and most engaged automotive marketplace, with the largest volume of in-market car buyers and the most influential website a consumer visits when purchasing a vehicle; and
- people: continued success and growth are dependent on the ability to attract, retain and motivate a highly skilled and diverse workforce, including those with expertise in data and technology.

The Board has determined that a period of five years to March 2031 is the most appropriate period to provide its viability statement as:

- it allows consideration of the longer-term viability of the Group;
- it being more aligned with the Group's strategic planning process; and
- it reflects reasonable expectations in terms of the reliability and accuracy of operational forecasts.

The Group's prospects are primarily assessed through its strategic planning process. Each year, the Group CEO and CFO lead a review of the ongoing plan with the Autotrader Leadership Team ('ALT'), working closely with relevant functions across the business. The Board is fully involved in this process and considers whether the plan appropriately reflects developments in the external environment, including technological, social and macro-economic trends.

This annual review results in a refreshed set of objectives which underpin our three strategic focus areas and our Environmental, Social and Governance ('ESG') priorities, together with an assessment of the risks that could impact delivery and the annual financial budget. The most recent updates were completed in March 2026, which reflect the Group's current position and outlook for the year ahead. Progress against this plan is monitored monthly by both the ALT and the Board.

Detailed financial forecasts covering the five-year period to March 2031 have been prepared. These consider customer numbers, stock levels, ARPR, revenue, profit, cash flow and key financial ratios, and assess our funding requirements, including ongoing compliance with covenants under the Group's Syndicated Revolving Credit Facility ('Syndicated RCF'). The first year of the forecast is aligned to the Group's 2027 annual budget, with subsequent years prepared in detail and flexed to reflect actual performance in year one.

The key assumptions in the financial forecasts, reflecting the overall strategy, include:

- sustained growth in our marketplace, as we continue to develop our platform and invest in our search experience;
- growth in the use of our data, being the industry standard platform and further embedding our data into the automotive ecosystem, giving buyers and retailers up-to-date insight;
- growth in areas outside of advertising, as we continue to evolve both our products and consumer experience, bringing more of the car buying process online; and
- increase in costs largely through salaries as the Group continues to grow, supporting and developing new products.

These assumptions are reflected in the Group's emerging and principal risks and uncertainties, set out on pages 45 to 50, over which the Directors have conducted a robust assessment. The principal risks summarise the matters that could prevent delivery of the Group's strategy, or threaten its business model, performance, solvency or liquidity, and include several risks that could also impact the Group's ongoing viability.

## Principal risks and uncertainties continued

## ASSESSMENT OF VIABILITY

The Group's strategic and financial planning process provides the Board's best view of the business's future prospects. For the viability assessment, additional scenarios have been modelled linked to a number of the Group's principal risks and uncertainties, as set out on pages 45 to 50, to quantify the potential impact of these risks crystallising over the assessment period. While all principal risks were considered, only those representing severe but plausible scenarios were modelled in detail. These were:

Scenario modelled	Links to principal risks
<p><b>Scenario 1: Severe macro-economic shock</b></p> <p>Assumed a weakness in UK growth, high inflation, and prolonged period of elevated interest rates, this scenario assesses the impact of a renewed adverse macro-economic shock. The current environment could lead to lower consumer confidence and reduced vehicle demand. A sustained downturn of this nature could materially affect the automotive supply chain and limit the Group's customers' ability to trade profitably, resulting in lower revenue, stock, audience and market share.</p> <p><b>Revenue assumptions:</b> Economic downturn lasting two years and c.30% of retailers cease trading. Underlying average revenue per retailer ('ARPR') decline through a loss of stock as retailers' budgets are constrained, leading to a c.40% decrease in Trade revenue. A c.40% decrease in all other revenue streams and a c.5% decrease in Autorama revenue were assumed due to reduced demand and consumer confidence. Modest recovery was assumed from financial year ended March 2029.</p> <p><b>Cost assumptions:</b> Cost of sales and marketing decreased in line with revenue.</p>	<p><b>Risk 1:</b> Macro risk</p> <p><b>Risk 2:</b> Automotive economy, market and business environment</p>
<p><b>Scenario 2: Cyber attack</b></p> <p>A cyber attack affecting either the Group or a key supplier could lead to data loss and disruption to the Group's systems and infrastructure, resulting in reduced revenue, additional costs of regulatory fines, remediation and reputational damage. This scenario assumes a cyber incident that triggers the maximum General Data Protection Regulation ('GDPR') fine (4% of Group revenue), coupled with significant reputational harm. The resulting loss of confidence in the Group's products and services ultimately leads to a reduction in audience and revenue.</p> <p><b>Revenue assumptions:</b> A severe reduction was modelled through Trade revenue, resulting in an initial c.30% decrease in revenue driven by a shock loss of retailers. A c.30% decrease in all other revenue streams and a c.10% decrease in Autorama revenue were assumed due to loss of consumer and partner confidence in the Group's brand. Group performance assumed to stabilise in financial year ended March 2028 before gradual recovery from financial year ended March 2029 as a result of the work done to restore brand confidence and implement technical fixes.</p> <p><b>Cost assumptions:</b> Cost of sales decreased in line with revenue. Overheads increased due to the regulatory fine for the data breach (maximum fine of 4% assumed), technical fixes, consultancy costs and remediation costs. Marketing spend increased as a percentage of revenue in earlier years to counter reputational damage.</p>	<p><b>Risk 3:</b> Legal and regulatory compliance</p> <p><b>Risk 5:</b> IT systems and cyber security</p> <p><b>Risk 7:</b> Brand and reputation</p> <p><b>Risk 10:</b> Reliance on third parties</p>

Scenario modelled	Links to principal risks
<p><b>Scenario 3: Increased competition</b></p> <p>This scenario assumes a shift in the competitive landscape following the takeover of a competitor by a well-capitalised third party or the entry of a new player. A competitor could develop a superior consumer experience or retailer products, including AI-driven tools that disintermediate the marketplace or route consumers directly to specific vehicles. This could disrupt the Group's market share and change retailer behaviour, limiting revenue growth through fewer retailers and/or lower ARPR due to reduced pricing power and lower demand for prominence products.</p> <p><b>Revenue assumptions:</b> Approximately 10% of retailers are lost in FY27, with underlying ARPR reducing through a loss of stock and pricing power, resulting in a c.25% decrease in Trade revenue over two years. A c.35% decrease in all other revenue streams and a c.10% decrease in Autorama revenue were assumed due to a decline in volumes and margins as a result of increased competition. Gradual recovery was assumed through retailers from financial year ended March 2029 as new products and packages are developed to counter the competitive threat.</p> <p><b>Cost assumptions:</b> Marketing spend increased as a percentage of revenue in a bid to counter competitive threat. Cost of sales decreased in line with revenue.</p>	<p><b>Risk 2:</b> Automotive economy, market and business environment</p> <p><b>Risk 4:</b> Competition</p> <p><b>Risk 8:</b> Failure to innovate continuously and responsibly</p>
<p><b>Scenario 4: Combination of all three scenarios as above</b></p> <p>This is seen as a worst-case scenario, and highly unlikely.</p>	<p>All of those listed in other scenarios</p>

## SYNDICATED REVOLVING CREDIT FACILITY ('SYNDICATED RCF')

The above scenarios consider the bi-annual covenants attached to the Group's Syndicated RCF, ensuring thresholds are met. The scenarios are hypothetical and severe for the purpose of creating outcomes that have the ability to threaten the viability of the Group.

The results of the stress testing demonstrated that due to the Group's significant free cash flow, access to the Syndicated RCF and the Board's ability to adjust the discretionary share buyback programme, it would be able to withstand the impact of any of these scenarios, remain cash generative and meet the obligations of its debt facility.

## VIABILITY STATEMENT

Based on this assessment, the Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities over the five-year period ending March 2031.

## GOING CONCERN

The Directors also considered it appropriate to prepare the financial statements on the going concern basis, as explained in the Basis of preparation paragraph in note 1 to the financial statements.

The Company's Strategic report, set out on pages 1 to 52, was approved by the Board on 21 May 2026 and signed on its behalf by:

**Nathan Coe**  
Chief Executive Officer  
21 May 2026