

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

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

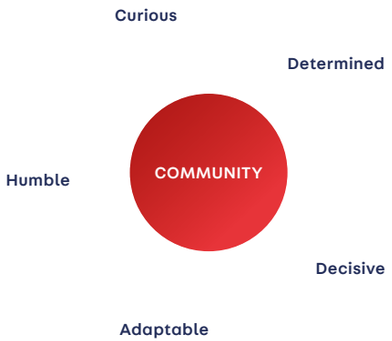
PLATFORM
be the industry's data and technology platform

DIGITAL RETAILING
be the enabler for all retailers to sell online

WORKING RESPONSIBLY
be a responsible business

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 AUTO TRADER **WORKING IN PARTNERSHIP** **WORKING AS OWNERS**



Highlights of the year

We continue to deliver value for customers and embed our role as the UK's leading automotive platform



OPERATIONAL

>75%

of all minutes spent on automotive marketplaces were spent on Auto Trader (2024: >75%)





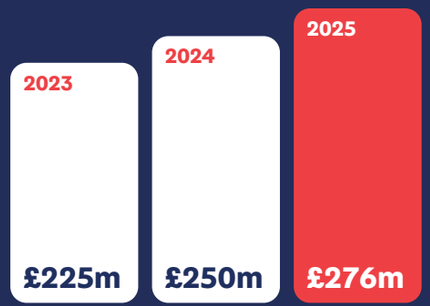
CULTURAL

91%

of employees proud to work at Auto Trader (2024: 97%)

FINANCIAL

>£750m returned to shareholders over the past three years



CULTURAL



6% reduction

in carbon emissions to 93.2k tonnes of CO_2 (2024: 98.9k)

OPERATIONAL

Record numbers of buyers using our platform

81.6m

monthly visits (2024: 77.5m)

557m

monthly minutes (2024: 553m)



Chair's statement



Matt Davies
Chair

"Our customer engagement continues to grow with record numbers of buyers and sellers using Auto Trader and our data and technology are increasingly being used by retailers to power their businesses."

INTRODUCTION

I am pleased to report another set of strong Auto Trader results. Our customer engagement continues to grow with record numbers of buyers and sellers using Auto Trader and our data and technology are increasingly being used by retailers to power their businesses. Nathan sets out in the subsequent report the drivers that we believe will continue to serve us well over the years ahead. The success of Auto Trader is entirely down to the amazing people that we have powering our business forward and we are proud of our focus on diversity, equity and inclusion which in no small part has contributed to the continued success of the organisation.

RESULTS OVERVIEW

2025 has seen another year of operational and financial progress at Auto Trader. The automotive market has remained robust, with transaction volumes and the number of consumers using our marketplace increasing year-on-year. We continue to enhance our product offering, enabling more of the buying journey to be completed online, and have launched 'Co-Driver', our suite of AI powered tools, designed to assist customers in advertising their vehicles more efficiently and effectively. We continue to invest in our people, creating an environment where there is increasing alignment between employees, customers and shareholders. In the core Auto Trader business we achieved record revenues of £564.8m, an increase of 7% on 2024. Group revenue increased 5% to £601.1m (2024: £570.9m) with Autorama revenue contributing £36.3m (2024: £41.2m). Operating profit in the core Auto Trader business was £394.0m (2024: £378.6m), up 4% on last year, with an operating profit margin of 70% (2024: 71%). Autorama saw reduced operating losses of £4.3m (2024: £8.8m). Group operating profit increased by 8% to £376.8m (2024: £348.7m), reflecting the increase in revenue, reduced operating loss in Autorama, and the reduction in Group central costs to £12.9m (2024: £21.1m). Group operating profit margin increased to 63% (2024: 61%). Basic earnings per share increased 12% to 31.66p (2024: 28.15p).

BOARD CHANGES

At our AGM on 19 September 2024, Non-Executive Directors, David Keens and Jill Easterbrook, did not stand for re-election having both served their third three-year term. We are very grateful for David and Jill's contributions as Non-Executive Directors and highly effective Committee Chairs. At the conclusion of the AGM, Geeta Gopalan who joined the Board on 1 May 2024 was appointed as Senior Independent Director and Remuneration Committee Chair, and Amanda James who joined the Board on 1 July 2024 was appointed as Audit Committee Chair.

On 16 May 2025 we announced the appointment of two Independent Non-Executive Directors, Megan Quinn and Adam Jay, who will join the Board with effect from 1 July 2025. Megan and Adam will also join the Audit, Remuneration, Corporate Responsibility and Nomination Committees. These appointments follow a comprehensive search process using an external search firm, led by the Nomination Committee, and are part of the Board's long-term succession planning.

We also announced that Jeni Mundy, who has come to the end of her third three-year term, and Sigga Sigurdardottir who will come to the end of her second three-year term in 2025, will not stand for re-election at the 2025 AGM. We thank Jeni and Sigga for their important contributions to Auto Trader during their time on the Board.

CAPITAL STRUCTURE AND DIVIDENDS

The Directors are recommending a final dividend of 7.1 pence per share. Subject to shareholders' approval at the AGM on 18 September 2025, the final dividend will be paid on 26 September 2025 to shareholders on the register of members at the close of business on 29 August 2025. The total dividend for the year is therefore 10.6 pence per share (2024: 9.6 pence per share).

The Group's long-term capital allocation policy remains consistent, focusing on investing in the business to support growth while returning approximately one third of net income to shareholders through dividends. Any surplus cash following these activities will be used to continue our share buyback programme.

ANNUAL GENERAL MEETING

The AGM will be held in our Manchester office on 18 September 2025 at 11am.

Matt Davies
Chair
29 May 2025



Nathan Coe
Chief Executive Officer

AUTO TRADER'S ROADMAP PODCAST
'Life as a CEO of a tech company'

"We remain confident in the outlook for the business given our strong market position, the value we deliver for customers, and unique data and technology capabilities."

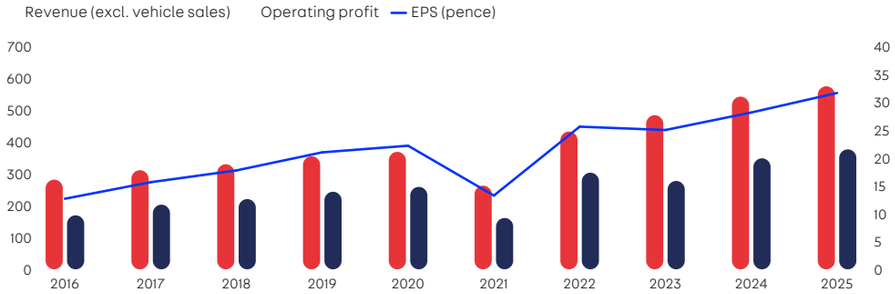
STRATEGIC AND OPERATIONAL REVIEW

We are now a full 10 years post our IPO in March 2015. In keeping with our approach last year, we want to position our short-term results in the context of the long-term Auto Trader investment case. One of the strengths of the Auto Trader business over its 48-year history has been its consistent performance and growth through changing market and economic conditions. That is not to say that Auto Trader always grows at the same rate, but we have consistently expanded revenues, profits and our market position over time. Whilst Auto Trader is always evolving, the investment case has not fundamentally changed over this 10-year period.

Our position connecting buyers and sellers in the UK automotive market has also grown over a long period of time. We have maintained this position through an obsessive focus on the car buying experience, the delivery of new products to retailers and by staying ahead of evolving competitive dynamics. Our consistent strategy has focused on our core strengths which continue to deepen the value we add to the UK automotive market. There remains a big opportunity to create additional value from both existing and new customers that builds on our strengths and assets. This will deliver high incremental returns on the capital our shareholders entrust us with. We accept this is one of many possible strategies, but we believe based on our capabilities and advantages, it represents the best choice to create value for all our stakeholders.

Since Auto Trader's IPO the business has delivered consistently. The early years post IPO were characterised by steady revenue growth and more dramatic margin expansion as we simplified the business to focus on our core proposition and becoming a business that develops and scales through technology. Since that time our performance has seen higher revenue growth driven by the core business, with margins still expanding. This has been delivered through increased investment in the core platform and close-adjacent opportunities.

Group revenue, operating profit and earnings per share (£m)



We have a high velocity software development cycle and lean operating structure, the costs of which are mostly expensed as incurred through the income statement. This means our profits are post the required investment in the business. We have consistently distributed these profits through a combination of dividends and share buybacks, which we intend to continue. This has led to earnings per share growing at a faster rate than both revenue and operating profit. Since IPO, £1.4bn of surplus cash has been returned to shareholders (net of the equity raise during COVID-19) and we have delivered total shareholder returns of 221% versus 77% for the FTSE 350 (excluding investment trusts) since IPO to the end of March 2025. We have a high degree of confidence that over a longer time horizon we will continue to grow through continued focus on the drivers of value that have served us well so far. These include: a growing automotive market and profit pool; our market-leading position; our heritage of innovation; a focused and consistent strategy; and our purpose and culture.

1. A GROWING AUTOMOTIVE MARKET AND PROFIT POOL

The size of the UK car parc has grown on average by just over 300,000 (or 1%) cars per year for the past 20 years, to now total over 36 million. The COVID-19 pandemic broke this consistent trend, as new car production fell to levels below even those of the Global Financial Crisis of 2008-09. From time to time there will be these anomalies, but over the long term we expect the UK car parc to continue to grow. This is driven by GDP growth, population growth and stable trends in car ownership, supported by the continued requirement for car owners to have exclusive access to a vehicle. With a relatively consistent vehicle change cycle in the UK, typically between three and four years, this growth in the car parc translates into growing used car transaction volumes.

We also expect the value of both new and used cars to continue to increase over time. At the beginning of 2011, the average price of a used car advertised on Auto Trader was £9,000, today it is over £17,000, an average of over 4% growth per year. While part of that increase is due to vehicle mix, the majority is due to inflation, improved functionality, longer useful lives and the move towards more expensive electric vehicles. Based on a sample of customer accounts, over the past 10 years gross percentage margins have remained relatively consistent, between 9 and 11%, meaning higher vehicle prices typically translate through to higher absolute gross profits. In combination with growing transaction volumes, this has seen the gross profit pool increase over the past 10 years. As a result, we have been able to grow revenues without meaningfully increasing our take-rate.

CEO's statement continued

Today, our business model is largely linked to the number of used vehicles available for sale in the UK at any one time. This number is determined by new vehicle sales in preceding years less scrappage and means that vehicle supply operates somewhat independently of economic conditions, which limits the cyclicality of our business model. New car sales tend to be more cyclical or exposed to other macro-level events, such as the global pandemic in 2020. However, these events typically have a more muted impact on used car sales due to the relative size of the two markets (annual new car sales of around 2 million versus used car sales of 7.5-8 million). When economic conditions do change, it is used vehicle prices that can be the balancing factor given the relatively fixed used car supply. When consumer demand softens significantly, prices typically reduce which impacts the profitability of our customers and can flow through to greater cost consciousness and retailer closures. We still grow, however not necessarily at the same rate as when trading conditions are more favourable for retailers.

While not a material driver of revenue, the number of retailer forecourts is still an important metric for us. Overall, the market is highly fragmented, and we do not expect this to change. Within the UK, we have seen continued growth in retailer forecourts for the past seven years. Looking forward, we expect the very largest retailer groups to get bigger, but these account for a relatively small amount of revenue (our top 10 customers represent less than 7% of Group revenue). Overall retailer numbers for last year averaged 14,013 which is significantly higher than the 13,452 at the time of our IPO. This is despite a reduction of c.550 retailers when we sold our business in the Republic of Ireland.

All these factors combine to provide an underlying market that is resilient and likely to grow in both volume and value over the long term.

2. OUR MARKET-LEADING POSITION

As the automotive market increasingly embraces technology, data and digital sales channels, we are uniquely placed to help. At IPO (financial year 2015) Auto Trader had visits of 40.3 million per month, which has grown to 81.6 million in the current year. We account for over 75% of all minutes spent on automotive classified sites and remain 10x larger than our nearest classified competitor. Almost half of our traffic comes via our app, which has been downloaded 22 million times and our prompted brand awareness with UK consumers is over 80%; both are key components of our competitive moat. The level of consumer engagement continues to grow, as measured by the number of minutes spent on site, which was up 1% year-on-year. Over the last financial year we saw 67 billion vehicle search appearances, 3.5 billion views of an advert and 15 million enquiries submitted to retailers. We also saw 21 million valuations requested by consumers and 23 million engagements with our finance calculator, showing the important role the online buying journey plays in helping consumers arrive at the forecourt ready to buy.

Beyond car buyers, retailers are increasingly using our data, tools and services to power their businesses. Our Retailer Portal system saw over 1.8 million logins per month over the last year and our API technology services, which supply data, stock management and now AI-enabled vehicle descriptions and smart image sorting and tagging, were called 91 million times per month (2024: 86 million). This demonstrates how our data, tools and services are becoming increasingly embedded within our customers' systems, operations and decision-making, extending our reach and influence beyond just classified advertising and marketing.

3. OUR HERITAGE OF INNOVATION

As a result of our trusted position and brand heritage, Auto Trader has been the destination for car buyers to navigate their car buying journey for many years. From initially operating as a magazine to the technology business we are today, we have continuously evolved our consumer experience to provide more confidence, comparability and consistency for buyers. On Auto Trader, buyers can benefit from enriched data about the specification and performance of the car, check the history of the vehicle and whether it has outstanding finance, seamlessly use artificial intelligence ('AI') to get a market value for the car they're buying or selling, consider retailer reviews, apply for finance and reserve cars online.

This year we have extended our proposition for car buyers again, with the largest redesign of our desktop search experience in a decade. We have moved our search results to a grid view, enabling buyers to see an increased number of cars with larger images. Our search filters have been redesigned, and we have introduced continuous scrolling, making it easier to access all the choice available on Auto Trader. The coverage of Deal Builder has increased to c.84,000 vehicles at year end, where consumers can secure a part-exchange valuation, complete a finance application and reserve the vehicle all on Auto Trader. We rolled out dark mode to our Apple and Android apps, which account for almost half of consumer activity and engagement on Auto Trader. Finally, we have launched our Co-Driver product, delivering one of the most material improvements to our search experience in years by improving descriptions and imagery and calling out the unique aspects of each individual vehicle.

Co-Driver is an umbrella brand for a range of AI-enabled products that we plan to launch in the years ahead, as we look to make our data, technology and services available to every retailer regardless of their size or technical capability. We believe we have a significant advantage in our platform products, as the output of any AI application will only ever be as good as the data upon which it is based. We have the most complete and comprehensive vehicle dataset in the UK, along with a vast and unique dataset of observations on the behaviour of car buyers and retailers on our platform. Our goal with the first wave of Co-Driver products is to significantly improve the quality of adverts, whilst reducing the amount of time it takes for retailers to advertise their vehicles. The first three products include Smart Image Management, AI Generated Descriptions and Vehicle Highlights, all of which assist retailers in getting an advert live quickly and accurately and in delivering consistency and transparency for car buyers. Smart Image Management means retailers just need to upload their images and using AI we will tag and categorise the images, order them and highlight any that are missing. This process utilises the huge amount of consumer data we have to optimise the image order, to maximise engagement with that retailer's vehicle. AI Generated Descriptions leverage everything we know about a specific vehicle, the vehicles it is competing with and what buyers of the vehicle are most interested in. This replaces the time-consuming process of working out the spec of a vehicle, determining what matters most to car buyers and the manual writing of the description by retailers. Finally, Vehicle Highlights calls out the top three most distinctive features about a specific vehicle on the advert. This could include fuel economy relative to similar vehicles, the number of owners, low mileage, cheaper insurance, or any other aspect that is meaningful to buyers of those types of vehicles.

We will continue to improve and build on these products; to improve the consumer experience and strengthen the partnership we have with customers by increasing their use of our data, tools and technology services. This innovation is delivered through our well-invested technology platform, built in-house by Auto Trader engineers who have many years of experience enabling products and services for our customers. Our high velocity approach to software development means we typically deliver product value incrementally which reduces risk and enables us to maintain agility. This year we delivered 89,000 software releases (2024: 65,000).

CEO's statement continued

4. A FOCUSED AND CONSISTENT STRATEGY

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 data and services into the systems and processes used by both our retailer partners and car buyers. These will be covered in more detail in Catherine's update on our strategic progress.

5. OUR PURPOSE AND CULTURE

Our purpose is Driving Change Together. Responsibly, which describes why we exist, what we are looking to do and how we are looking to achieve it. Culture for us is as tangible and important to our performance as our strategy, competitive position and product development pipeline. We aim to be purpose driven, principled, and values led. Whilst it lacks precision, our culture is often described internally as 'doing the right thing', represented by 'Responsibly' in our purpose. Specifically, we are looking for balance. Balance between short and long term performance, and balance between value creation for customers, our people, shareholders and the industry and communities within which we work.

'Together' is also an important part of our purpose. We refer internally to being 'One' Auto Trader. This refers to working as a single team, not in silos, with trust and collaboration over hierarchy and bureaucracy. To progress any initiative, our people must talk, be aligned with our priorities, listen to each other, and collaborate authentically. 'Together' also talks to the partnership we aim for with our customers, retailers, manufacturers, leasing companies, finance companies and other players in the automotive ecosystem. We bring a lot more to our customers than just the advertising we sell. With our data, brand, people and technology we can help our customers achieve their business goals, which makes them much more likely to understand and use our products, advice, insight and services. Finally, 'Together' is an ownership mindset amongst our people which strongly reinforces the two points above. We have now awarded two One Auto Trader all-employee share schemes that provide employees with an extra 10% of their salary in shares each year, vesting over a three-year period. This builds on an already strong ownership culture, aligns our people with our shareholders and can be accommodated within our long-term Auto Trader margin target.

There has been much in the press recently regarding diversity, equity and inclusion ('DE&I'). At Auto Trader, we have been quietly working for many years to create a talent strategy that is inclusive and diverse, where any talented person can be successful. We started on that journey, and will continue, because it has proven to be an important contributor to the success of our organisation. 91% of people are proud to work at Auto Trader (March 2024: 97%). Our employee driven networks support women, ethnicity, LGBT+, wellbeing, early careers, disability and neurodiversity, social mobility and family. They have continued their impressive work and have supported many colleagues during the period.

At the end of March 2025, women represented 44% of our organisation (March 2024: 44%) and 43% (March 2024: 42%) of leadership roles as defined by the FTSE Women Leaders Review. We are committed to increasing the percentage of ethnically diverse employees, who currently represent 19% of our organisation (March 2024: 17%), with 7% of employees not disclosing their ethnicity. The percentage of ethnically diverse employees in leadership increased to 10% (March 2024: 6%), although we also increased our Leadership Team which impacted this number. Following the AGM, our Board comprises six women and three 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 6% lower at c.93.2k tonnes of CO_2 across Scopes 1, 2 and 3 (2024: 98.9k tonnes). The majority of our emissions are Scope 3, predominantly attributable to our suppliers and emissions relating to the small number of vehicles sold by Autorama that pass through their balance sheet. Emissions relating to Auto Trader total 9.9k tonnes and 83.3k tonnes are attributable to Autorama (2024: Auto Trader 14.2k and Autorama 84.7k).

OUTLOOK

Our April 2025 pricing and product event has gone well.

Retailer revenue growth in the second half of last year was 5% which was constrained by the acceleration in speed of sale. This has continued into the new financial year, however we expect retailer revenue growth to improve to between 5 and 7% for FY26 for the following reasons:

- Speed of sale has natural constraints. The acceleration seen last financial year was largely driven by a fall in used car prices which have steadily increased throughout the second half of the year as retailers have sought more normalised margins.
- Our pricing and product event has delivered approximately 6% growth in retailer revenue. Assuming consistent retailer forecourts, we expect this to grow the price lever within ARPR by £90-100 and contribute £70-80 to the product lever.
- We have responded to market dynamics with offers to stimulate stock and continue to support retailer margins with our prominence products. In H2 FY25, the stock lever was minus £54, in April 2025 it was minus £42. We expect stock to continue to improve through the year but still be marginally down for FY26. However, any marginal decline in the stock lever should be offset by similar amounts in product lever contribution from additional prominence products.
- Due to the comparative periods, growth will be stronger in the second half which we expect will benefit the start of FY27.

We expect broadly consistent revenues in Consumer Services and Manufacturer & Agency, which account for 9% of Group revenue. Autorama losses are expected to reduce in line with current market expectations, with growth in commission & ancillary revenue on a relatively consistent cost base. Vehicle & accessory sales which has no impact on profit is likely to be c.£20m.

We expect to maintain current levels of Auto Trader operating profit margins, whilst Group operating profit margins will increase as a result of reduced Autorama losses.

Nathan Coe
Chief Executive Officer
29 May 2025

Market overview

A resilient market growing in both volume and value over the past 20 years, which we expect to continue into the future

UK CAR PARC

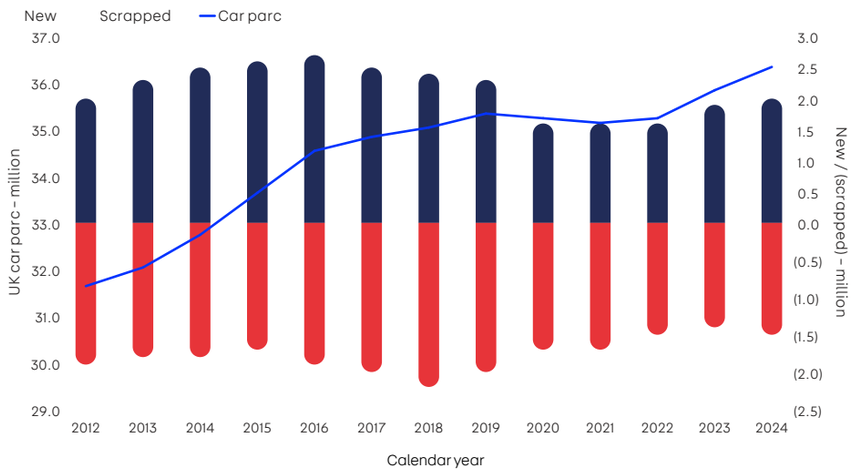
The size of the UK car parc has grown on average by just over 300,000 (or 1%) cars per year for the past 20 years, to now total over 36 million. The COVID-19 pandemic broke this consistent trend, as new car production fell to levels below even those of the Global Financial Crisis of 2008-09. From time to time there will be these anomalies, but over the long term we expect the UK car parc to continue to grow. This is driven by GDP growth, population growth and stable trends in car ownership, which is supported by feedback from car owners that they value exclusive access to a vehicle more than ever. With a relatively consistent vehicle change cycle in the UK, typically between three and four years, this growth in the car parc, supports used car transaction volumes.

LONG-TERM PRICES

We also expect the value of both new and used cars to continue to increase over time. At the beginning of 2011, the average price of a used car advertised on Auto Trader was £9,000, today it is over £17,000, an average of over 4% growth per year. While part of that increase is due to vehicle mix, the majority is due to inflation, improved functionality, longer useful lives and the move towards more expensive electric vehicles. Based on a sample of customer accounts, over the past 10 years gross percentage margins have remained relatively consistent, between 9% and 11%, meaning higher vehicle prices translate through to higher absolute gross profits. This, in combination with growing transaction volumes, has seen the gross profit pool increase over the past 10 years.

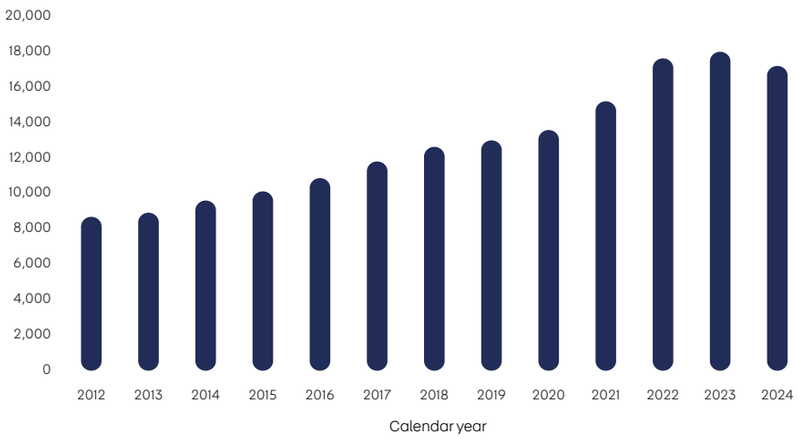
As a result, we have been able to grow revenues without meaningfully increasing our take-rate over the same period.

UK car parc



Average used vehicle price

(£)



Market overview continued

With the UK car parc turning relatively consistently, used car transactions are well supported, increasing 4% year-on-year as new car registrations continue to recover

NEW CAR REGISTRATIONS

Over the past 12 months the new car market has grown 2% to just under two million registrations. The retail channel has remained under pressure, seeing a 4% year-on-year decline, with lower registration volumes than in our financial year 2009, after the Global Financial Crisis. This decline was more than offset by growth in the fleet segment, which accounted for nearly 60% of all registrations. The share of battery electric vehicles as a percentage of total car sales increased to 21%.

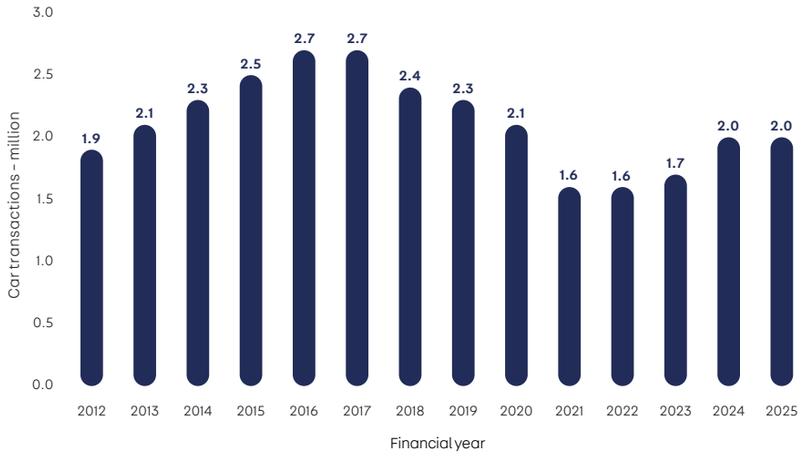
It is not yet clear how global tariffs are likely to impact the UK car market. It is possible that due to a lack of retaliatory tariffs the UK market looks relatively attractive for foreign vehicle exports. In addition, vehicles produced in the UK may be more likely to be sold in the UK, both of which could support new car volumes going forward. Offsetting this impact is the possibility that wide-ranging tariffs on vehicle components increase the price of new cars, which would push car buyers towards used car alternatives and put downward pressure on new car volumes. This would support near-term used car prices, however as we saw in 2020/2021, lower new car volumes today create used car supply challenges in the future. The government has also announced plans to soften the Zero Emission Vehicle ('ZEV') mandate, which should support overall registration volumes over the next two to three years.

USED CAR TRANSACTIONS

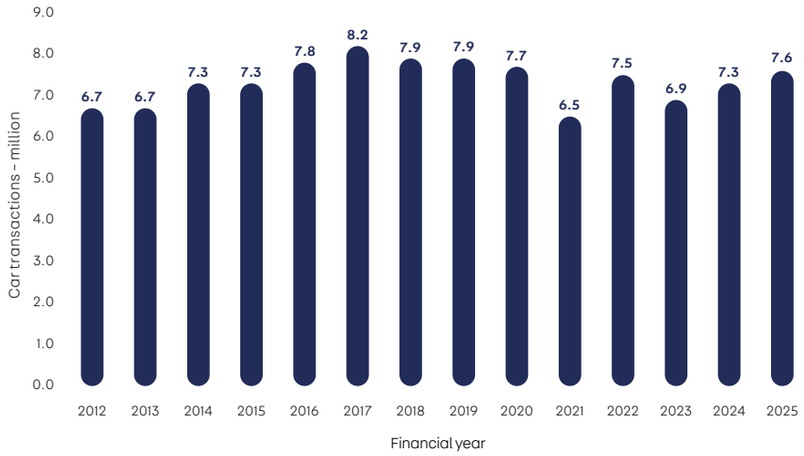
The used car market has continued to recover from the lows of COVID-19 throughout this financial year, which we expect to continue. Demand remains strong, with cars continuing to sell faster than before the pandemic as explained on the next page. Used car supply has gradually improved and both trade and retail prices have been broadly stable throughout this year, following declines last year. There were 7.6 million used car transactions in the 12 months to March 2025, up 4% year-on-year (2024: 7.3 million). Supply has gradually improved through the year as new car registrations have grown through the fleet channel, which has in turn increased the availability of ex-fleet stock for franchise and independent customers. The growth in used car transactions is larger than our increase in live car stock on site as the speed at which cars have been sold has continued to be quicker.

Whilst supply at a market level has gradually improved, we have seen the impact of the 3 million new cars not sold during the pandemic flowing through the parc, shifting from 1-3-year-old cars to the 3-5-year-old segment of the market. In 2019 there were circa 4.8 million 3-5-year-old cars in the parc; by the end of this year, it falls to just 2.9 million, making it the lowest level on record.

New car registrations



Used car transactions



Market overview continued

We continue to see strong levels of demand for used cars, with a record number of cross platform visits and minutes spent on Auto Trader

DEMAND

Despite the political instability of a general election at the start of the year and a challenging economic backdrop, used car demand remained extremely resilient throughout the year, building on two previous years of growth. Over 75% of all minutes spent on automotive marketplaces were spent on Auto Trader (2024: over 75%) and we saw record numbers of both visits and minutes on our platform. Cross platform visits were up 5% to 81.6 million per month (2024: 77.5 million) and cross platform minutes increased 1% to 557 million per month (2024: 553 million).

DAYS TO SELL

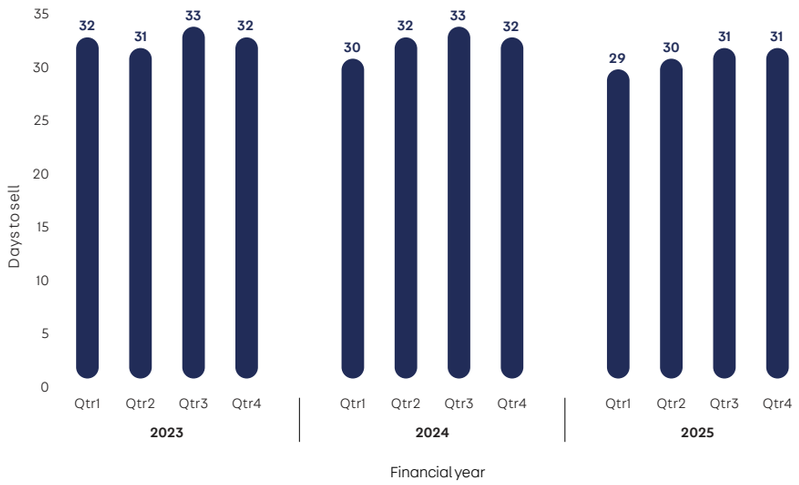
As mentioned, this year we saw a gradual rise in used car supply relative to last year, which was met with increasing levels of used car demand, resulting in used car transaction growth of 4% year-on-year. We believe this set of market dynamics could have supported higher used car prices, however pricing remained broadly stable which led to a further increase in the speed with which cars were sold. This combination of high demand and supply being restricted in the 3-5-year-old cohort has led to cars selling at a faster rate than any time in our recent history.

↑

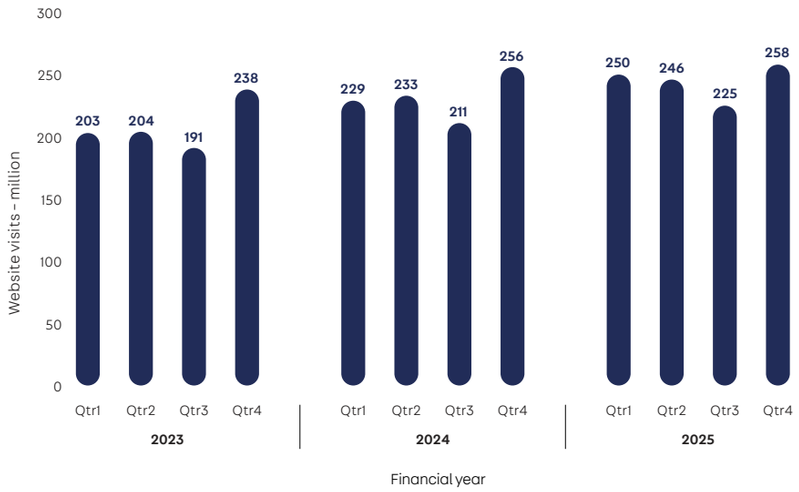
81.6m

visits per month over the year (2024: 77.5m)

Average days to sell



Visits



Market overview continued

Key trends within the automotive market

1 Online buying journey

As choices have become more complex, the demand for an omnichannel journey, that blends digital convenience and transparency with the in-person experience that only a retailer can offer, is accelerating. A 'digital first' mindset and the right online presence is also influencing footfall – although some consumers contact a retailer before visiting, the majority still just walk in, looking to speak to someone before finalising their purchase. Our research shows that two thirds of walk-ins don't feel the need to make contact first, having already researched the car and retailer online.

We're committed to bringing more of the car buying journey online through our digital retailing solutions. Our main focus has been in developing our Deal Builder product for used cars, which enables our partners to offer a seamless online buying journey from their Auto Trader adverts. By the end of this financial year, there were c.2,000 retailers and c.84,000 vehicles live with the product available.

Over the past year, retailers have consistently seen more than double the sales conversion rate of deals versus traditional enquiries, as well as a significant reduction in haggling and time spent on admin, which freed-up front-line colleagues to focus on driving even more sales. It enables consumers to engage with retailers when and how it best suits them, with almost half of deals being submitted out of hours, meaning retailers would arrive at work with enquiries in their inbox. Although the initial point of contact can now happen at any time, most drivers still want to test drive before completing the deal, signalling that a mix of both digital and physical is still essential.

STAKEHOLDER PERSPECTIVE

"Deal Builder means that we are open 24 hours a day... last week we came in and had three deals waiting for us which had been submitted overnight. We're not having to deal with the back and forth."

Paul Bainton
Managing Director, G5 Cars

2 EV transition

2024 was the year of 'peak petrol', which means from now on the volume of petrol cars on the UK's roads will fall. It was also a record year for electric sales as the share of new car registrations hit 21% with volume exceeding 400,000. However, progress came at a cost in the shape of heavy discounting whilst the fleet sector accounted for three out of four EVs registered. The shift to electric is fuelling increased competition in the market, with over 62 brands expected to be in the UK market by the end of calendar year 2025, up from 45 in 2019. At a time when the industry is working hard to encourage more people to make the switch, this year will see the introduction of the Electric Car Supplement, potentially pushing brand-new EVs even further out of reach for many car buyers. Private buyers wanting to transition to electric are increasingly relying on the used market, drawn by lower resale values, competitive pricing relative to the ICE market and growing consumer choice. Since mid-2023, the used EV market has continued to grow, with consumer demand outpacing supply on retailer forecourts.

Through our unique market data and insights, and our range of products and tools, we continue to support the transition to electric among consumers, as well as all our customer and industry stakeholders, helping them to make more informed buying and selling decisions. Over the last financial year, we have invested significantly in driving consumer awareness, through both our monthly 'EV Giveaway' competition, and our multi-million-pound new car marketing campaign. We're also working closely with Government, ensuring key departments have the most accurate and informed view of the progress being made on the road to electrification.

STAKEHOLDER PERSPECTIVE

"Adapting to the market by stocking electric cars has kept us up to date with consumer demand, and we foresee this electric demand increasing as time goes on."

James McConville
Company Director, Solo Cars

How we create value

At the core of our business model is the UK's largest automotive marketplace

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 relationships with both customers and car buyers, as well as presenting long-term growth opportunities. Auto Trader is continuing to bring more of the car buying journey online, creating an improved buying experience, whilst enabling all its retailer partners to sell vehicles online.

What sets us apart

1 **Solely focused on the UK automotive market**

2 **Most recognised and trusted automotive brand with largest and most engaged car buying audience**

3 **Long-term focus and investment in our technology, platform and data capability**

4 **Driven, principled and values-led culture**

Powering the automotive ecosystem



PLATFORM
High-quality technology platform

DATA
Industry-leading data, insight & taxonomy

Value created for stakeholders

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.

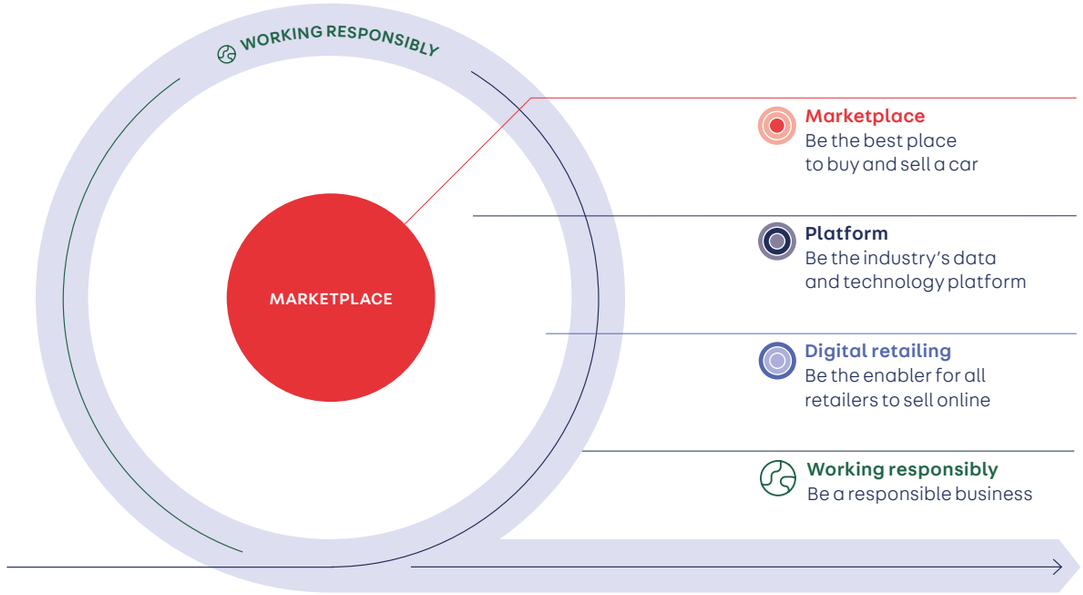
Strategic progress

A focused and consistent strategy



Catherine Faiers
Chief Operating Officer

"We continue to see further adoption of our products, platform and services amongst retailers and other industry players."



Our strategy as set out at our investor day in September 2022 is made up of three strategic focus areas: our marketplace; our platform; and digital retailing. These areas are closely interconnected, as our platform and digital retailing capabilities build on the strengths of our marketplace whilst also strengthening our marketplace through deeper relationships and greater value for customers and car buyers.

Across those strategic focus areas we have working responsibly embedded into everything we do. This inter-relationship is well articulated by our purpose: Driving Change Together. Responsibly. As part of working responsibly we aim to do the right thing for our customers, our car buyers, our people and our shareholders.

Marketplace

KPIs P22 RISKS P62

Our marketplace delivered robust revenue and operating profit growth during the year. Our marketplace business grows reasonably consistently between mid and high single digits. When stock is in tighter supply or when market conditions mean that retailer profitability is particularly challenged, revenue is typically at the lower end of this range. This year we saw a gradual rise in used car supply relative to last year, which was met with increasing levels of used car demand, resulting in used car transaction growth of 4% year-on-year. This set of market dynamics could have supported higher used car prices, however pricing remained broadly stable which led to a further increase in the speed with which cars were sold. This meant we did not see an uptick in live car stock or the stock lever component of average revenue per retailer ('ARPR'), which was negative in the year. This fast speed of sale also impacted the level of product growth with less need for customers to buy our prominence products. Despite this, we have generally managed to retain customers, with 33% of retailer stock on a package above Standard compared to 35% in the prior year, but additional upsell opportunities have been limited. Both of these impacts can be seen in our ARPR growth of 5% year-on-year, where much of the growth was attributable to our annual pricing and product event.

Despite a subdued new car retail market, we have continued to make good progress with our new car products. We ended the year with c.2,200 Franchise customers paying to advertise new cars on the platform (2024: c.2,100). Encouragingly, we had an average of 1.9 million people coming to Auto Trader and viewing a new vehicle on average every month this year, an increase of 28% on the previous year. Importantly, we are maintaining our relevance as the market transitions to electric vehicles ('EVs'), with 21% of our new car stock being EVs. We continue to work with manufacturers that are looking to sell direct to consumers, however we are yet to find a solution that fits with their operating model that is both scalable and effective.

We also offer an end-to-end leasing transaction journey on Auto Trader. This year we continued to focus on integrating leasing offers into the core Auto Trader 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'). This year we delivered 6,268 vehicles, which is lower than the previous year (7,847) due to supply constraints in this channel and our focus on scalable and profitable transactions. Average commission and ancillary revenue per vehicle was £1,627, compared to £1,631 in the prior year. Despite more challenging conditions than we expected at the beginning of the year, operating losses halved from the previous year to £4.3m (2024: £8.8m loss).

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

ASSOCIATED RISKS

- Automotive economy, market and business environment
- Climate change
- Employees
- Reliance on third parties and partners
- IT systems and cyber security
- Failure to innovate: disruptive technologies and changing consumer behaviours
- Legal and regulatory compliance
- Competition
- Brand and reputation

1.8m
people viewing a new vehicle on Auto Trader each month

2%
retailer forecourt growth year-on-year to record level

Significant new car marketing campaign

During the year we launched an extensive new car marketing campaign. We have recently complemented the advertising of Franchise retailers' new car stock, with direct listings from manufacturers and increased new car leasing deals through our acquisition of Autorama. The campaign was aimed at increasing consumer awareness of this broader new car offering now available on Auto Trader. The media investment was across a number of channels including broadcast and digital. We've seen increased engagement with new car content as we've moved through the year, demonstrating the success of the campaign. This marketing has also been supported by our partnership with WhatCar? and our continued EV giveaway. We will continue marketing new cars into the next financial year, with the aim of targeting a younger audience.



Platform

KPIs P22 RISKS P62

We continue to see strong adoption amongst retailers and other industry players of our platform capabilities, data, tools and technology services. Many retailers gain access to these products through our Retailer Portal as their primary stock management system, but for larger or more complex retailers they integrate these services into their own systems. We see high engagement once customers integrate either directly or through their technology partners, as the data and services are embedded into their own systems and processes. We are now integrated with over 120 technology partners and continue to build on these partnerships each month. Making our platform accessible enables our customers to benefit from the multi-year investment we have made in our technology and data platform and our data science capability. Over many years we have improved the quality of our vehicle data, retailer data and consumer data, most of which is proprietary and not available anywhere other than in our own services.

As part of our annual pricing and product event in April 2024, we made the third module of Auto Trader Connect available, providing retailers with Trended Valuations and our enhanced Retail Check product. Combined, this powerful new layer of intelligence helps retailers adapt and respond to daily market changes with quicker and more profitable sourcing, advertising, and pricing decisions. Throughout the last financial year, over 70% of retailers were using our trended valuations product each month. Most data we provide is real-time, which is helpful but is enriched when retailers can see how retail pricing for vehicles has trended in the past and what we forecast it to do in the future. All our metrics draw on the millions of vehicle and consumer observations we have, using machine learning to turn them into accurate and specific metrics for exactly the car a retailer owns or is looking to buy.

We continue to focus on building a robust, scalable automotive finance platform that brings transparency, technology and choice to the industry. We believe this is very valuable to our customers, lenders and Auto Trader, however the work and time taken to establish this is significant. One of the key challenges is the time taken to secure lender agreement and for them to prioritise and undertake the technical work to integrate with our platform. The platform enables a journey up to two-way full real-time finance applications and approval with an e-signature.

HOW WE MEASURE PROGRESS

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

ASSOCIATED RISKS

- Reliance on third parties and partners
- IT systems and cyber security
- Failure to innovate: disruptive technologies and changing consumer behaviours

SCAN TO WATCH VIDEO

91m

API calls per month on average (2024: 86m)

Digital retailing

KPIs P22 RISKS P62

Retailers and their physical stores will continue to play a critical role in the car buying and retailing process for many years to come, as most consumers are not comfortable buying a car entirely online. There is a desire to inspect, test drive and gain support from people throughout the process. However, we do believe the process can be improved by enabling more of the journey to be done online, at a time convenient for car buyers before they visit the forecourt. This also benefits our customers as a large amount of resource is allocated to managing enquiries and processing paperwork that does not ultimately result in a sale and therefore impacts their bottom line. We are in a unique position to connect online journeys, which typically start on Auto Trader, into retailers' systems and processes through our Retailer Portal and API journeys. This is the strategy we have been pursuing to date with our Deal Builder product.

The feedback on the product continues to be positive from both retailers and car buyers, with deals converting twice as effectively as a regular Auto Trader lead and over half of all deals being submitted outside of traditional working hours. At the end of March 2025, we had increased customers using Deal Builder year-on-year by 82% to c.2,000 (2024: c.1,100), which made the product available on c.84,000 vehicles, an increase of over 100% on the same period last year. Deals generated were three times higher at c.49,000 from c.16,000 in the prior year. Over half of the customers at year end were either paying for the product or had been onboarded as 'try before you buy', expecting to roll up to paid after an initial offer period.

Given this progress, and our experience with previous products at Auto Trader, we have decided to accelerate the adoption of Deal Builder by making Deal Builder functionality part of our core advertising proposition. We believe there are significant benefits to this approach:

- We have been onboarding c.500 customers every six months and with this approach we expect to have significantly more customers with the product by the end of this financial year, accelerating customer adoption.
- With significantly more vehicles having a 'deal' journey available, we expect to materially increase the number of deals being submitted on Auto Trader, accelerating the level of buyer engagement on site. We believe this may provide additional functionality that will appeal to the two thirds of buyers that walk into the forecourt without contacting the retailer in advance, resulting in a disconnected and inefficient forecourt journey for both the buyer and the retailer where there is no insight provided on the buyer's online journey.
- We have seen retailers' willingness to pay for Deal Builder, suggesting they value the product. While Deal Builder will no longer be monetised per transaction, we now have the opportunity to bring Deal Builder into our core offering, something we have a long history of successfully achieving. This plays to our strengths of being a subscription business. We continue to see future opportunities to further monetise finance and other ancillary products.
- Having this functionality available on Auto Trader offers further differentiation from current and future competitors. The technical undertaking would require substantial time and resources to replicate.

Since our IPO more of our growth has come from product than price and stock. Our product pipeline is as strong as it has ever been, with opportunities across our advertising marketplace, data and AI, our platform services and Digital Retailing. This combined with the strong foundations we have built with our brand, data, technology, and software development capability gives us confidence in our ability to grow profitably for many years to come.

HOW WE MEASURE PROGRESS

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

ASSOCIATED RISKS

- Reliance on third parties and partners
- IT systems and cyber security
- Failure to innovate: disruptive technologies and changing consumer behaviours
- Legal and regulatory compliance

New car leasing check-out available on Auto Trader

In parallel to Deal Builder, we are working to enable a digital retailing journey for new cars. Throughout the period we have further integrated leasing deals for cars, vans and pickups into the core Auto Trader search experience. Our car leasing tab consolidates all available deals and provides a full checkout journey on Auto Trader. The personal leasing market has been constrained by tight supply, but in time, as fleets 'catch-up' on orders not fulfilled over the past four years we expect supply through this channel to gradually improve.

c.2,000
Deal Builder customers live in March 2025 (March 2024: c.1,100)

c.49,000
deals generated on Deal Builder in 2025 (2024: c.16,000)

VIDEO

Strategic progress continued

Working responsibly

KPIs P22 RISKS P62

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.

The environment

- Minimise our impact on the environment, thereby protecting our business from the impact of climate change.
- Drive change across our own operations and supply chain, and also use our capabilities and voice to influence the automotive and technology industries and Government to support urgent action to tackle the climate crisis.
- Report comprehensively in line with TCFD recommendations.
- Support car buyers to make more environmentally friendly vehicle choices.

Our people & communities

- Build diverse teams and evolve our inclusive culture.
- Maintain high levels of employee engagement, supporting positive health and wellbeing.
- Partner with charities, community groups and industry bodies to make a difference to the communities where we work and live.

Our governance & compliance

- Uphold the values of good corporate governance and risk management and consider the needs of all our stakeholders in our strategic decision-making.
- 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.

HOW WE MEASURE PROGRESS

- See our cultural KPIs and Working responsibly section

ASSOCIATED RISKS

- Climate change
- Employees
- Brand and reputation

Catherine Faiers
COO
29 May 2025



Volunteering

600+

volunteering days taken by our employees to volunteer in the community

Carbon Literacy

5,800+

automotive professionals gain Carbon Literacy with the automotive Carbon Literacy toolkit



Inclusive Top 50 UK Employers

91%

of employees say they're proud to work for Auto Trader

Section 172(1) statement

Considering our stakeholders

The Directors of the Company have acted in the 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 Auto Trader Leadership Team are dedicated to upholding our high standards of business conduct.

A detailed stakeholder framework is applied to all 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).

Section 172 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 impact of electric vehicles.

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, environmental sustainability and maintaining high levels of ethical conduct, trust and transparency.

MARKET OVERVIEW **P08**
HOW WE CREATE VALUE **P12**
WORKING RESPONSIBLY **P29**

Considering the long-term consequences of our decisions
How we create value **P12**
Strategic progress **P13**
Material decisions made **P19**

Considering the interests of our employees
How we create value **P12**
Our stakeholders **P20**
Our people & communities **P51**

The need to foster good relationships with our stakeholders
How we create value **P12**
Our stakeholders **P20**

Considering our impact on the environment and our community
Report of the Corporate Responsibility Committee **P92**
Our ESG strategy **P31**
TCFD disclosures **P93**

Maintaining high standards of conduct
Governance **P73**
How we manage risk **P63**
Our governance & compliance **P58**

Acting fairly between stakeholders
How we create value **P12**
Our stakeholders **P20**

Section 172(1) statement continued

Material decisions taken by the Board

Here are examples of two key decisions taken this financial year, detailing how the Board has had regard to the matters set out in s.172 where the Board discussed, considered and balanced stakeholder interests.

OUR STRATEGIC PRIORITIES

- Marketplace
- Platform
- Digital retailing
- Working responsibly



CONTEXT

The Company has invested in machine learning and AI technology for over 10 years. It is widely documented that AI can drive efficiencies, saving time and money for our customers. This inspired us to develop our first AI-powered 'Co-Driver' tools which streamline the advertising process while maintaining accuracy and relevance through the use of Auto Trader's unrivalled dataset:

1. Smart Image Management: Automates and optimises vehicle image categorisation.
2. AI Generated Descriptions: Instantly crafts vehicle descriptions using extensive data.
3. Vehicle Highlights: Showcases key vehicle features like fuel economy and low mileage.

BOARD CONSIDERATIONS

As with any technology there are risks associated. The use of large language models ('LLMs') in real-time creates an additional requirement to ensure the accuracy and reliability of the output is credible and of value to our customers and consumers. As our use of AI evolves, it will create a new type of risk as AI tools have a 'black box' and we need to be able to explain how these tools work in the event of a challenge.

c.250,000

AI vehicle description generations since launch

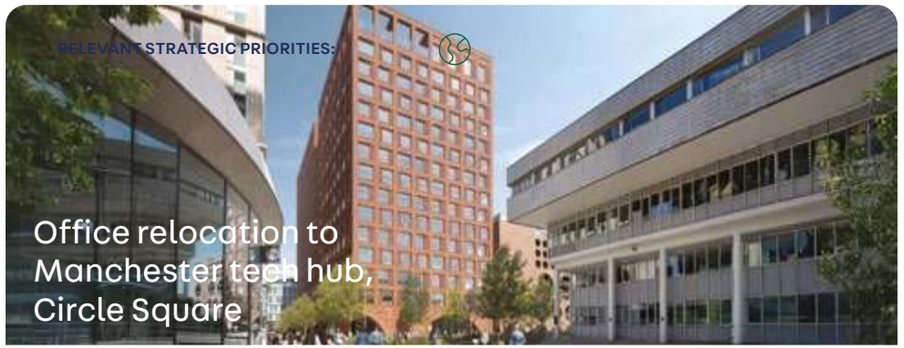
The Board acknowledged the risks of using an LLM but was confident that appropriate mitigations had been put in place, including extensive testing, quality controls and continual learning.

OUTCOME

Given the strength of Auto Trader's data and technology the Board felt the benefits of the tools outweighed the risks involved. In the past year, we launched the three 'Co-Driver' products and made these available to all retailers. These products assist retailers with faster and more accurate advertising, and provide consumers with higher-quality, transparent information to assist them with their buying journey.

RELEVANT STAKEHOLDERS

- Customers
- Our people
- Consumers



CONTEXT

Over the past 18 – 24 months, our Manchester head office has been nearing capacity, because of changes in ways of working and increased requirements for the available office space to meet our employees' needs for both collaborative and focused work. The Board, along with the management team, recognise the importance of a suitable working environment where employees can be at their best and work effectively in a modern, purpose-built tech space.

BOARD CONSIDERATIONS

In making its decision about whether to proceed with the office relocation, the Board considered the effects on employees, along with the impact on the local community and environment.

Given the significant financial commitment associated with a head office move of over 1,000 employees, the Board devoted considerable time to thoroughly review the financial implications on the business alongside the potential for future growth.

1,100+

Auto Trader colleagues will relocate to the new space in early 2026

The Board determined that the benefits of the relocation to a new building, including improved employee engagement, retention and attraction of top talent, a sustainable office building, and a tech-focused estate, justified the move and would strengthen our overall proposition in a competitive market.

OUTCOME

The Board agreed that Circle Square was by far the preferred new office space of all of the options considered; it believed we can build a new home in the best long-term interests of the business that will enable us to continue to attract and retain the very best tech talent for the coming decade.

RELEVANT STAKEHOLDERS

- Our people
- Community & environment

Section 172(1) statement continued

Maintaining stakeholder relationships

Below, we highlight our key stakeholders and explore their importance to us, their priorities, and, most importantly, how our organisation and the Board actively engage with them and respond through meaningful actions.

When engagement doesn't occur directly with the Board, the feedback is communicated to the Board and/or a Board Committee through detailed reports throughout the year, outlining stakeholder views to inform their decisions.

A deeper understanding of our stakeholders and their diverse interests allows us to incorporate the potential impact and long-term consequences of our decisions on each stakeholder group into boardroom discussions. We consulted with all stakeholders during the process of refreshing our materiality assessment to ensure our priorities and the focus of our ESG strategy remains relevant.

MATERIAL ISSUES

- E The environment
- S Our people & communities
- G Our governance & compliance

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 confidence in Auto Trader as a marketplace.

WHAT MATTERS TO OUR CONSUMERS?

- Wide choice of vehicles and choice of ways in which to buy. Hassle free buying and selling process.
- 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.
- Gathering feedback on real world user experience.
- Conducting consumer testing for new 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.

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 Auto Trader 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 Auto Trader through product choice, quality and cost.
- Establishing two-way lasting partnerships.

HOW DO WE ENGAGE WITH OUR CUSTOMERS?

- Conducting retailer sentiment surveys to assess product improvements and value.
- Our Leadership Team participates in a business partnering programme.
- Sales teams, including telesales and field sales, maintain ongoing communication with customers.
- Customers are invited to attend select Board meetings.
- Publishing regular thought leadership and insight-driven reports, such as the Road to 2030 Report.
- Hosting regular forums with CEOs of major and mid-tier retailers, OEMs, car supermarkets and automotive finance companies to share our latest data and insight and gain their input.

WHAT ACTIONS DID WE TAKE?

- Organising timely webinars to support retailers on topics such as the changing landscape of the vehicle marketplace, and the FCA Commissions court case.
- Hosting industry events and masterclasses to share insights and discuss key topics.
- Conducting beta tests for product launches to optimise performance.

MATERIAL ISSUES

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

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 is 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.

HOW DO WE ENGAGE WITH OUR PEOPLE?

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

WHAT ACTIONS DID WE TAKE?

- Inclusive Leadership Programme and Diverse Talent Accelerator, focused on developing diverse talent across the business.
- Ongoing review and refresh of annual employee benefits.
- Benchmarking of salary and benefits in line with the market.
- Continuing with annual Save As You Earn share scheme and One Auto Trader Share Award.
- Financial wellbeing education with external leading specialist.
- Launch of a new People Manager Hub providing a toolkit and resources for managers across the business.

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

Section 172(1) statement continued

MATERIAL ISSUES

- E The environment
- S Our people & communities
- G Our governance & compliance

Partners & suppliers

WHY ARE OUR PARTNERS AND SUPPLIERS IMPORTANT TO US?

We rely on our suppliers and partners for 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.
- Implementing structured procurement processes to onboard new suppliers and regular check-ins for familiarisation, updates and building ongoing relationships.
- Establishing ways of working with new suppliers and partners and providing feedback throughout ongoing projects.
- Fostering an open dialogue for collaborative relationships and creating opportunities for shared learning.

WHAT ACTIONS DID WE TAKE?

- Regularly monitoring and reviewing financial health and operating resilience.
- Reporting on the time taken to pay suppliers within agreed payment terms.
- Applying our Ethical Procurement Policy to take a holistic view based on cultural alignment when selecting which suppliers and partners we want to work with.

MATERIAL ISSUES

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

Community & 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 outcomes.

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 oversee our charitable initiatives, including the Auto Trader Community Fund and our sustainability strategy.
- We support organisations such as Manchester Digital, Forever Manchester and the Automotive 30% Club, as well as local schools and colleges through our STEM ambassador programme.
- We share data and insights with industry bodies and Government departments to shape policies that promote the mass adoption of electric vehicles.

WHAT ACTIONS DID WE TAKE?

- The Corporate Responsibility Committee holds the business accountable for its cultural KPIs.
- Continued Carbon Literacy training for all employees.
- Funding for the first Carbon Literacy® Toolkit for the digital & tech industries in Manchester.
- The Environmental Strategy working group leads our carbon reduction plans and reports in line with the TCFD framework.
- Regular consumer research and user testing to understand what information is most helpful when buying an electric vehicle.
- Charitable donations of £476k.
- 606 volunteering days.
- Auto Trader Community Funds aim to deliver financial support to local community groups. We operate four different funds to support grassroot community organisations.
- Partnered with organisations such as the 10,000 Black Interns and Community Computers.

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 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.
- 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.
- Relevant industry-related data and internally produced market reports shared with analysts.

WHAT ACTIONS DID WE TAKE?

- Continuing with our capital policy and share buyback programme.
- Interim and final dividends paid.
- Extended our debt facility.
- Continuing succession planning to ensure the Board remains independent.
- Maintaining an ongoing commitment to enhancing the transparency and relevance of our information.

MATERIAL ISSUES

- 4 Product innovation
- 12 Digital infrastructure
- 14 Responsible tax strategy and total tax contribution
- 15 Corporate governance
- 16 Ethics and integrity
- 17 Remuneration

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: 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

Revenue

£m



2025 PROGRESS +5%

LINK TO RISKS 1-10

PROGRESS

Group revenue increased 5% year-on-year. Auto Trader revenue increased to £564.8m, up 7% when compared to the prior year. Trade revenue, which comprises revenue from Retailer, Home Trader and other smaller revenue streams, increased by 7% to £509.1m. Autorama revenue was £36.3m, with vehicle and accessory sales contributing £26.1m, and commission and ancillary revenue contributing £10.2m.

Linked to remuneration? **Yes**

Average revenue per retailer[1] ('ARPR') £ per month



2025 PROGRESS +5%

LINK TO RISKS 1-10

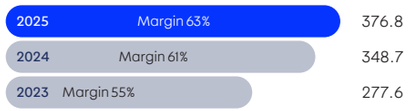
PROGRESS

ARPR grew £133 in the year to £2,854, driven by our product and pricing levers. Our annual product and pricing event saw like-for-like price increases, alongside additional products being included in retailers' packages. Stock was marginally negative in the year.

Linked to remuneration? **No**

Operating profit

£m



2025 PROGRESS +8%

LINK TO RISKS 1-10

PROGRESS

Group operating profit increased by 8% to £376.8m, reflecting the increase in revenue, the £8.2m reduction in Group central costs, and reduced losses of £4.3m in Autorama. Operating profit in the core Auto Trader business was £394.0m, up 4% on last year. Group operating profit margin increased to 63%.

Linked to remuneration? **Yes**

Basic EPS

Pence per share



2025 PROGRESS +12%

LINK TO RISKS 1-10

PROGRESS

Basic EPS increased by 12% year-on-year, 2% more than the increase in net income. We purchased and cancelled 22.5 million shares during the year, resulting in the average number of shares in issue declining 2%.

Linked to remuneration? **Yes**

Cash generated from operations

£m



2025 PROGRESS +5%

LINK TO RISKS 1-10

PROGRESS

Cash generated from operations increased 5%, largely driven by the increases in Group operating profit. £275.7m was returned to shareholders through £187.3m of share buybacks and dividends of £88.4m.

Linked to remuneration? **No**

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 Auto Trader 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

Cross platform visits[1]

Monthly average visits spent across all platforms



2025 PROGRESS
+5%

LINK TO RISKS
2, 4, 7, 8

PROGRESS
Average monthly cross platform visits increased by 5% to 81.6 million per month (2024: 77.5 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[1,2]

Monthly average minutes spent across all platforms



2025 PROGRESS
+1%

LINK TO RISKS
2, 4, 7, 8

PROGRESS
Engagement, measured by total minutes spent onsite, increased by 1% to an average of 557 million per month (2024: 553 million). We account for over 75% of all minutes spent on automotive classified sites and were 10x larger than our nearest classified competitor.

Linked to remuneration? **No**

Number of retailer forecourts[3]

Average number per month



2025 PROGRESS
+2%

LINK TO RISKS
2, 4, 7, 8

PROGRESS
The average number of retailer forecourts advertising on our platform increased 2% to 14,013 (2024: 13,783).

Linked to remuneration? **No**

Number of full-time equivalent employees ('FTEs')[4]

Average number (including contractors)



2025 PROGRESS
+3%

LINK TO RISKS
6

PROGRESS
The continued investment in people to support the growth of the business has resulted in FTEs increasing by 3% year-on-year to 1,267 (2024: 1,233).

Linked to remuneration? **No**

Live car stock[5]

Average number per month



2025 PROGRESS
+1%

LINK TO RISKS
2, 4, 7, 8

PROGRESS
Total live stock on site increased by 1% to an average of 449,000 cars (2024: 445,000). New car stock remained flat at an average of 20,000 (2024: 20,000). Used car live stock increased to 429,000 (2024: 426,000), driven by an increase in the volume of private listings.

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 Auto Trader 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. Number of FTEs is reported internally each calendar month; the full-year number is the average of those 12 periods.
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
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1-10. All principal risks could impact this KPI

Employee engagement[1]

% of employees who are proud to work at Auto Trader



2025 PROGRESS
-6%

LINK TO RISKS
6, 7

PROGRESS
We are pleased that we have been able to maintain high levels of engagement from employees, with 91% (2024: 97%) of employees saying they are proud to work for Auto Trader. Results have dropped due to an usually high measure in 2024 following the announcement of the One Auto Trader share scheme.

Linked to remuneration? **No**

Women as a % of total staff△

% as at March each year



2025 PROGRESS
0%

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 remained at 44% (2024: 44%). We remain committed to improving gender diversity across our organisation.

Linked to remuneration? **Yes**

Women as a % of leadership[3]△

% as at March each year



2025 PROGRESS
+1%

LINK TO RISKS
6, 7

PROGRESS
The percentage of employees who are women in leadership roles increased to 43% (2024: 42%). Of the 111 people in leadership positions who define their gender when asked, 48 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[2]△

% as at March each year



2025 PROGRESS
+2%

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 19% (2024: 17%). Of the 1,194 people who disclose their ethnicity when asked, 246 are ethnically diverse. There were 96 employees (7%) who have not disclosed their ethnicity or opted not to do so.

Linked to remuneration? **Yes**

Ethnically diverse representation as a % of leadership[2,3]△

% as at March each year



2025 PROGRESS
+4%

LINK TO RISKS
6, 7

PROGRESS
The percentage of ethnically diverse employees in leadership roles increased in the year to 10% (2024: 6%). Of the 104 people in leadership positions who define their ethnicity when asked, 11 are ethnically diverse. It is worth noting that in the year we increased the size of our Leadership Team, which has impacted this metric.

Linked to remuneration? **Yes**

Total CO_2 emissions[4]

Tonnes of carbon dioxide equivalent



2025 PROGRESS
-6%

LINK TO RISKS
3, 9, 10

PROGRESS
GHG emissions during the year totalled 93.2k tonnes of CO_2 across Scopes 1, 2 and 3 (March 2024: 98.9k tonnes). Most of our CO_2 emissions are Scope 3, attributable to both our suppliers and the emissions related to the small number of vehicles sold by Autorama that pass through the balance sheet. Emissions relating to Auto Trader totalled 9.9k tonnes, with 83.3k tonnes relating to Autorama.

Linked to remuneration? **Yes**

1. Based on an all-employee survey in April 2025 asking people to rate the statement "I am proud to work for Auto Trader".
2. We include those who have chosen not to specify their ethnicity in the calculation.
3. A leadership position is defined as the Auto Trader Leadership Team ('ALT') and its direct reports excluding those with senior and principal job titles in Product & Tech.
4. The total amount of CO_2 emissions includes Scopes 1, 2 and 3 across all relevant categories.

△ This KPI has been subject to limited assurance – see plc.autotrader.co.uk/esg/policies-reports for a copy of the report and methodology.

Non-financial and sustainability information statement

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

ENVIRONMENTAL	• Environmental Policy	More information on our impact on the environment can be found in the Environment section, pages **33 to 50**, which also sets out our statutory carbon emissions and energy data (page **49**)	• Environmental Strategy working group • Sustainability Network
OUR PEOPLE	• Whistleblowing Policy • Equality & Diversity Policy • Inclusive Recruitment • Disability Confident leader • Health & safety • HR policies including adoption leave, parental leave, flexible working • Gender Pay Gap reports	• Diversity and inclusion: pages **53 to 57** • Section 172(1) statement: pages **18 to 21**	• Stakeholder engagement • Board Engagement Guild • Ethnicity Network • Women's Network • LGBT+ Network • Parents' Network • Disability & Neurodiversity Network • Social Mobility Network • Career Kickstart Network • Wellbeing Guild
SOCIAL AND COMMUNITY	• Ethical Procurement Policy • Customer Charter • Volunteering days • Environmental Policy	• Diversity and inclusion: pages **53 to 57** • The environment: pages **33 to 50**	• Make a Difference Guild • Parents' Network • Disability & Neurodiversity Network • Social Mobility Network • Wellbeing Guild
HUMAN RIGHTS	• Modern Slavery Policy • Data Privacy Policy • Data Retention and Destruction Policy • Data Handling and Data Quality Policy	• Governance & compliance: pages **58 to 61**	–
ANTI-BRIBERY AND ANTI-CORRUPTION	• Anti-bribery, Gifts and Hospitality Policy • Whistleblowing Policy	• Governance & compliance: pages **58 to 61**	–
BUSINESS MODEL	–	• How we create value: page **12**	–
PRINCIPAL RISKS	–	• Principal risks and uncertainties: pages **65 to 72**	–
NON-FINANCIAL KEY PERFORMANCE INDICATORS	–	• Operational and cultural KPIs: pages **22 to 24**	–

Please note, certain Group policies are not published externally.

Financial review



Jamie Warner
Chief Financial Officer

£601m
Group revenue (2024: £571m)

"We have achieved double digit growth in basic earnings per share, demonstrating our consistent approach to capital allocation."

GROUP RESULTS

	2025 £m	2024 £m	Change %
Revenue	**601.1**	570.9	5%
Operating costs	**(227.9)**	(225.0)	(1%)
Share of profit from joint ventures	**3.6**	2.8	29%
Group operating profit	**376.8**	348.7	8%
Group operating profit margin	**63%**	61%	2% pts

Group revenue increased by 5% to £601.1m (2024: £570.9m) driven by Auto Trader revenue which increased by 7% to £564.8m (2024: £529.7m) with Autorama contributing £36.3m (2024: £41.2m). Group operating profit grew by 8% to £376.8m (2024: £348.7m).

Auto Trader operating profit increased by 4% to £394.0m (2024: £378.6m), which included £3.6m share of profit from joint ventures (2024: £2.8m). Autorama had an operating loss of £4.3m (2024: £8.8m).

	2025 £m	2024 £m	Change %
Auto Trader	**394.0**	378.6	4%
Autorama	**(4.3)**	(8.8)	51%
Group central costs – relating to Autorama acquisition	**(12.9)**	(21.1)	39%
Group operating profit	**376.8**	348.7	8%

Group central costs comprise an amortisation charge of £12.9m (2024: £10.0m) relating to the Autorama intangible assets acquired, and, in the prior period, there was an £11.1m charge for the remaining deferred consideration relating to the acquisition of Autorama. The increased amortisation charge is due to the Vanarama brand's useful economic life being reduced to five years from acquisition, following accelerated integration between Auto Trader and Autorama. This change took effect in October 2023. Group central costs are expected to be £13.1m in financial year 2026.

	2025 £m	2024 £m	Change %
Operating profit	**376.8**	348.7	8%
Add back:			
Depreciation & amortisation	**20.7**	18.3	13%
Share of profit from joint ventures	**(3.6)**	(2.8)	29%
Autorama deferred consideration	**–**	11.1	(100%)
Adjusted EBITDA	**393.9**	375.3	5%

Adjusted earnings before interest, taxation, depreciation and amortisation, share of profit from joint ventures and Autorama deferred consideration increased by 5% to £393.9m (2024: 375.3m). This adjusted measure of EBITDA, and a similar adjusted measure of earnings per share, are calculated to show the financial measures before the effect of acquisition related expenses.

Group profit before tax increased by 9% to £375.7m (2024: £345.2m). Cash generated from operations was £399.7m (2024: £379.0m).

AUTO TRADER RESULTS

Revenue increased to £564.8m (2024: £529.7m), up 7% when compared to the prior year. Trade revenue, which comprises revenue from Retailer, Home Trader and other smaller revenue streams, increased by 7% to £509.1m (2024: £475.7m).

	2025 £m	2024 £m	Change %
Retailer	**480.0**	450.0	7%
Home Trader	**16.1**	13.4	20%
Other	**13.0**	12.3	6%
Trade	**509.1**	475.7	7%
Consumer Services	**42.4**	39.6	7%
Manufacturer & Agency	**13.3**	14.4	(8%)
Auto Trader revenue	**564.8**	529.7	7%

Retailer revenue increased by 7% to £480.0m (2024: £450.0m). The average number of retailer forecourts advertising on our platform increased by 2% to 14,013 (2024: 13,783).

Average revenue per retailer ('ARPR') per month increased by 5% to £2,854 (2024: £2,721). The ARPR growth was driven by the product and price levers, with a small negative contribution from the stock lever.

- Price: Our price lever contributed growth of £78 (2024: £114) to total ARPR as we delivered our annual pricing event for all customers on 1 April 2024, which included additional products alongside a like-for-like price increase.

Financial review continued

- Stock: Our stock lever negatively impacted ARPR by £22, compared to a positive contribution of £34 in the prior year. This was driven by a reduction in the average number of retailer paid stock units, as a result of an accelerated speed of sale which meant more vehicles were sold through a slightly lower number of advertising slots. The average number of live cars advertised on Auto Trader increased by 1% to 449,000 (2024: 445,000) with new car stock consistent at an average of 20,000 (2024: 20,000). Average underlying used car stock also increased marginally in the year to 429,000 (2024: 426,000), driven by an increase in the volume of private listings which do not impact the stock lever.
- Product: Our product lever contributed £77 (2024: £136) to total ARPR. This growth is mainly attributable to the Trended Valuations and enhanced Retail Check products, which were included in retailer packages as part of the annual pricing and product event in April 2024. New Car has also contributed positively due to an increased number of paying retailers.

Home Trader revenue increased by 20% to £16.1m (2024: £13.4m). Other revenue increased by 6% to £13.0m (2024: £12.3m).

Consumer Services revenue (comprising Private and Motoring Services revenue) increased by 7% in the year to £42.4m (2024: £39.6m). Private revenue, which is largely generated from individual sellers who pay to advertise their vehicle on the Auto Trader marketplace, was unchanged at £26.6m (2024: £26.6m). Motoring Services revenue increased 22% to £15.8m (2024: £13.0m), driven by increased revenue from our finance partners.

Revenue from Manufacturer and Agency customers decreased 8% to £13.3m (2024: £14.4m), with much of the decrease being due to foregone revenue for certain platform services in exchange for data.

Total costs increased 13% to £174.4m (2024: £153.9m).

	2025 £m	2024 £m	Change %
People costs	**92.8**	81.5	14%
Marketing	**24.6**	22.3	10%
Other costs	**40.5**	44.2	(8%)
Depreciation & amortisation	**6.3**	5.9	7%
Digital Services Tax	**10.2**	–	–
Auto Trader costs	**174.4**	153.9	13%

People costs increased by 14% to £92.8m (2024: £81.5m). The increase in people costs was mainly due to an increase in the average number of full-time equivalent employees ('FTEs') to 1,140 (2024: 1,060) as we continue to invest in people to support the growth of the business. Underlying salary costs also contributed, as we continue to attract and retain the best digital talent. Within people costs, share-based payments were £11.3m (2024: £8.2m), increasing 41% due to the vesting of our all-employee share schemes. The first award was granted in November 2023 and the second award was granted in November 2024. With a further award granted each November, share-based payments are expected to be c.£14-15m in financial year 2026.

Marketing expenditure increased 10% to £24.6m (2024: £22.3m).

Other costs, which include data services, property-related costs and other overheads, decreased by 8% to £40.5m (2024: £44.2m). The year-on-year decrease was primarily due to reduced legal & professional costs and increased research and development expenditure credits ('RDEC'). Depreciation and amortisation increased by 7% to £6.3m (2024: £5.9m).

We recently announced that we are moving our head office within Manchester from the beginning of 2026. The fit-out of the new premises has substantively commenced and the Group has incurred costs of £2.6m in 2025 and is committed to incurring further capital expenditure of c.£20m in 2026. Total Auto Trader depreciation and amortisation is expected to be £8.9m in financial year 2026 and £9.4m in financial year 2027.

	2025 £m	2024 £m	Change %
Revenue	**564.8**	529.7	7%
Operating costs	**(174.4)**	(153.9)	(13%)
Share of profit from joint ventures	**3.6**	2.8	29%
Auto Trader operating profit	**394.0**	378.6	4%
Auto Trader operating profit margin	**70%**	71%	(1%) pts

The Group's share of profit from our joint venture, Dealer Auction, increased 29% to £3.6m (2024: £2.8m). This increase was driven by a higher volume of vehicle transactions.

AUTORAMA RESULTS

	2025 £m	2024 £m	Change %
Vehicle & Accessory Sales	**26.1**	28.4	(8%)
Commission & Ancillary	**10.2**	12.8	(20%)
Autorama revenue	**36.3**	41.2	(12%)

Autorama revenue was £36.3m (2024: £41.2m), with vehicle and accessory sales contributing £26.1m (2024: £28.4m), and commission and ancillary revenue contributing £10.2m (2024: £12.8m).

Total deliveries amounted to 6,268 units (2024: 7,847), which comprised 2,124 cars (2024: 2,646), 3,498 vans (2024: 4,616) and 646 pickups (2024: 585). Average commission and ancillary revenue per unit delivered was £1,627 (2024: £1,631).

	2025 £m	2024 £m	Change %
Cost of goods sold	**26.2**	28.2	(7%)
People costs	**7.4**	10.9	(32%)
Marketing	**2.7**	4.0	(33%)
Other costs	**2.8**	4.5	(38%)
Depreciation & amortisation	**1.5**	2.4	(38%)
Autorama costs	**40.6**	50.0	(19%)

The Autorama business delivered c.900 (2024: c.1,200) vehicles which were temporarily taken on balance sheet in the year to 31 March 2025. This represented 14% (2024: 15%) 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 £7.4m (2024: £10.9m) related to the 127 FTEs (2024: 173) employed on average through the year. Marketing in the year was £2.7m (2024: £4.0m). Other costs of £2.8m (2024: £4.5m) include IT services, property costs, and other overheads. Depreciation and amortisation totalled £1.5m (2024: £2.4m).

	2025 £m	2024 £m	Change %
Revenue	**36.3**	41.2	(12%)
Operating costs	**(40.6)**	(50.0)	19%
Autorama operating loss	**(4.3)**	(8.8)	51%

Financial review continued

GROUP NET FINANCE COSTS

Group net finance costs decreased to £1.1m (2024: £3.5m). Interest costs on the Group's Syndicated Revolving Credit Facility ('Syndicated RCF') totalled £1.1m (2024: £3.0m) with the year-on-year decrease due to lower borrowing during the year.

At 31 March 2025, the Group had drawn £nil of its available facility (31 March 2024: £30.0m). Other finance costs comprised amortisation of debt issue costs of £0.5m (2024: £0.6m), vehicle stocking loan interest of £0.3m (2024: £0.3m) and interest costs relating to leases of £0.1m (2024: £0.1m). This was offset by interest receivable on cash and cash equivalents of £0.9m (2024: £0.5m).

EXTENSION OF SYNDICATED RCF COMMITMENTS

On 1 February 2025, the Group extended the term of its Syndicated RCF to February 2030 by exercising the remaining one-year extension option, incurring £0.3m of transaction costs. Until February 2029 the available facility is £200m, reducing to £165m thereafter, due to one lender not participating in the second extension option. There is no change to the interest rate payable and there is no requirement to settle all or part of the debt earlier than the termination dates stated.

TAXATION

Group profit before taxation increased by 9% to £375.7m (2024: £345.2m). The Group tax charge of £93.1m (2024: £88.3m) represents an effective tax rate of 25% (2024: 26%), which is in line with the standard rate of UK corporation tax.

The Group has exceeded the threshold for in-scope revenue for UK Digital Services Tax ('UK DST') in financial year 2025. This has resulted in an operating expense of £10.2m in the period, which we expect to be recurring and to grow in line with revenue. We had previously commented that the UK Government continues to work towards implementing a global two-pillar tax solution addressing the tax challenges arising from the digitalisation of the economy. The recently announced US trade deal has not impacted UK DST. We will continue to monitor the progress of any changes to the application of UK DST.

EARNINGS PER SHARE

Basic earnings per share increased by 12% to 31.66 pence (2024: 28.15 pence) based on a weighted average number of ordinary shares in issue of 892.4 million (2024: 912.6 million). Diluted earnings per share of 31.56 pence (2024: 28.07 pence) also increased by 12%, based on 895.4 million shares (2024: 915.3 million) which accounts for the dilutive impact of outstanding share awards.

	2025 £m	2024 £m	Change %
Net income	**282.6**	256.9	10%
Autorama deferred consideration	**-**	11.1	(100%)
Adjusted Net income	**282.6**	268.0	5%
Adjusted earnings per share (pence)	**31.66**	29.37	8%

Adjusted earnings per share, before Autorama deferred consideration, and net of the tax effect in respect of these items, increased by 8% to 31.66 pence (2024: 29.37 pence).

CASH FLOW AND NET CASH

Cash generated from operations increased to £399.7m (2024: £379.0m) predominantly due to the increase in operating profit. Corporation tax payments increased to £95.1m (2024: £91.5m). Net cash generated from operating activities was £304.6m (2024: £287.5m).

As at 31 March 2025, the Group had net cash of £15.3m (31 March 2024: net bank debt of £11.3m), an increase of £26.6m. At the year end, the Group had drawn £nil of its Syndicated RCF (31 March 2024: £30.0m) and held cash and cash equivalents of £15.3m (31 March 2024: £18.7m).

Leverage, defined as the ratio of Net bank debt to EBITDA (adjusted for the Autorama deferred consideration), was 0.0 times (2024: 0.0 times) and interest paid was £1.2m (2024: £3.1m).

CAPITAL STRUCTURE AND DIVIDENDS

During the year, a total of 23.9 million shares (2024: 25.2 million) were purchased for a consideration of £187.3m (2024: £169.9m) before transaction costs of £0.9m (2024: £0.9m). A further £88.4m (2024: £80.4m) was paid in dividends, giving a total of £275.7m (2024: £250.3m) in cash returned to shareholders.

The Directors are recommending a final dividend of 7.1 pence per share. Subject to shareholders' approval at the Annual General Meeting ('AGM') on 18 September 2025, the final dividend will be paid on 26 September 2025 to shareholders on the register of members at the close of business on 29 August 2025. The total dividend for the year is therefore 10.6 pence per share (2024: 9.6 pence per share).

The Group's long-term capital allocation policy remains consistent, focusing on investing in the business to support growth while returning approximately one third of net income to shareholders through dividends. Any surplus cash following these activities will be used to continue our share buyback program.

GOING CONCERN

The Group generated significant cash from operations during the year. At 31 March 2025 the Group had drawn £nil of its Syndicated RCF and had cash balances of £15.3m. The Group has a strong balance sheet, flexibility regarding the utilisation of cash, and a Syndicated RCF committed until February 2030. Based on these factors and the current financial projections for the next 12 months, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

AUDIT TENDER

KPMG LLP were appointed as statutory auditor for the financial year ending 31 March 2017, following a competitive tender process in 2016. In line with the Large Companies Market Investigation Order 2014 we must conduct a competitive tender process for our statutory audit engagement every ten years or earlier.

To allow ample time for the selection process and an orderly transition should there be a change in auditor, the Group will commence a comprehensive and competitive tender process during the upcoming year for the external audit for the financial year ending 31 March 2027. The process will be led by the Chair of the Audit Committee and supported by a steering group who will make a recommendation to the Board on the appointment or reappointment of the statutory auditor (as applicable).

The audit tender process is expected to conclude before the end of this financial year (FY26). An announcement will be made following the selection of the preferred firm by the Board.

Jamie Warner
Chief Financial Officer
29 May 2025

Working responsibly

Ensuring we make a positive impact

Working responsibly is central to our purpose and strategy. Our purpose is driven by our commitment to doing the right thing, measuring and reporting transparently and always acting with integrity.

Our ESG strategy focuses on the material issues that have the greatest impact on our business whilst considering the expectations of our stakeholders. We also recognise that our activities, and the way in which we carry them out, impact well beyond our financial performance and so our ESG strategy considers the impact our decisions have more widely on the environment, our people and society. Our many ESG initiatives are focused on ensuring we do business responsibly and, as the UK's largest automotive platform, that we play our role in creating a more accessible, equitable and sustainable future. Our ESG strategy supports this purpose over the long term.

Our trusted brand has been built over more than 40 years and we remain committed to being the best place to find, buy and sell vehicles in the UK on a platform that enables data-driven digital retailing for our customers.

In a rapidly changing world, we know that we will only succeed as a business if we use our technology, expertise and data to help solve the challenges our customers, our consumers and our industries face. This involves ensuring platform resilience whilst remaining innovative and changing how the UK shops for vehicles by providing the best online buying experience and supporting all our retailers to do more of the sales process online.

During the year we have continued to ensure that ESG is embedded in our business strategy. We use our cultural KPIs (see page 24) to help us monitor and measure progress and this year, we also undertook a full refresh of our materiality assessment to consider what ESG issues matter most to our stakeholders and the impact of these on our business.

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

We can play a positive role in making a difference to our people, our communities, the industries we operate in and the wider environment to create a more accessible, equitable and sustainable future.







Working responsibly continued

Working responsibly to drive sustainable ESG impact

This year, we made meaningful progress across our Environmental, Social and Governance ('ESG') priorities. From reducing our carbon footprint to advancing diversity and strengthening ethical governance, our actions reflect a deep commitment to responsible growth.

ENVIRONMENTAL



1,434
tonnes carbon removals purchased



GOVERNANCE

GDPR
Foundation training to achieve the International Board for IT Governance qualification

SOCIAL

Digital inclusion fund in partnership with Forever Manchester

Launch of our new volunteering platform 'Matchable'

OUR PEOPLE & COMMUNITIES P51

ENVIRONMENTAL

Digital and tech sector Carbon Literacy toolkit launched in collaboration with Manchester Digital and The Carbon Literacy Project

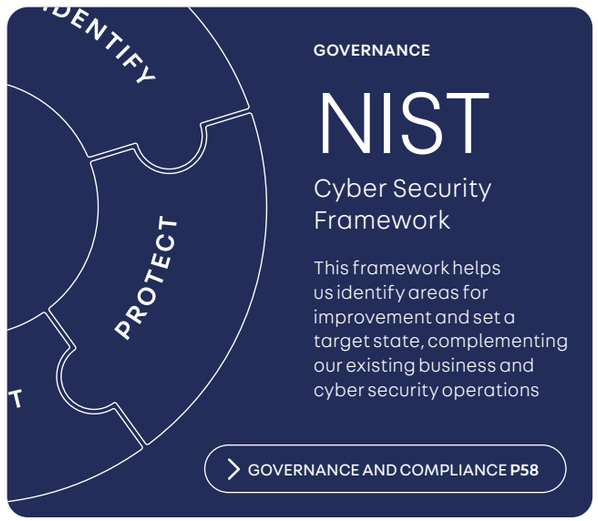


Automotive sector impact

311
organisations trained

5,800
people trained

THE ENVIRONMENT P33



GOVERNANCE

NIST
Cyber Security Framework

This framework helps us identify areas for improvement and set a target state, complementing our existing business and cyber security operations

GOVERNANCE AND COMPLIANCE P58



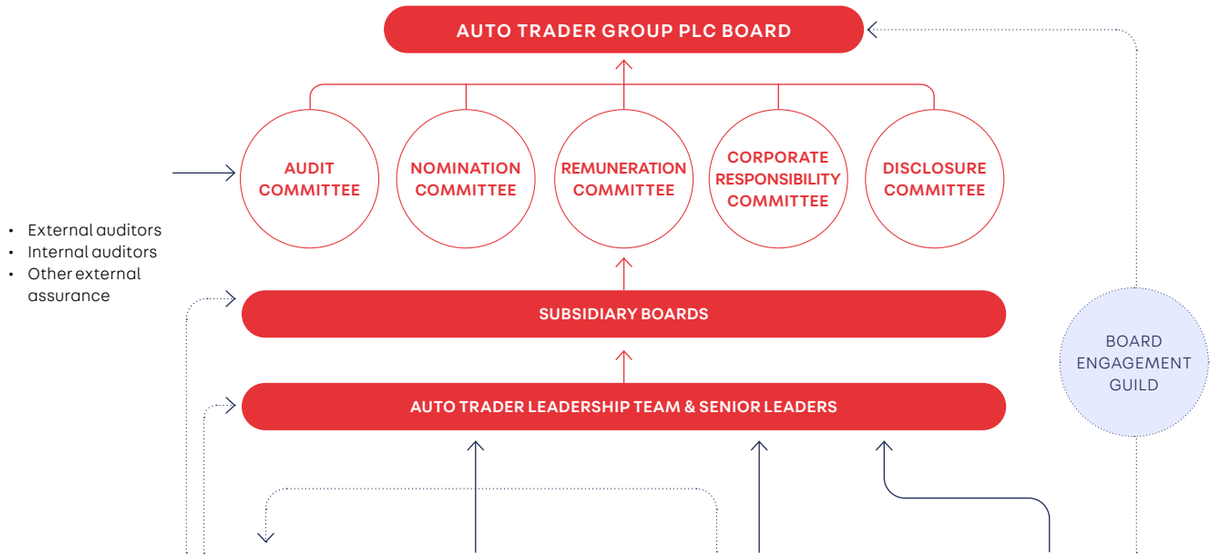
Working responsibly continued

Governance of our ESG strategy

We have established our Corporate Responsibility Committee to sit alongside our Audit, Remuneration and Nomination Committees.

Whilst ESG-related topics are covered in all Committees, the Corporate Responsibility Committee is a formal Committee of the Board with the overarching goal of guiding and overseeing our corporate responsibility initiatives and sustainability targets. The Committee plays a crucial role in overseeing the progress towards fulfilling our ESG strategy and ensuring that our targets and goals remain ambitious and realistic. Responsibility for putting our ESG strategy into action spans across the business through specific functions and through our individual guilds and networks, which are empowered to drive change within the organisation.

Driving Change Together. Responsibly



- External auditors
- Internal auditors
- Other external assurance

- Risk management
- Internal control
- FCA compliance
- GDPR compliance
- Legal team
- Procurement
- Cyber security team
- Disaster recovery steering

- Risk management
- Internal control
- FCA compliance
- GDPR compliance
- Legal team
- Procurement
- Cyber security team

- Environmental Strategy working group
- Sustainability Network

- Career Kickstart Network
- Parents' Network
- Ethnicity Network
- LGBT+ Network
- Disability & Neurodiversity Network
- Make a Difference Guild
- Women's Network
- Wellbeing Guild
- Social Mobility Network

HOW WE MANAGE RISK **P62**
GOVERNANCE OVERVIEW **P74**
REPORT OF THE CORPORATE RESPONSIBILITY COMMITTEE **P92**

Working responsibly continued

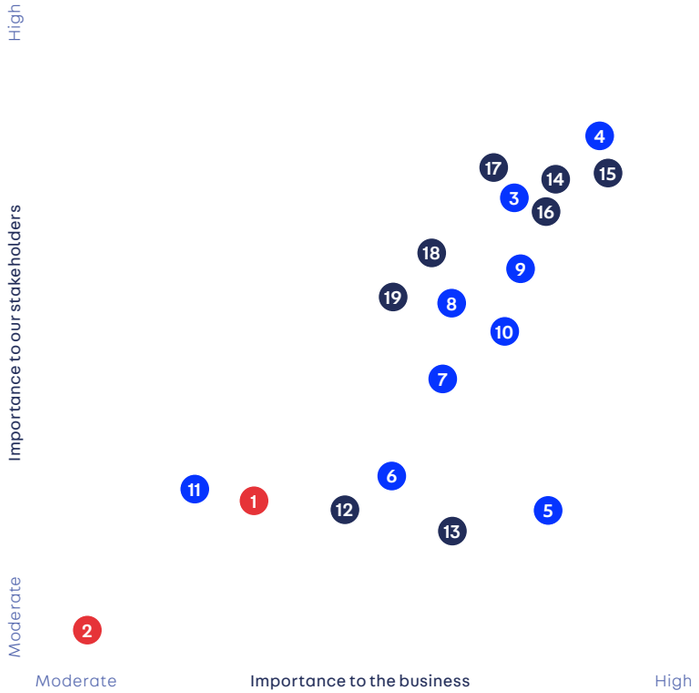
Revising our materiality assessment

MATERIALITY APPROACH TO ESG

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. When we initially implemented our materiality assessment in 2022, we agreed to refresh it in full every three years, and therefore this year we undertook this exercise to ensure that the focus of our ESG strategy remains aligned to issues that our stakeholders deem most important. We have taken a financial materiality approach to our assessment, considering the factors which may generate risks or opportunities that have a significant influence on future cash flows.

We identified 19 ESG factors of material importance to our business and assessed each area, 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 Auto Trader.

The assessment this year identified driving trust and transparency; digital infrastructure and cyber security; data privacy, ethics, integrity and business conduct; customer satisfaction; and compliance with legislation, regulation and codes of practice as matters considered to be of high importance to both our stakeholders and Auto Trader. In addition, diversity and inclusion; workplace culture and employee engagement; and health, safety and wellbeing were factors with higher importance to the Group.



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

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

STEPS IN OUR MATERIALITY ASSESSMENT

1 Identify a long list of sustainability topics and categorise them into E, S and G – define what these mean to Auto Trader

2 Consideration of risks and opportunities and potential financial impact (high, medium, low) specific to Auto Trader

3 Engage internal and external stakeholders – gauge opinions on issues amongst key stakeholder groups

4 Review the results of steps two and three to determine the issues of importance for our business and our stakeholders

5 Produce a materiality matrix and sense check this against our purpose and strategy to ensure we are focused on the right areas

The environment

Our Climate Transition Plan – a strategic roadmap to a sustainable future.

Developing a climate resilient strategy aligned to the UK's ambitious environmental targets and which aims to minimise future risks, capture opportunities and protect our business from the impact of climate change.

We are pleased to publish our first Climate Transition Plan ('CTP'). Its aim is to outline our role in the transition to a net zero economy. We will review our transition plan at least every three years in line with the TPT recommendations, and provide updates on our progress on an annual basis.

The UK has set itself ambitious targets to cut greenhouse gas ('GHG') emissions to net zero by 2050. As a responsible business Auto Trader has a role to play in reaching this goal. We are committed to reaching net zero in our own operations by 2040 – we recognise, however, that we have a small carbon footprint, so we focus equally on areas outside of our emissions measure, including the industry and the cars listed on our platform. We can help drive change by using our capabilities and voice to contribute to an economy-wide transition, supporting the UK Government and the automotive and technology industries.

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

SUPPORTING THE UN SDGS MOST RELEVANT TO OUR STRATEGY



Ambition

Our strategic ambition is to minimise our impact on the environment, thereby protecting our business from the impact of climate change.

TAKING A STRATEGIC AND ROUNDED APPROACH

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 the world transitions to a low carbon economy, regulatory change and changes in consumer behaviour will have an impact on the automotive and technology industries. We need to continue to develop and adapt our business strategy to incorporate climate resilience. Reducing the impact our business has on the environment is embedded into our wider business strategy of acting responsibly and we are committed to being a net zero business by 2040.

As well as reducing our own emissions, our strategy also focuses on raising environmental awareness with both our customers and consumers, encouraging them to reduce their own environmental impact. We use our breadth of expertise, data and market insight to accelerate the transition to low carbon transport. Another key part is sharing our data and insights with Government to help inform public policy and regulation to support the mass adoption of electric vehicles.

Failure to deliver on our environmental commitments could negatively impact our brand as a responsible business or result in regulatory sanctions.



By 2030
(from 2023 base year)

50%
reduction in emissions we control (Scope 1 and Scope 2)

46.2%
reduction in emissions we influence (Scope 3)

By 2040
(from 2023 base year)

90%
reduction in all emissions (Scope 1, Scope 2 & Scope 3)

NET ZERO

As defined by the SBTi: Reduce emissions by at least 90% to reach net zero. Then, any remaining emissions (usually no greater than 10% of base year emissions) must be neutralised through carbon removals. Our 2040 targets to reduce all emissions by 90% have been fully validated by the SBTi.

Putting the brakes on carbon

Our strategic ambition is covered across three key focus areas, with robust governance underpinning them:



Our operations

Our aim is to be net zero by 2040.
We will do this by:

- Embedding a culture of sustainability to ensure all employees can contribute to our net zero goals through their roles.
- Minimising the environmental impact of our offices and company cars.
- Engaging with our suppliers and other stakeholders in our value chain to support them in the transition to a low carbon economy.
- Continuing to identify and respond to climate related risks and opportunities that arise from the transition to a low-GHG emissions, climate-resilient economy.



Partnering with our industries and influencing the UK Government

Our aim is to influence the Government, and partner with and support the automotive and technology industries in their own transition towards a low carbon economy by:

- Using our breadth of expertise, data and market insight to accelerate the transition to low carbon transport.
- Sharing our data and insights with retailers, the broader automotive industry and Government to help inform public policy and regulation to support the mass adoption of electric vehicles.
- Collaborating with the automotive and technology industries to support their own sustainability journeys with our partner, The Carbon Literacy Project.



Supporting consumers

Our aim is to support consumers to make more environmentally friendly vehicle choices which means we will focus on:

- Normalising sustainable choices through surfacing content and information on our site to grow consumer confidence around electric vehicles ('EVs').
- Developing reviews and YouTube videos that help to educate and inform car buyers about EVs.
- Promoting EVs as part of our wider marketing activity, including our monthly EV giveaway.
- Sharing 'The Facts' about owning and running an EV with consumers via owned and earned channels.

Governance

We have integrated climate governance into our existing governance processes and sought to embed responsibility for the risks associated with climate change throughout our business, adopting a climate change focused mindset.

ACTION ACCOUNTABILITY

2023	2025	2027	2030	2035	2040+
Baseline emissions calculated	Develop and roll out engagement strategy with supply chain				
Near and long-term targets approved by SBTi	Monitor developments with the SBTi framework to understand the impact on our strategy and targets				
	Reduce fleet of vehicles and switch to EVs or low emission				
	Move to our new office		Reduce volume of vehicles taken on balance sheet		
Platinum carbon literate organisation status achieved	Employee CL training embedded in our 'Great Start' programme to ensure CL training across our employees continues				
	Continue to reach retailers and partners within the automotive industry with the Automotive CL toolkit				
Automotive CL toolkit created and launched	Digital & Tech CL toolkit created	Support the roll out of the Digital & Tech CL toolkit			
Move away from carbon neutrality					
	Invest in green community projects and small investment in carbon removal				
	Develop carbon removal strategy to ensure we reach our net zero targets		Start retirement of carbon removals in line with our net zero targets		
		More significant purchases of carbon removals in line with our net zero targets			

ADAPTING OUR MARKETPLACE

As an online marketplace, our direct GHG emissions are low in comparison to other industries. However, the automotive industry holds a key role in tackling climate change and there is pressure from consumers and Government to reduce its impact on the environment. We can influence positive societal change through our content, and encourage positive climate action amongst our audiences.

Auto Trader is uniquely positioned to accelerate the transition towards a low-GHG emissions and climate resilient economy. The transition to a low-carbon economy requires us to evaluate our operations and also adapt our marketplace to meet the changing preferences of all car buyers. This means changing the way we work, how we support our customers and our consumers and how we partner with our wider industries. We have the opportunity to do this by positively supporting our customers and audiences through our marketplace, our content and by working with the automotive industry and Government bodies to shape the transition towards mass adoption of EVs.

See ‘Our implementation strategy’ and ‘Our engagement strategy’ sections for more detail on page 41 and page 45.

CONSIDERING NATURE WITHIN OUR PLAN

The Taskforce on Nature-related Financial Disclosures (‘TNFD’) has developed a set of disclosure recommendations and guidance that encourage and enable businesses to assess, report and act on their nature-related dependencies, impacts, risks and opportunities. Climate and nature are inherently connected and it is important that we seek to understand how nature-related risks could affect our operations and financial performance. 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.

DEPENDENCIES

Achieving our strategic ambition and reaching our net zero targets are both dependent on external factors. These have informed our implementation and engagement strategies and we will need to continually monitor these as we work towards achieving our goals.



Broad external dependencies	Sector factors Industry trends	Value chain factors Suppliers and customers
Government policy	**Technology & innovation**	**Data quality**
UK Government policies, new decarbonisation reporting requirements and regulation put in place to govern the electric vehicle transition and the UK’s net zero target.	Advancements in technology, including hardware and software, that will enable better outcomes.	Accurate data on operational and supplier emissions, as well as the ability to use this to report progress, and disclose externally.
Global decarbonisation	**Consumer behaviour**	**Supplier commitments**
Worldwide momentum towards net zero and the required structural changes which are impacted by a variety of factors, such as the impact of geo-politics on decarbonisation.	Consumer opinion on climate change and the effect this has on their perceptions of the electric vehicle transition.	Suppliers committing to align with our net zero ambition by establishing their own reduction targets and transition plans.
Global economy	**Industry collaboration**	**Customer behaviour**
How the global economy impacts our customers, our sector and our place in it and what this means for our ability to progress our decarbonisation goals.	Industry-wide collaboration, including the sharing of best practice, supplier referrals and consistency of messaging both to internal (employees) and external (consumers) audiences.	Our customers’ attitudes to decarbonisation, going above and beyond the electric vehicle transition.

RISK MANAGEMENT

The Board is collectively responsible for determining the nature and extent of the principal risks which may impact the business. Our risk management framework, including the processes for identifying, assessing and managing risk, is described on pages 62 to 63 and the Board recognises climate change as one of Auto Trader’s principal risks (see page 66).

Auto Trader plays an important role within the UK automotive ecosystem and climate change is a catalyst for unprecedented change within our industry. This mainly relates to the transition from ICE vehicles to Zero Emission Vehicles (‘ZEVs’) which could result in significant changes to automotive retail. We are working hard to support the industry with this transition, from providing content to help consumers ‘demystify’ EVs, to lobbying Government to incentivise the transition and sharing our data and insights to inform Government policy over EVs.

Internally, climate change also poses a threat to our business and to our supply chain, including via regulatory change. It is therefore critical that our risk management process considers climate change if we are to understand its impacts both on our business and on the automotive industry as a whole.

Our risk management process approach allows for the continual identification and assessment of climate related risks. We maintain an environment/climate risk register which is reviewed regularly by the risk register owner, their delegates and our risk management team. Each climate related risk is assigned an owner and controls and/or mitigating actions are recorded against each risk.

ASSESSING CLIMATE RELATED RISKS AND OPPORTUNITIES

In order to protect our business from the challenges of climate change, we must build climate resilience into our business strategy by identifying climate related risks and opportunities.

As an online marketplace, we have a relatively small carbon footprint and our business model is sustainable in a low carbon environment. However, the automotive industry is intrinsically linked with climate change and there is pressure from consumers and Government for the industry to reduce its impact on the environment. The nature of the risks and opportunities that we face depends not just on the physical aspects of climate change, but also on transition risks.

These are driven by the trajectory of our customers and consumers in responding to climate change and the regulations applied to the market we operate in.

Our climate related assessment of the risks and opportunities posed by climate change and how they might impact our business has provided a firm foundation on which to build our environmental strategy and resilience. We considered the transitional and physical climate risks and opportunities presented by rising temperatures, climate related policy and emerging technologies. We agreed the methodology for assessing and quantifying financial impacts.

To ensure we understand the potential impact of plausible future states, in accordance with the TCFD recommendations, we have used climate scenarios to explore how potential climate risks and opportunities could evolve and impact our business over the short, medium and long term. 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.

Having assessed and modelled the risks, we believe that there is no immediate material financial risk or threat to our business model. The results of our scenario analysis showed that based on our strategic plans and capabilities, we remain well positioned to mitigate the risks and seize the opportunities related to climate change. Even though there is uncertainty around the time horizon over which climate risks will materialise, stakeholder expectations and regulatory attention could develop at pace, impacting the rate at which the business may need to cut carbon emissions. We recognise that we will need to keep abreast of future climate change legislation as well as consumer preferences and retailers' ability to adapt. However, we have a strong track record of quickly evolving.



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

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

KEY TRANSITION RISKS:

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

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 electric vehicles and their components, impacting supply of the vehicles into the UK and available stock on Auto Trader's platform.

Geo-political instability: Political unrest, trade tensions, tariffs and sanctions can 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 Auto Trader'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.

Climate related scenario analysis

Impact	Mitigation/response		Financial impact: Short term 0-5 years	Financial impact: Medium term 5-10 years	Financial impact: Long term 10+ years	Inherent likelihood
			Minor	Moderate	Major	
PHYSICAL RISK – Increased frequency/severity of extreme weather and climate related natural disasters						
• Offices closed • Cloud infrastructure providers • Customers cannot open their showrooms	All technology infrastructure is cloud based. Disaster recovery/business continuity planning in place, including tools and guidance to support our people in emergency situations. COVID-19 proved the sales process can be completed without physical showrooms, plus development of digital retailing will enable all retailers to compete on our digital marketplace.	**>2°C**				Low
		1.5°C				
• Weather has the potential to disrupt the supply chain and limit vehicles entering the UK car parc	We have experienced the impact of disrupted supply chains as a result of recent external catastrophic and geo-political events. These significant supply side challenges have constrained new and used car transactions for much of the past four years. However, our business has remained healthy as market dynamics have adjusted and OEMs and retailers learnt to adapt their business models. We would anticipate weather related disruption to be more intermittent and comparatively less severe than the disruption caused by recent events.	**>2°C**				Low
		1.5°C				
• Costs – increased operational costs such as heating/aircon, insurance, cloud costs	In order to have a significant impact on our business, costs would need to increase significantly. We are continually reviewing our cost base such that any increases can be managed.	**>2°C**				Medium
		1.5°C				
TRANSITION RISK – Increased regulation relating to climate change						
• Existing UK regulation banning the sale of new internal combustion engine ('ICE') vehicles from 2035, with the industry already working towards this milestone	We already closely monitor the implementation of policies related to our core business. We will continue to monitor policies with a view to identifying potential risks and opportunities and related financial impacts. We are already evolving our product offering and provision of information to support the effectiveness of EVs on our marketplace and will continue to meet changing preferences of car buyers.	**>2°C**				High
		1.5°C				
• Increased regulatory scrutiny and introduction of new legislation could result in increased reputational risk but also increased compliance costs. Failure to deliver against our environmental commitments would undermine our reputation as a responsible business and may result in loss of revenue, legal exposure or regulatory sanctions	We have formed a Corporate Responsibility Committee to oversee our environmental strategy and commitments. We will report in line with the TCFD recommendations and report progress towards our net zero ambitions against our science based targets.	**>2°C**				Low
		1.5°C				

Impact	Mitigation/response		Financial impact (Minor / Moderate / Major)			Inherent likelihood
			Short term 0-5 years	Medium term 5-10 years	Long term 10+ years	
TRANSITION RISK – Regulation discouraging the use of internal combustion engine ('ICE') vehicles						
• Cost of ownership increases, making ICE vehicles less appealing • Consumers stop buying petrol or diesel vehicles, demand switches over to electric • If EVs remain expensive some consumers could be priced out of the market presenting a risk to demand	We will continue with our strategy to adapt our marketplace to meet changing preferences of all car buyers. It is likely that used car prices will continue to move in line with supply and demand dynamics such that lower demand will make vehicles more affordable.	>2°C		Moderate	Moderate	Low/Medium
		1.5°C				
TRANSITION RISK – Demand for sustainable products and services						
• Consumers' preferences shift away from ICE vehicles; steep decline in purchase of petrol or diesel vehicles in favour of EVs • Potential opportunity: Support our audience to find the sustainable options they are seeking	We will continue with our strategy to adapt our marketplace to meet changing preferences of all car buyers and continue to be the largest marketplace for EVs.	>2°C				Low/Medium
		1.5°C				
TRANSITION RISK – Increased reputational risk associated with the automotive industry and misrepresenting environmental claims						
• As consumer consciousness around climate change rises, there is increased scrutiny on our industry's role on the environment • Failure to appropriately demonstrate that as a business we are committed and moving towards net zero carbon emissions could negatively impact our brand and also impact our ability to operate and/or remain relevant to our customers and consumers	As part of our goal to be net zero by 2040 we will focus on our own operational footprint and also on how we can positively support our industry. We have set clear reduction targets for our own operations and report progress to stakeholders. We work with customers, suppliers and the industry on education and policy.	>2°C			Moderate	Low
		1.5°C				
TRANSITION RISK – Achieving resource efficiency through cutting our carbon footprint and improving energy efficiency						
• Reduced costs associated with energy use and avoid increased costs associated with carbon taxation	Reduction initiatives to reduce our absolute usage, including successfully moving our technology infrastructure to the cloud.	>2°C				Medium
		1.5°C				
TRANSITION RISK – Increased reputational risk associated with the automotive industry and misrepresenting environmental claims						
• Consumers may stop buying vehicles if they no longer require one • Potential opportunity: Consumers' desire/need to switch to EV	Likely the risk and opportunity would be taken together, and stock/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/Medium
		1.5°C				

OUR FUTURE FOCUS

We intend to periodically review the scenarios and timeframes we choose to apply in our analysis and refine them as needed. The risk management recommendations arising from our climate change scenario analysis were:

- Policy/regulation: It is likely that increased policy and regulation will have the most significant financial impact on Auto Trader over the longer term. The most significant action we can take is to reduce our exposure to this risk and continue with our strategy to adapt our marketplace to meet the changing preferences of all car buyers. We also need to make sure we continue to remain abreast of regulatory requirements to ensure we are compliant with all relevant reporting obligations.
- Market: Driven by its net zero ambitions, the Government announced the ban on the sale of new petrol and diesel vehicles by 2035, and this is already changing the make up of the car parc as consumers begin to buy electric vehicles as an alternative.

Auto Trader can mitigate this risk by continuing to develop its strategy to be the destination of choice for consumers searching for a more environmentally friendly vehicle.

Action: Our implementation strategy

We are taking action in our business operations, portfolio of services and policies to achieve our strategic ambition. Our aim is to embed a culture of sustainability across the business.

SUSTAINABILITY NETWORK AND DIGITAL SUSTAINABILITY WORKING GROUP

Our Sustainability Network comprises passionate individuals from across the business who are focused on making life at Auto Trader more sustainable through increased employee awareness and driving impactful changes for our business.

More recently, our Digital Sustainability working group ('DSWG') has been formed. The aim of the DSWG is to focus on raising internal awareness of digital sustainability and provide reliable resources for employees to learn more about digital sustainability. This will encourage and enable employees to identify how we can adopt a more digitally sustainable approach to our products. A key aim for the DSWG is to embed sustainability across the various technology disciplines within Auto Trader such as design, marketing and development, with the goal of understanding what each team creates, the tools and processes they use, and identify opportunities to embed and advocate for sustainable solutions in these areas.

MORE SUSTAINABLE DATA MANAGEMENT PRACTICES

In 2024 we finalised the migration of our data centres to the cloud which should result in less energy consumed to store our data compared to physical data centres. However, this move to the cloud also needs to be complemented with how much data we are storing. We are implementing specific initiatives across our business that focus on storage and data retention. This includes understanding how much storage we use across all of our tools and reviewing our data retention policies. Evaluating how we manage, store and dispose of data will contribute towards minimising our environmental impact. We are implementing and automating data retention policies to minimise storage capacity and we are also raising employee awareness of how digital waste contributes to our environmental impact.

PRODUCTS AND SERVICES

Although our direct impact on global GHG emissions is low, through our reach we are in a unique position to make a positive difference to our customers and users of our marketplace.

The market for electric vehicles ('EVs') continues to grow; supply and demand for electric cars has grown materially over the last 12 months and it's important that our experiences evolve to meet this growing need. One step we have taken towards making electric cars easier to find on Auto Trader is to elevate the filters specific to EVs; where previously they were only shown if 'fuel type: electric' was selected, they are now shown by default. This makes it easier to find an EV with a suitable range. Alongside this change, we have introduced explainer copy within the EV filters, acknowledging that a number of buyers will be transitioning from traditional petrol/diesel vehicles to EV and will need more context and confidence to make the right decision for them.

As the market for EVs continues to grow, in order to meet the changing preferences of car buyers we must continue to evolve our product offering and provision of information to support the effectiveness of EVs on our marketplace and meet the needs of car buyers.

Dark Mode for our Auto Trader app was successfully rolled out in August 2024. This feature, now used by nearly half of our app users (either through system defaults or manual selection) consumes less energy and has received positive user feedback. As part of our design system evolution, we are implementing a comprehensive tokenisation of the Auto Trader colour palette, including Dark Mode colours.

Auto Trader is proud to be certified under the IAB Gold Standard. This shows our commitment to promoting sustainability by reducing carbon emissions from ad loads on our pages.

We strictly adhere to a creative acceptance policy for all media advertisers to ensure ad loads are kept to a minimum across all platforms and this is constantly reviewed. Furthermore, we have ceased carrying programmatic advertising from third parties to ensure that page loads remain minimal and on-site user experience is positive.

We are exploring ways to measure the carbon footprint of our on-site media advertising and are actively engaged in discussions with the IAB and ISBA to determine how best to achieve this.

See 'Our engagement strategy' section for more details on how we have evolved our content to support the transition to EVs (page 45).

The market for electric cars continues to grow with 50% more EVs advertised than this time last year and our experience needs to evolve to reflect this.



SCOPE 1 AND SCOPE 2 EMISSIONS

A key part of our environmental strategy has always been to reduce the emissions directly generated from our operations and facilities.

Over recent years we have been decreasing our Scope 1 and Scope 2 emissions through various actions as set out in the table opposite and we continue with targeted action to further reduce our direct emissions.

OUR POLICIES

Our policies provide a framework to guide employees, suppliers and other stakeholders in improving our environmental performance and reaching our climate ambitions:

- Environmental Policy – Reflects our commitment to protect the environment and support the low-carbon transition.
- Ethical Procurement Policy – We want to engage suppliers that share our values to build a stronger and more responsible supply chain.
- Supplier Code of Conduct – Sets out our expectations of all our suppliers.
- Travel Policy – Sets out requirements for our employees to travel more sustainably.

Metric	Scope	Implemented or planned activities	Timeline
Switch 100% of our fleet vehicles (Auto Trader and Autorama) to be EV or low emission	SCOPE 1	• 12 remaining vehicles, all of which are fully electric or hybrid. • We have a salary sacrifice scheme for employees available to those who need to drive as part of their role, providing EVs as a sustainability benefit.	IMPLEMENTED
Energy: reduce overall electricity/gas usage by 50% (against a 2023 baseline) and procure 100% renewable energy for our remaining needs	SCOPE 1	• All of our offices are on renewable energy tariffs.	IMPLEMENTED
	SCOPE 2	• 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 started to roll out standardising to new Apple products, which has allowed us to take a more holistic approach to reducing the carbon lifecycle of our employee focused technology. The products themselves have a substantially lower lifetime carbon footprint and are also much more efficient from a power usage perspective which means less charging. We are also able to reduce the amount of underlying tech infrastructure which is required when having both PCs and Apple products.	IN PROGRESS
		• Hemel Hempstead office – This year we completed a large solar panel installation in September, replacing a smaller number of older panels. Rather than disposing of these, they were donated to a charity via our installer (Solarsense), and we made a further donation towards the recycling and reinstallation at Draycott Memorial Hall.	IMPLEMENTED
		• Further enhancements to the Hemel Hempstead office have been identified as part of our ESOS Phase 3 action plan: – install pipe and valve insulation. – lighting upgrade.	PLANNED
		• London office – we reduced floorspace at our London office.	IMPLEMENTED
		• In 2026 we will be relocating our head office to state-of-the-art facilities in the heart of Manchester's tech community. Auto Trader is passionate about being a responsible technology business. The move to No.3 Circle Square will help Auto Trader in meeting our net zero goals as sustainability is one of the core principles in its design. The building will be net zero embodied carbon in both its construction and shared spaces, and is expected to achieve BREEAM Excellent status, as well as a NABERS 5-star rating and an EPC A rating. • As part of the move to our new office, we will plan to re-use existing furniture where possible as opposed to buying new and will work with existing partners to donate or recycle items we will not take with us.	IN PROGRESS
Migrating our data centres to the cloud	SCOPE 2	• 100% of our data centres have been migrated to cloud providers.	IMPLEMENTED
Review of our data retention policies	SCOPE 2	• 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.	IN PROGRESS

SCOPE 3 EMISSIONS

One of our strategic objectives is to transition our value chain to net zero emissions, bringing suppliers on the journey and embedding sustainability within our procurement processes. We calculate all relevant Scope 3 emissions, including those relating to suppliers. We are improving our data quality, using activity data where possible (as opposed to spend data), and will continue to get enhanced data as we continue to measure our emissions.

We are taking action to address our Scope 3 emissions. With the majority of our total greenhouse gas emissions attributed to spend within our supply chain in our baseline year, engagement with our value chain is crucial to achieving our carbon reduction goals.

The key actions that we are taking, or plan to take, within our value chain to achieve our Scope 3 targets are outlined opposite:

Metric	Scope	Implemented or planned activities	Timeline
Gathering supplier data and adapting procurement processes	SCOPE 3.1	• We have implemented a new supplier engagement strategy to collate information from suppliers which provides greater insight into aspects of their performance, including ESG practices. Ethical procurement questionnaires covering c.75% of our supplier spend have been completed.	IMPLEMENTED
		• We will develop a clear plan for enhancing supply chain emissions data further to improve our Scope 3 emissions calculations relating to purchased goods and services.	IN PROGRESS
		• Develop guidance for supplier selection criteria specifically relating to climate.	PLANNED
Engaging suppliers	SCOPE 3.1	• We have expanded our discussions on sustainability with the suppliers who account for our highest carbon emissions, to understand where our suppliers are on their own sustainability journeys, recording if they are monitoring and reporting emissions and what scopes are included in a supplier's own reporting.	IMPLEMENTED
		• Develop a plan for sharing knowledge and learnings with suppliers that are seeking to improve their environmental maturity.	PLANNED
Sustainable capex	SCOPE 3.2	• Refurbishment of our offices – where possible, we recycle furniture and/or donate unwanted furniture to local communities/organisations. This same policy will apply when we relocate to our new offices.	IMPLEMENTED
		• Standardising to new Apple products including specifically the Mac Air range has allowed us to take a more holistic approach to reducing the carbon lifecycle of our employee focused technology. The products have a substantially lower lifetime carbon footprint than the equivalent PCs we have purchased in the past and are also much more efficient from a power usage perspective which means less charging.	IN PROGRESS
Business travel	SCOPE 3.6	• Our Travel Policy has been updated to make flights as a mode of travel by exception.	IMPLEMENTED
		• Employees with a company car allowance are required to have an EV/low emission (75g/km or less for a hybrid) vehicle.	
		• Salary sacrifice scheme introduced for employees to lease an EV or low emission hybrid vehicle in a tax efficient way.	
		• Our travel booking system has been updated to display carbon emissions associated with bookings to make employees more aware of the impact their journeys are having.	
		• We have invested in video conferencing equipment in our offices to facilitate enhanced virtual meetings and collaborative online working.	
Purchased vehicles	SCOPE 3.1 SCOPE 3.10 SCOPE 3.11	• Develop a clear plan for reducing the volume of vehicles taken on balance sheet through Autorama.	IN PROGRESS

PURCHASED VEHICLES – LEASING

A significant part of the Group's Scope 3 emissions relate to the purchased vehicles that temporarily pass through Autorama's balance sheet. This significantly impacts our emissions from purchased goods and services and use of sold goods as we account for purchase of the vehicles as well as the lifetime emissions and end of life emissions of the vehicles. As the supply of new vehicles improves, we expect to become less reliant on vehicles where we are required to take them on balance sheet.

PURCHASED GOODS AND SERVICES

We want our supply chain to align with Auto Trader's own net zero goals, and are embedding this in our sourcing, supply chain management and reporting processes. We engage our suppliers to understand their own intentions, approaches, targets and actions with a view to measure, monitor and offer support and potentially future assistance to our key suppliers.

To complement our actions across our business operations, we have set a target of reducing our absolute Scope 3 GHG emissions by 46.2% before 2030 (from a 2023 base year), a key part of which will mean addressing our supply chain emissions to ensure that our purchased goods and services are aligned to the low carbon economy transition.

We set out a clear stance on the importance of appropriate environmental action with our highest emitting suppliers. All our suppliers' emissions are tracked as part of our own calculations, and we monitor this year-on-year. We also assess our top spend and highest emitting suppliers to see what they include and how they calculate their emissions, if they have set any targets (SBTi or other), whether they submit a report to CDP (if so, how have they scored year-on-year) and finally, what are they sharing publicly, targets, initiatives, actions and do they feel appropriate for their business type, size and industry. This information forms part of an internal rating system which indicates where a supplier is on their journey to become a more sustainable business and aids internal business decisions about the relationships we have.

FINANCIAL PLANNING

We know our transition plan requires adequate financing to succeed. While we haven't quantified its impact on our financial position yet, we expect it to involve minimal investment and in some instances will yield cost savings. For example, reusing furniture from offices which would otherwise go to waste will save costs. The purchase of carbon removals will play a role in our ability to reach net zero and therefore developing a carbon credit purchasing strategy is required for us to meet our targets.

Our Revolving Credit Facility arrangements are linked to performance against our ESG targets, including our climate targets, ensuring that there is a direct positive financial reward for staying on track with our GHG emissions reductions through reduced rates. Investors consider ESG factors in their decisions, and our strong performance on various indices reflects our progress in ESG strategy.

46.2%

target reduction in our absolute Scope 3 GHG emissions

ENGAGEMENT STRATEGY **P45**

CARBON REMOVALS

The purchase of carbon removals plays a role in our ability to reach net zero. We are developing a carbon credit purchasing strategy to align our purchase of carbon removals with our targets to meet net zero. In the meantime, we have started to build a modest portfolio of carbon removals.

Provider	Category	Tonnes CO_2e
Ruumi Project	Sustainable Land Management	39
Highland Carbon's Loch Ness Project	Reforestation	324
The Carbon Removers / Carbon Capture Scotland	Carbon Capture and Utilisation	156
Undo	Enhanced Rock Weathering	615
The Carbon Removers / Carbon Capture Scotland	Carbon Capture and Utilisation	300

One organisation we have purchased removals from is UNDO, a project based in Scotland that uses enhanced rock weathering ('ERW') to capture and lock away CO_2 permanently from the atmosphere.

The project uses the ICROA-endorsed Puro Standard methodology to quantify high-quality, high-durability CO_2 Removal Certificates (CORCs). ICROA is the voluntary carbon market's provider of best practice guidelines.

ERW is a scalable technology with significant co-benefits to soil health and crop yields. It accelerates the natural geological process of weathering, whereby the CO_2 in rainwater interacts with silicate rocks such as basalt, forming bicarbonate ions which are transported to the ocean where it is stable over geological time. As this mineral-rich volcanic rock breaks down, it releases magnesium, calcium, potassium, phosphorus and other nutrients, increasing crop yield, raising and stabilising soil pH and ultimately reducing the need for fertilisers.

UNDO is currently establishing a range of operational partnerships that will enable the spreading of millions of tonnes of basalt each year. Its immediate aim is to spread enough rock by 2025 to remove one million tonnes of CO_2, a first step towards billion-tonne scale operations.



Action: Our engagement strategy

An effective engagement strategy is essential to achieving the strategic objectives of our transition plan. We aim to influence industry change and support the net zero transition across all stakeholders we interact with.

CARBON LITERACY

We embarked on our Carbon Literacy training for all our employees in 2019, working with the Carbon Literacy Trust with the aim of increasing the carbon literacy of all our employees, providing learners with an awareness of the carbon dioxide costs and impacts of everyday activities and the ability and motivation to reduce emissions, on an individual, community and organisational basis. Over 70% of our workforce trained and we are a platinum Carbon Literate Organisation – the first FTSE 100 company to achieve this accreditation. The training has been key in engaging our employees and raising awareness of climate change across the business, contributing to better decision-making around commuting, business travel, consumption of energy, and more broadly into operational decisions such as supply chain considerations and development of our products and services.

EXTENDING CARBON LITERACY

- **Automotive Toolkit –** In 2022, we funded and launched the new Automotive Carbon Literacy Toolkit, developed in partnership with the Carbon Literacy Trust. The Toolkit contains pre-accredited training materials for organisations and staff working in the automotive sector, and has been specifically designed to engage the workforce through providing information directly related to the industry, and encouraging staff to reduce emissions within their role.
- **Digital & Tech Toolkit –** In 2025, we collaborated with the Carbon Literacy Trust and Manchester Digital to create a Carbon Literacy Toolkit for the Digital & Tech industry. The Toolkit was carefully designed to address the unique environmental challenges facing the technology industry, which in 2022 alone accounted for 62 billion kg of e-waste globally.

ENGAGEMENT WITH OUR SUPPLY CHAIN

Working with our GHG emissions calculation partner, we have a granular level view of our highest emitting suppliers. We have engaged a combination of our highest emitting and highest spend suppliers, equating to c.75% of our financial year spend. We have three main approaches to supplier engagement:

Code of Conduct (Supplier) – Our published policy outlines Auto Trader's approach and position on environmental, governance, ethical practices and social responsibility, setting out our expectations relating to sustainability and what we encourage all of our suppliers to consider. This is shared with our existing supply chain and all new suppliers we onboard.

Know Your Supplier – Auto Trader's ethical procurement questionnaire helps us establish alignment to Auto Trader's values, targets and actions. We gather information through a combination of discussion, questionnaire completion and self-service from publicly disclosed information, covering a variety of themes including community support, diversity and inclusion, governance, modern slavery and environmental action.

Supplier Sustainability Ratings – Working with our GHG emissions calculation partner, we are able to identify signals that a supplier is taking appropriate environmental action and assess whether they are leaders in sustainability action or only just starting their journeys. These are important indicators which complement the emissions we calculate and allow our decision-makers within the business to see what percentage of our overall emissions an individual supplier equates to, and assess if the supplier is taking appropriate actions to reduce their (and our) emissions over time. Ownership of GHG emissions at a relationship manager level is an important objective for Auto Trader to engage the business and drive emissions reduction at all levels within the business.

FUTURE PLANS

As we move towards 2030, we intend to develop and improve our measurement and monitoring by taking the following actions:

- Engage with suppliers in a more managed way via a technology partner, potentially our GHG emissions calculation partner (Watershed) to gather more appropriate and contextual information from different types of businesses at different points in their environmental action journeys.
- Enhance the information gathering process by working with a market-leading due diligence partner which will automate and improve the quality of information we gather, so that we can focus our resource on proactive engagement and discussions with our suppliers.
- Develop and evolve our internal policies, processes and tools to adapt to our growing requirements to work with sustainable suppliers, whilst also refreshing and improving our external approach and documentation to ensure the importance to Auto Trader of appropriate environmental action is made clear to existing and new suppliers.



ENGAGEMENT WITH THE AUTOMOTIVE INDUSTRY

Supporting the industry in the electric transition

The Zero Emission Vehicle mandate came into force in 2024, causing significant levels of change in the automotive industry for manufacturers and retailers as the mandate began to dictate the portion of electric vehicles ('EVs') that brands need to sell each year or risk paying fines. A lot needs to happen in the coming years to ensure the successful mass adoption of electric vehicles. Our wealth of data and insight gives us a unique view of consumer car buying intentions, and particularly consumer EV buying intentions.

We disseminate this data through various channels, including webinars, Electric Retailing Masterclasses, and the Retailer EV Insight Hub. Our strategy segments industry partners for a tailored experience depending on confidence, exposure and appetite for change. We support independent retailers, who have no one to provide additional training on these new products, through unique events offering data, insights, expert advice, as well as test drive opportunities.

Before switching to EVs, consumers need accurate information. However, myths and misinformation have influenced their views.

To counter this, we, along with the Society of Motor Manufacturers and Traders and Charge UK, have launched an initiative endorsed by the Department for Transport. 'The Facts' provide accurate data on the price, running costs, eco-credentials, fire risks, and charging of EVs, aiming to build consumer confidence.

Our goal is to ensure a fair and equitable transition to EVs. To aid this, we researched the EV gender gap and created the report 'No Driver Left Behind: Women and the journey to electric'. This has been well-received and featured on national TV, radio and online media and has been shared throughout the industry. Multiple Government departments and manufacturers have requested sessions on this topic.

Sustainability

The automotive industry is under enormous pressure to reduce its carbon emissions and whilst many of our industry partners have clear and bold plans to reduce emissions, many are still very early on in their sustainability journeys and require support to help them develop a carbon reduction plan. Through our partnership with the Carbon Literacy Trust, we have created and funded the Automotive Carbon Literacy Toolkit which has gone from strength to strength. We have now also launched a Digital & Tech Toolkit with a new set of sector partners.

In the automotive space, 311 organisations have now completed the training, which our customers view as an important step in their sustainability journey, as well as a key employee engagement initiative. Once an individual in a business has been accredited as 'carbon literate', the business is then provided with training content and trainer manuals that enable them to run their own one-day Carbon Literacy training. Over 5,000 automotive professionals have now achieved carbon literacy through the toolkit to help sustainability efforts (2024: over 1,000).

In addition to the training, we continue our Building a Sustainable Automotive Industry event series which aims to inspire action and motivate businesses to be more sustainable by gathering industry partners and sustainability experts together. This includes an online knowledge hub and LinkedIn community where industry peers can share questions, challenges and successes. We also award sustainability categories at our Retailer and Manufacturer Awards to encourage and champion those working on sustainability in their businesses.

ENGAGEMENT WITH GOVERNMENT

We have been regularly engaging with various Government departments to share our data and insights to help guide policy for several years. The number of Government departments receiving these insights has expanded, showing the value and impact of our work. Additionally, we have been invited to present oral and written evidence at the House of Lords Environment and Climate Change Committee Electric Vehicles inquiry, with our research playing a key part in the summary document of the inquiry.

We are members of the Society of Motor Manufacturers and Traders ('SMMT'), British Vehicle Remarking and Leasing Association ('BVRLA') and partner with ChargeUK, all industry bodies representing different aspects of the automotive sector. These memberships are valuable as they provide additional routes to influence key stakeholders and share our data and insight.

We also host and sponsor Parliamentary events including roundtables and receptions with Ministers, sharing key insights and data tracking the electric transition to inform their policy making. This is a key component of our public affairs work as well as individual meetings with Ministers and Department officials.

This data also forms the basis of our award winning 'Road to 2030' Reports, which are extremely valuable to not only the Government, but also to media and the industries involved in the electric transition.

We are headline sponsors of World EV Day and to mark the occasion this year we ran a number of workstreams, from gifting free products to retailers and manufacturers to boost their electric stock, to homepage takeovers to raise consumer awareness. We also launched our new 'Find a car' tool which helps consumers to decide which electric vehicle is right for them.



ENGAGEMENT WITH COMMUNITIES AND SOCIETY

We aim to be a guiding hand through the EV transition and to help consumers understand how they can make more environmentally friendly choices. Through our consumer EV hub, we provide buying guides, informative content and explainers for those curious about electric cars. The consumer marketing team is focused on increasing traffic to this hub through various paid marketing activities. Our electric car review content from both the editorial and YouTube teams also plays a vital role in educating and engaging drivers about EVs. Our EV monthly giveaway has been running for three years now, garnering over 15 million entries since the beginning of the campaign. The EV giveaway is an incredibly successful campaign which increases awareness of electric vehicles. The Facts myth busting material will also be promoted across all channels to raise awareness of the key information consumers need.

A significant development in our mission to support environmentally-friendly choices was the launch of new electric bikes on our platform. The electric bike community welcomed this as a sign of market maturity, excited by Auto Trader's influence. On-site interest in e-bikes has surged, with successful Black Friday promotions and editorial content. We have also run multiple campaigns with influencers to grow the reach and engagement of electric bikes on Auto Trader; these partnerships allow us to reach younger and more diverse audiences due to the hand-picked nature of the influencers we work with.

Our No Driver Left Behind report uncovered that women were keen to learn more about electric vehicles in the content they already consume and so we have targeted the lifestyle media – educating them about the need for electric vehicle content and engaging them with the new technology in a way that will resonate with their readers. Following multiple relationship building activities, we are seeing strong results with repeated coverage in key lifestyle titles.

We have partnered with Community Computers, who work to address digital exclusion in Greater Manchester, to donate used devices to their service users. By repurposing salvageable technology instead of selling it back to suppliers, these devices can have a second life and help the digitally excluded, aligning with our community values and net zero strategy.

The partnership also means that technical waste is not going to landfills.

We have also partnered with the Manchester Green Spaces Fund to join regional efforts of nature recovery projects driven by local people right across Greater Manchester. We've given £96,000 to the Green Spaces Fund (FY24) to expand an ongoing partnership with the Greater Manchester Environmental Fund. These projects include a community garden, a pond on a community allotment, native tree and hedge planting and a new wildlife corridor.

£96,000

donated to the Green Spaces Fund



In 2023 we joined The Castlefield Viaduct Club, supporting the National Trust renovation work of the previously unused railway track, which is just a short walk from our Manchester campus. The aim is for the viaduct to become a 'garden in the sky' and a freely accessible green space. Through funding provided by the National Trust's relationship with Auto Trader, the garden was expanded to include a pond, planters for trees, a mural and more growing space.

Accountability

Governance, metrics and targets: enabling delivery through robust governance and reporting.

AMBITION

ACTION

OUR ROADMAP TO NET ZERO

Net zero refers to the balance between the amount of greenhouse gas produced and the amount removed from the atmosphere. We have established near-term (2030) and long-term (2040) emissions reduction targets in line with the SBTi Net Zero Standard.

Our greenhouse gas emissions and carbon intensity ratios are disclosed on page 49 and these form part of our key metrics.

We have committed to reach net zero greenhouse gas emissions across our value chain by 2040, committing to:

- Reduce absolute Scope 1 and 2 GHG emissions by 50% before 2030 from a 2023 base year.
- Reduce absolute Scope 3 GHG emissions by 46.2% over the same timeframe.
- Reduce absolute Scope 1, 2 and 3 GHG emissions by 90% by 2040 from a 2023 base year.

Our Net Zero roadmap visualises our emissions reduction from our 2023 base year until 2040. This roadmap does not yet account for business growth or incorporate the impact of actions and initiatives that we will use to achieve our target. Although we have started to quantify these, further work is required to fully model these into our roadmap. We intend to overlay these into our roadmap in the future, to further embed them into our business and financial planning, and to issue an updated roadmap in the next iteration of our transition plan.

To meet the SBTi's definition of net zero, we need to reduce our emissions by at least 90%. It is therefore essential that we fully understand the source of our emissions and undertake targeted actions. Our SBTi approved targets have been updated to include the impacts of acquiring the Autorama business in 2022.

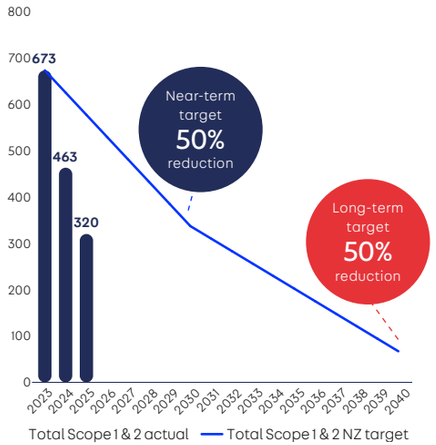
The make-up of our carbon emissions is heavily weighted towards Scope 3, and within that purchased vehicles, use of sold goods and other purchased goods and services are the biggest contributors.

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

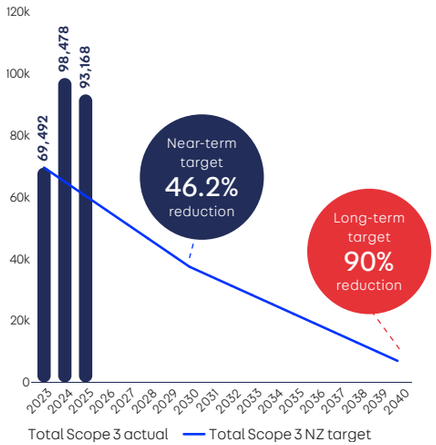
The Group is required to report its energy use and measure and report its direct and indirect greenhouse gas ('GHG') emissions by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The GHG reporting period is aligned to the financial reporting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

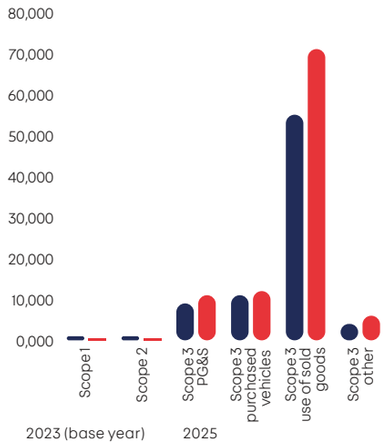
Scope 1 & 2 reduction target (tonnes of CO_2)



Scope 3 reduction target (tonnes of CO_2)



Our emissions (tonnes of CO_2)



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.

INDEPENDENT VERIFICATION OF OUR GHG EMISSIONS

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

Our total CO_2 emissions[1]

	2025		2024	
	UK	Global	UK	Global
Scope 1	116	116	258	258
Scope 2 (location based)	204	204	205	205
Total (Scopes 1 and 2)	**320**	**320**	**463**	**463**
KwH ('000s)	1,277	1,277	1,448	1,448
Purchased goods and services		19,457		22,949
Capital goods		1,375		2,262
Fuel and energy-related activities		91		74
Upstream transportation and distribution		–		–
Waste generated in operations		100		107
Business travel		933		1,041
Employee commuting (inc. working from home)		725		982
Upstream leased assets		–		–
Use of sold products		69,950		70,643
End of life treatment of sold products		172		383
Investments		45		37
Scope 3 (total)		**92,848**		**98,478**
Total (Scopes 1, 2 and 3)		**93,168**		**98,941**
Group revenue		£601.1m		£570.9m
Tonnes of CO_2 equivalent per FTE[2]		73.5		80.2
Tonnes of CO_2 equivalent per £million turnover		155.0		173.3
Scope 2 (market based)		0.1		10
% renewable		99%		95%
Auto Trader total emissions		9,903		14,169
Autorama total emissions		83,265		84,772

1. Scopes 1, 2 & 3 are reported in tonnes of CO_2 equivalent.
2. Based on average number of employees in the Group throughout the year 2025: 1,267 (2024: 1,233).

Our approach to climate governance

We have integrated climate governance into our existing governance processes and sought to embed responsibility for the risks associated with climate change throughout our business, adopting a climate change focused mindset. There is a clear commitment from the Board to deliver on our environmental commitments and ensure relevant accountability across the business. Our environmental strategy was initiated to ensure a joined up approach across the business considering the risks and opportunities climate issues pose and how we are responding to them.

We submitted our annual CDP questionnaire and received a B rating in December 2023; we are awaiting our 2024 score. The rating is on a scale from A (best possible score) to D-. Our current rating indicates that Auto Trader has knowledge of impacts on, and of, climate issues and that we are taking coordinated action on climate issues.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ('TCFD') COMPLIANCE STATEMENT

The Group has prepared its TCFD disclosures in line with guidance from the 2021 updates to the TCFD Final Report and Annex, including the supplementary guidance for all sectors. At the time of publication, in accordance with the UK's Financial Conduct Authority ('FCA') Listing Rule 9.8.6R(8), the Group has made climate related financial disclosures consistent with the TCFD recommendations and recommended disclosures set out on page 94. The table included in the Corporate Responsibility Committee report (page 92) summarises where the relevant disclosures are addressed. We continue to develop our net zero strategy and to identify the risks and opportunities to our business as a result of climate change and the potential financial impact. The climate related financial disclosures made by the Group comply with the requirements of the Companies Act 2006 as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

HOW WE GOVERN THIS AREA



1. BOARD RESPONSIBILITY

The Corporate Responsibility Committee is responsible for holding the Executive Directors to account with respect to climate risks and opportunities and their impacts on both the business and the wider environment. Our environmental strategy is a standing agenda item for all Committee meetings.

2. EXECUTIVE RESPONSIBILITY

The responsibility for assessing and managing climate related risks and opportunities sits at both Executive and Board level. Executive responsibility for our impact on climate change is held by all our Executive Directors, who have responsibility for overseeing our environmental strategy. Responsibility for the consideration of climate related risks and opportunities on the financial performance of the Group and compliance with environmental reporting sits with our CFO, Jamie Warner.

3. RISK FORUM

Our Risk Forum undertakes a review of climate related risks with our Auto Trader Leadership Team ('ALT').

Environmental risks are also reviewed at least twice a year as part of the overall risk review process.

4. REMUNERATION COMMITTEE

The Committee introduced ESG-related targets into the Performance Share Plan ('PSP') for the first time in 2021. The PSP includes a specific performance target linked to a reduction in our GHG emissions.

5. THIRD-PARTY ASSURANCE

Our GHG emissions have been independently assured by EcoAct using ISO 14064-3 for all scopes of our carbon footprint.

6. ENVIRONMENTAL WORKING GROUPS

Our environmental strategy not only focuses on our own environmental impact, but also aims to support our customers, consumers and the industries in which we operate and, as a result, various parts of the business play a part in delivering our ambitions. Different parts of the business are brought together through our Environmental Strategy working group, which is sponsored by members of our ALT. Key activities and milestones are set for each financial year and these are shared with the Corporate Responsibility Committee. The Environmental Strategy working group is responsible for our commitment to net zero, which is in line with our SBTi targets. This group also identifies ways in which we can support the tech and automotive industries, alongside helping consumers make more environmentally friendly vehicle choices.

7. EMPLOYEE GUILDS & NETWORKS

Our employees play a fundamental role in the success of our environmental strategy. Our Sustainability Network comprises passionate individuals from across the business who are focused on making life at Auto Trader more sustainable. They do this through increasing employee awareness and driving impactful changes for both individuals and our business, supporting our overall goal of reducing our carbon emissions.

TARGETS AND METRICS

Our operations

SBTi approved near and long-term targets (see page 34).

Supporting the automotive and technology industries

Number of EVs advertised on Auto Trader
33,603
average as at March 2025 (2024: 22,536)

Share of EVs advertised on Auto Trader
5.6%
during FY25 (FY24: 4.5%)

Number of EVs delivered by Autorama
950
during FY25 (FY24: 876)

Number of videos produced covering EVs
41
during FY25 (FY24: 56)

Supporting consumers

Number of EV advert views on Auto Trader
150 million
during FY25 (FY24: 105 million)

Share of EV advert views on Auto Trader
5.0%
during FY25 (FY24: 3.7%)

Number of EV giveaway entries
15.5 million
since campaign started (FY24: 10.8 million)

Number of video views covering EVs
6.5 million
during FY25 (FY24: 7.9 million)

Our people & communities

Our values underpin everything we do.

SUPPORTING THE UN SDGS MOST RELEVANT TO OUR STRATEGY

HOW WE GOVERN THIS AREA



1. BOARD RESPONSIBILITY

Material ESG topics discussed by the Board include diversity and inclusion, employee engagement and talent development. The Corporate Responsibility Committee is responsible for holding the Executive Directors to account and on a quarterly basis our people scorecard is reviewed and progress against our cultural KPIs is monitored. The Board plays an important role in ensuring our culture is aligned with our long-term strategy.

2. EXECUTIVE RESPONSIBILITY

The responsibility for assessing and managing our people and culture sits at both Executive and Board level. Our Executive Directors have responsibility for oversight of our diversity and inclusion agenda and are responsible for ensuring that our values are embedded into all parts of our business.

3. AUTO TRADER LEADERSHIP TEAM

Our Auto Trader Leadership Team ('ALT') is responsible for driving our culture that is values-led, customer-centric and data driven, underpinned by a diverse and inclusive team. Having a progressive culture and environment ensures the attraction, development and retention of a talented, engaged and diverse workforce.

4. REMUNERATION COMMITTEE

The Committee introduced diversity-related metrics into the Performance Share Plan ('PSP') targets for the 2021 PSP award. From 2022 onwards, PSP award performance will be measured against our diversity ambitions as part of an underpin rather than as a standalone target. The Committee also has remit over material changes to package and benefits and approved the all-employee share scheme.

5. EMPLOYEE GUILDS & NETWORKS

Our employees play a fundamental role in the success of our ESG strategy. Through our thriving networks and guilds, our ESG priorities and ambitions are championed and driven forward by our employees. See page 54 for more information about our networks.

Our Board Engagement Guild is the primary mechanism for our Board to engage with our employees and meetings are not attended by the Executive Directors. Employees are able to share their experiences and views, as well as providing the opportunity for them to ask questions directly of Non-Executive Directors. The Board Engagement Guild has representatives from across different parts of the business and canvasses views and opinions from their colleagues to share with the Board.

6. THIRD-PARTY CHARTERS & ACCREDITATIONS

We have signed up to various third-party charters and have received a number of accreditations, most notably:

- Race at Work Charter
- Change the Race Ratio
- Disability Confident
- Social Mobility Top 75
- Inclusive Companies
- Living Wage Employer

OVERVIEW

Being a responsible employer and maintaining a strong, purpose-led culture is key to our ongoing success. Our values underpin everything we do, reflecting our culture and commitment to making a positive impact.

ENGAGING OUR EMPLOYEES

We value effective communication and engagement with our employees, continually reviewing and improving based on feedback. We conduct regular surveys, including an anonymous one twice a year, to assess engagement and job satisfaction. In our latest engagement survey, 91% (2024: 97%) of employees agreed or strongly agreed with the statement "I am proud to work for Auto Trader", a measure which we view as a proxy for engagement. We enhance these surveys with pulse and post-event surveys as needed.

Our Board Engagement Guild allows direct engagement between our Board and employees, facilitating questions and sharing employee experiences and views. This year, the Guild met three times, discussing topics such as what employees find great about working for Auto Trader and what they would like to see done differently; Directors' remuneration; employee engagement and trust; and sentiment around organisational changes. A key part of engaging our employees is to ensure senior leaders are visible throughout the business and accessible to staff delivering our business objectives. We aim to ensure our employees are regularly kept up to date with the key aspects of our business strategy and priorities, and understand their role in achieving them, which is important to maintaining our purpose-led culture across the business. As a result, we provide various internal communication channels including regular 'ALTV' sessions led by our CEO and leadership team, as well as our bi-annual all-employee conferences.

Working responsibly continued

We have continued to embrace Connected Working, our hybrid working model which offers greater flexibility in where and how our employees work. Central to this approach is the importance we place on staying connected, while maintaining collaboration within teams and the wider Auto Trader community. In early 2026, we'll be relocating our head office to Bruntwood SciTech's Circle Square – right in the heart of Manchester's tech community. Once the fit out is completed, the purpose-built environment with state-of-the-art workspaces will not only support our employees staying connected, but it will also bring us even closer to our customers and industry peers, providing a collaborative space to share insights, data, and experiences.

PAY AND BENEFITS PACKAGE

We offer a comprehensive pay and benefits package, including employee pension contributions up to 7%, private medical cover, income protection, life assurance and enhanced family/dependant leave provisions. In FY25 we introduced our retirement benefit to support those employees ready to transition to retirement.

Share ownership is fundamental to who we are as a business and is a great way to reward our staff, which is critical for the long-term sustainable success of our business. FY25 saw the second award of our One Auto Trader Share Award ('OATSA') scheme, an all-employee share award scheme that rewards employees with an additional 10% of their salary in shares, vesting over a three-year period. In addition, we provide an annual SAYE scheme, with 53% of our employees actively contributing to one of the current schemes.

WELLBEING AND SAFETY OF OUR EMPLOYEES

We are committed to supporting our employees in all aspects of their health and wellbeing. We provide a comprehensive range of healthcare benefits as well as access to tools and education, mental health support and supportive pathways to empower our employees to have more good days. During the year, people leaders have the opportunity to attend a refresher course in mental health awareness to assist them in identifying and supporting issues that relate to people's mental health and learn practical skills that can be used every day to help support team members. Access to mental health support and services is made available to all employees via trained Mental Health First Aiders and the Employee Assistance Programme.

We have a comprehensive 'Respect at Work' Policy, which emphasises the importance of maintaining a safe and respectful environment. The policy details cultural expectations and employee rights regarding bullying, discrimination and harassment, including sexual harassment, and explains our zero tolerance stance. It also outlines the reporting process and sets standards for upholding these principles outside of the workplace and during the course of employment. We provide employees with sexual harassment training and awareness sessions, including specific training on how to identify and report harassment by third parties. The training ensures that all employees understand their rights under the Equality Act 2010 and the Company's expectations regarding inappropriate behaviour.

We provide access to tools and resources to support employees with their financial wellbeing, including access to mortgage advisors and will writing services, season ticket travel loans and salary finance.

We are committed to creating a safe office environment and to achieving high standards of health and safety and to protecting our staff and others affected by our operations. Our principal objective is to prevent or minimise accidents, injury and ill health to staff, contractors and others who work at or visit our premises. We have a fully compliant Health and Safety Policy and appropriate insurance for all employees. We can report that we have had no fatalities or serious injuries during the year, and there was no impact to our operations due to work-related incidents or work-related occupational disease. We have had no accidents reportable to RIDDOR this past financial year.

Within our Connected Working approach, we remain committed to our people's health and wellbeing. To support our employees, we make sure that their workstations are safe by completing DSE risk assessments of both office and home-based workstations and environments. These assessments ensure compliance with health and safety regulations and help to identify and minimise risks while working from home or the office.

INVESTING IN AND SUPPORTING OUR TALENT

The quality of our people and the development of a robust and diverse talent pipeline for the future are essential to delivering our long-term growth strategy. Our objective is to attract and retain talent across the organisation, providing them with opportunities for personal growth that will help us to achieve our goals while enabling them to fulfil their potential.

We are committed to ensuring that our employees have the time and opportunity to pursue their development. To support this, we are focusing on developing our People Managers and our People team, enabling personal development plans, a coaching approach across learning, and structured programmes with self-learning. We pride ourselves on having a community focused on development where everyone can be successful. We still retain a strong level of retention and employee engagement and our attrition rate remains low at 10% (2024: 11%) when compared to industry and national averages.

We recognise that People Managers are one of our most important partners in development. As a central objective of our People team, we are investing in the development of our People Managers. Through conversations with them, we have designed our expectations of management at Auto Trader. Our focus now is to create stronger boundaries through our policies for People Managers and a development framework to support their abilities.



Our Learning Academy is central to our community-focused development approach. We offer accessible courses for everyone across the business (including part-time and contractors). Coaching and mentoring are primary approaches for us in learning, including the training of 50 employees to be qualified coaches. Training our People Managers to be coaches is also a focus for our manager development. We offer sponsorship for professional qualifications and help our people maintain continuous professional development.

Our mandatory training covers our compliance needs, ensuring we meet legislative and regulatory requirements. We also have 'always on' sessions that support our ways of working with role-specific technical skills and soft skills. These are available for all employees and accessible through the Learning Academy system.

Working responsibly continued

EARLY CAREERS

We have a dedicated Early Careers team which plays a vital role in nurturing the future success of Auto Trader. We take immense pride in our exceptional pipeline of talented individuals who are carefully developed to assume key roles across various departments in the business. Our team is committed to identifying opportunities, crafting innovative programmes and delivering comprehensive support to facilitate the growth and success of early careers, retraining and professional development for employees at Auto Trader.

In FY25 we welcomed 38 apprentices and graduates to the Early Careers Academy (including internal career changes). Our apprentices enjoyed great success this year and we celebrated seven apprentices completing their level 3, 4 and 6 apprenticeships.

LEADERSHIP DEVELOPMENT

During the year we expanded our leadership team to form the Auto Trader Leadership Team ('ALT'). The ALT takes responsibility for the overall stewardship, culture and performance of Auto Trader, including our strategy and priorities and how we work together. In line with the changes, the ALT have all taken part in an onboarding programme aiming to introduce them to their new roles.

We have continued with our Diverse Talent Accelerator programme designed to support the progression of mid-career employees.

Year	**2025**	2024
Hours of mandatory training	**2,328**	1,113
Hours of non-mandatory training	**28,291**	27,363
Annual cost of training[1]	**£476k**	£633k
Average cost per employee[2]	**£376**	£513
Employees studying for professional qualification	**16**	8
Employees on an apprenticeship/early careers[3]	**66**	71

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 1,267 (2024: 1,233).
3. As at 31 March – this excludes individuals who completed their programme during the reporting period.

DIVERSITY AND INCLUSION

At Auto Trader, we value a diverse and inclusive workforce, which enhances our culture and business by attracting and developing talent. Diversity and inclusion unlock the full potential of our people and, consequently, our business. 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 strive for diverse representation at every level of the Company, with a particular focus on leadership. Our representation of women at a total company level remained consistent at 44% (2024: 44%).

This year, the percentage of women on our Auto Trader Leadership Team ('ALT') is 38% (2024: 50%). We increased the percentage of women in leadership roles to 43% as at 31 March 2025 (March 2024: 42%), as defined by the FTSE Women Leaders Review.

We aim to build a diverse candidate pool for internal development and succession planning by identifying diverse talent for senior roles, ensuring equitable representation. In FY25, we refined our Inclusive Culture Development Programme, designed to support us in achieving our aims. This programme focuses on enhancing our talent management, succession planning and leadership development initiatives.

We remain committed to supporting disabled and neurodiverse employees and those who become disabled during their employment with us. Recognising that everyone is unique, we provide the right support to ensure they continue to realise their full 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.

We are very proud that Auto Trader has continued to be recognised as a Leader of the Disability Confident Scheme and one of the Top 75 (ranking 29th) employers in the Social Mobility Employer Index by The Social Mobility Foundation, signifying our commitment to inclusivity and supporting individuals with disabilities.

EARLY CAREERS ACADEMY

Our Early Careers Academy is designed to support the onboarding, knowledge, skills, behaviours, wellbeing and continuous development of everybody on one of our Early Careers programmes, which include graduate programmes, apprenticeships and internships.

INCLUSIVE CULTURE DEVELOPMENT PROGRAMME

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

ONE AUTO TRADER – A CULTURE OF INCLUSION

As part of Auto Trader's 'Great Start', all new starters must attend this workshop.

In one day, colleagues gain a common understanding of diversity and inclusion at Auto Trader, meet representatives from our Employee Networks and explore different biases and how to call out behaviour that goes against inclusion.

INCLUSIVE RECRUITMENT

When it comes to recruitment and selection, all those that are part of the hiring process take part in a full day workshop around inclusive recruitment. These sessions raise awareness of bias, share best practice, introduce our scoring frameworks and allow assessors to develop their shortlisting and interview skills.

INCLUSIVE LEADERSHIP

This is aimed at equipping leaders with the 'know how', skills and insights required to lead diverse teams in an inclusive way. Leaders are educated on the benefits of leading inclusively and are equipped with the tools to enhance their leadership style which will inspire them to re-evaluate how they lead others and create an inclusive culture across Auto Trader.

DIVERSE TALENT ACCELERATOR PROGRAMME ('DTA')

The aim of DTA is to accelerate the progression of high potential talent in order to create a pipeline of diverse future leaders.



The programme offers a range of experiential and group learning, coaching and sponsorship.

We encourage undiscovered talent to apply, particularly colleagues from groups that are under-represented in our senior leadership teams including those that are people of colour, women, LGBT+, disabled and neurodiverse, and from a lower socio-economic background.

THE BLACK EXPERIENCE

The workshops were designed and are being delivered by the People team in collaboration with our black employees and aim to increase awareness and appreciation of the challenges black employees face in and out of the workplace. Through the workshops we also aim to highlight the behaviours that people leaders can utilise in order to enhance black inclusion.

NEURODIVERSITY AND MENTAL HEALTH MANAGER AWARENESS

On top of the general Mental Health Awareness training, we have recently launched Neurodiversity and Mental Health Manager Awareness training, which is specially designed to empower People Managers with the knowledge and confidence to engage in meaningful conversations about neurodiversity and mental health in the workplace.

DRIVING DIVERSITY AND INCLUSION THROUGH OUR EMPLOYEE-DRIVEN NETWORKS

A core part of our people and culture strategy is centred around our employee-driven networks. Everyone at Auto Trader is encouraged to join one of these networks. The networks and their leaders are a core part of our culture, 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 a senior leadership sponsor to help drive change and champion network initiatives.

	The Career Kickstart Network brings together employees in their early careers from across the business to learn and grow together through shared experiences, resources and discussion.
	Our Disability & Neurodiversity Network continues to create a more accessible and inclusive environment for our employees. 13.3% (2024: 13.5%) of our employees have disclosed a disability or neurodiverse condition. The network partners with various charities including Research Institute for Disabled Consumers, Speed of Sight and the Business Disability Forum to educate employees and raise awareness.
	The Ethnicity Network brings together employees from across the business to raise awareness and drive positive change for our employees, customers and communities who are currently under represented ethnically. With an aim to create an even more inclusive workplace where everyone feels valued, respected and empowered to contribute to their fullest potential.
	Our LGBT+ Network representation is currently 10.8% (2024: 10.0%) and the network has continued to support our employees and connect with local LGBT+ charities, including The Proud Trust and the George House Trust.
	Through building an internal community within the business, the Parents' Network helps create an environment for employees to support each other in navigating the challenges of being working parents.
	Our Social Mobility Network is focused on understanding how socio-economic background can influence individuals in the workplace and working to remove barriers and open opportunities. Auto Trader has signed the Social Mobility Pledge, committing to putting social mobility at the heart of what we do, with 74% of our people sharing social mobility data.
	Our Women's Network is focused on improving and evolving representation of women at all levels in Auto Trader, the automotive industry and the digital communities within which we operate, by recruiting, retaining and developing female talent.

Working responsibly continued

GENDER AND ETHNICITY DIVERSITY

As at 31 March 2025, Board membership is comprised of six women and three men, exceeding the FTSE Women Leaders Review recommendations and FCA Listing Rules requirements, which have a target of 40% women's representation. A woman is appointed as Senior Independent Director, meeting the targets set out in the Listing Rules at LR 9.8.6 (9)(a). Two Board members are from an ethnically diverse background, meeting the recommendation of the Parker Review.

The percentage of the total company who are from an ethnically diverse background has increased from 17% to 19% during the year, with the percentage of those from an ethnically diverse background in leadership increasing from 6% to 10%, although changes to our Auto Trader Leadership Team ('ALT') have contributed to the increase. We remain committed to increasing ethnically diverse representation in leadership. As was the case with women, we are focused on our recruitment processes, the majority of which are in lower level roles, and how we develop and promote a diverse group of individuals through the organisation.

Last year, the Parker Review extended its scope to senior management, asking the FTSE 350 to set a percentage target for senior management positions that will be occupied by ethnic minority executives in December 2027. We have set a target of 10% for ethnically diverse senior management (ALT and ALT-1) to be achieved by March 2027 in line with the Parker Review.

	As at 31 March 2025							As at 31 March 2024							
	Board			Executive management ALT[2]		ALT direct reports[3]		Total Company		Board			Executive management OLT[2]		OLT direct reports		Total Company	
	Number	%	Number of senior positions[1]	Number	%	Number	%	Number	%	Number	%	Number of senior positions[1]	OLT[2]	%	Number	%	Number	%
Men	3	33%	3	11	61%	50	56%	721	56%	4	44%	4	4	44%	41	59%	701	57%
Women	6	67%	1	7	39%	40	44%	562	44%	5	56%	–	5	56%	28	41%	548	43%
Non binary/ other	–	–	–	–	–	–	–	7	–	–	–	–	–	–	–	–	6	–

	As at 31 March 2025							As at 31 March 2024							
	Board			Executive management ALT[2]		ALT direct reports		Total Company		Board			Executive management OLT[2]		OLT direct reports		Total Company	
	Number	%	Number of senior positions[1]	Number	%	Number	%	Number	%	Number	%	Number of senior positions[1]	OLT[2]	%	Number	%	Number	%
White British or other White	7	78%	3	17	94%	73	81%	948	74%	8	89%	4	9	100%	59	86%	909	72%
Mixed ethnic groups	–	–	–	–	–	1	1%	36	3%	–	–	–	–	–	–	–	26	2%
Asian /Asian British	2	22%	1	1	6%	7	8%	144	11%	1	11%	–	–	–	4	6%	129	10%
Black/ African /Caribbean /Black British	–	–	–	–	–	2	2%	50	4%	–	–	–	–	–	1	1%	42	3%
Other	–	–	–	–	–	–	–	16	1%	–	–	–	–	–	–	–	19	2%
Not disclosed	–	–	–	–	–	7	8%	96	7%	–	–	–	–	–	5	7%	130	11%

1. Senior positions defined as CEO, CFO, SID and Chair of the Board.
2. Excludes CEO, COO and CFO who are included in the Board numbers.
3. In 2025 we extended our leadership team from 12 individuals (previously our Operational Leadership Team, 'OLT') to 21 individuals (now called our Auto Trader Leadership Team, 'ALT'). We define leaders as those who are on our ALT and its direct reports, excluding those with senior and principal job titles in Product & Tech.

Working responsibly continued

GENDER AND ETHNICITY PAY GAP

We released our fifth combined Gender and Ethnicity Pay Gap Report 2024 (published in November 2024, reporting the pay gap as at 5 April 2024). We welcome the new Government's commitment to introducing disability pay gap reporting as a fundamental step for employers to gain a better understanding of its drivers and take steps to closing it over time. As we have done with our ethnicity pay gap, we are publishing our disability pay gap in advance of it becoming a mandatory requirement and have included a high-level analysis in this year's report. We will work with our peers across our industries and the Government to support the introduction of mandatory pay gap reporting for ethnicity and disability in the coming years. You can read our Gender and Ethnicity Pay Gap Report on our corporate website (plc.autotrader.co.uk).

We are pleased to report that we continue to make progress in reducing our gender pay gaps. Our mean gender pay gap decreased by 0.2% (2023: 2.3% decrease), and our median pay gap decreased by 0.7% (2023: 3.3%). We continued to make good progress during the reporting period in retaining women in upper quartiles within our business, with only 15% of leavers coming from this group, compared to 53% for men.

Overall, we have increased our women hires, with 52% of all new starters being women within the last 12 months, a 6% increase year-on-year. We are pleased to have achieved our goal of reaching an equal gender split across our recruitment campaigns. This year, we have further strengthened our maternity and family leave policies to provide even greater support for women and families throughout their careers. We also introduced our Company funded Menopause Plan which provides personalised support for employees struggling to manage their symptoms. We believe these enhancements will further boost our retention of women in the future. We do however recognise that there is still work to do here, specifically maintaining that equal representation when hiring into senior roles.

When we take a closer look at our colleagues who have been in consecutive pay gap reports, we can see that the biggest movement for women was in the lower middle and upper middle quartiles. Both quartiles saw 22% of existing women move upwards year-on-year which points to an important element of our diversity strategy – growing our own pipeline of talent. Firstly, the movement from the lower to lower middle quartile highlights our continued commitment to develop our Early Careers talent, with this move into the lower middle quartile often coinciding with the step into Professional level roles. Secondly, we are pleased to see the continuation of that pipeline in the upper middle quartile, which saw an increase of 3.8% this year. Our promotions contributed to this increase, with 25% of women who were promoted between April 2023 and March 2024 moving up a quartile compared to 17% of men.

During the reporting period, we have seen both our median and mean ethnicity pay gaps increase with the median increasing by 4.1% and the mean by 2.3%. However, we have seen our overall representation of Ethnically Diverse employees increase by 3%, with all quartiles growing apart from the upper middle quartile.

When we analyse the data, the increase in our pay gaps is primarily driven by the positive steps we are taking to increase representation of Ethnically Diverse employees. Our biggest source of hiring is Early Careers, so as we increase the diversity at Early Career level, they join us at the lower quartile pay level, which negatively impacts our pay gap in the short term, particularly the median. Nevertheless, we are pleased to report that 43% of our Early Career intake during the reporting period were from Ethnically Diverse backgrounds and we will continue to focus on this important element of our strategy to grow our own diverse future leaders.



At Auto Trader, we believe that pay gap reporting is an important tool to aid transparency and create accountability in our equality, diversity and inclusivity journey. We have made the decision to report on our disability pay gap ahead of the anticipated policy change to make both ethnicity and disability pay gap reporting mandatory for all businesses with over 250 employees. We've opted to use the same binary methodology for our Disability Pay Gap report as we do for our Ethnicity Pay Gap report. This means that any employees who have not disclosed their data will be omitted from the analysis. We classify employees as having a disability if they have chosen to declare a long-term condition or disability in our people system. Our mean disability pay gap for the reporting period was 5.9% with the median disability pay gap being 1.9%.

As this is our first year of reporting, we currently lack comparable figures. Moving forward, as we gather more data, we are committed to implementing action plans aimed at reducing these gaps and enhancing equality in our workplace.

43%

of our Early Career intake last year were from ethnically diverse backgrounds

52%

of all new starters were women

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

Our Auto Trader community shapes our culture and we are committed to making a difference and having a positive impact on the communities we operate in.

This year we are celebrating 10 years of our Make a Difference Guild. The 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.

Employees can take up to two days a year to volunteer in the community. This year 606 days were taken by our employees to volunteer in the community. Our Auto Trader Community Funds aim to deliver financial support to local community groups and charities in our office locations of Manchester, London, Hemel Hempstead and across the UK.

Through our AT Sponsorships we continue to support employees' and customers' fundraising efforts and we also provide funding for sports equipment and kit sponsorship for our employees and their families. Our employees can also support charities close to their hearts through payroll giving, with 20% of employees choosing to donate to charities using this method. Auto Trader supports this further through match funding up to £5 per month for every employee signed up to payroll giving and also by entering all employees who are signed up into a monthly prize draw with the chance to win a further £500 for the employee's chosen charity.

With Auto Trader operating in both the automotive and technology industries, we continue to partner with the charity BEN, making a significant contribution to the charity on behalf of our customers and partners. BEN is a key charity supporting the automotive industry with the aim to offer life-changing support which empowers people to take control of their mental and physical health. This year we have continued our partnership with Speed of Sight, a local charity that gives life-changing driving experiences for the blind and disabled, running track events for people of all ages regardless of ability or disability.

To help tackle digital exclusion, we work with local charities to repurpose our laptops and devices. This allows us to repurpose our old tech efficiently and sustainably, while supporting communities and individuals to tackle digital poverty and promote digital inclusion.

We have continued our partnership with Forever Manchester who support us in running our well established Auto Trader Community Fund. The fund provides support for a wide range of community projects across Greater Manchester, delivering meaningful social impact to a wide range of grassroot community projects. This year we also worked with Forever Manchester to set up the Auto Trader Digital Inclusion Fund. Through the fund, we are thrilled to have supported four local charities in the Greater Manchester area. These charities will each be using the funds to run technical workshops and programmes in order to upskill members of the local community and reduce the digital divide.

We are proud to be a member of the Automotive 30% Club, a group focused on increasing the representation of women in the automotive industry, focusing on recruiting, retaining, and developing female talent within the industry. Catherine Faiers, COO at Auto Trader, is a patron of the Automotive 30% Club, and this year was named as the winner of the Automotive 30% Club IMI Inspiring Automotive Woman of the Year Award.

To further support the goals of the Automotive 30% Club, this year we launched a new award category, Auto Trader Woman of the Year, as part of our annual Auto Trader Retailer Awards, designed to recognise the exceptional women in automotive retail. The award will celebrate an inspiring woman working within an operational management role in a retail organisation who is delivering results and destined to be a future leader. We also collaborated with the Automotive 30% Club and the Consent Collective to spearhead a new initiative, 'Great Events for All', to educate the automotive industry on sexual harassment and consent to ensure industry events are safe and inclusive. We have continued with our podcast series, 'Women in the driving seat', that explores the challenges and successes of women in the automotive industry.

This year, we collaborated with DigitalHER, DigitalFutures, and GM Enterprise Advisors to host Career Safari days at our Manchester office. Young people from Greater Manchester enjoyed career talks, activities, sponsorship, and workshops. We also launched Curiosity Camps with DigitalHER for women interested in tech careers. We've committed to supporting young women at the start of their tech careers through MentorHER and we also worked with Pursuing Individual Excellence, reaching students through networking events. We actively support the Manchester Baccalaureate and are a Cornerstone Employer in the GM network. Colleagues are encouraged to be STEM Ambassadors and volunteer as mentors with the Social Mobility Foundation.

Over the past year, Auto Trader has hosted a variety of meetups in our dedicated event space, bringing together data, design, delivery and tech community groups. This reflects our commitment to supporting community engagement and knowledge sharing within Manchester. We've built strong relationships with groups like PyData, Natter UX, and Manchester Java Community through recurring events and ongoing sponsorship, helping them thrive and continue enriching the local tech and design communities.

This year, we have hosted various events to highlight the importance of social mobility: we hosted an event encouraging more tech businesses to consider the importance of social mobility; and our Social Mobility Network ran a series of events in the run up to Social Mobility Awareness Day to lift the lid on class and address social mobility imbalance in the tech industry. The Tech Charter recently reported that only 9% of tech employees are from a lower working class background. This compares with 33% of employees at Auto Trader, but despite this, we still have work to do to better represent the communities within our reach, with the national average sitting at 39%.

At Auto Trader, we are passionate about educational outreach and supporting students in our local communities. Throughout the year we hosted 30 students from Manchester schools and colleges for work experience. During National Careers Week and to celebrate International Women's Day, colleagues from Auto Trader went back to school to deliver talks and interactive sessions, reaching over 250 students. We've also given talks on apprenticeships at local colleges and hosted college students at our offices. We are a member of the Manchester Enterprise Advisor Group and are matched with two schools in Manchester to support with career strategy. We also offer a five day friends and family work experience.



G

Our governance & compliance

Uphold the values of good corporate governance and risk management and consider the needs of all our stakeholders in our strategic decision-making.

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.

SUPPORTING THE UN SDGS MOST RELEVANT TO OUR STRATEGY

HOW WE GOVERN THIS AREA

6 Internal audit programme

1 Board responsibility

5 Second line Forums & Committees

2 Executive responsibility

4 Audit Committee

3 Auto Trader Leadership Team

1. BOARD RESPONSIBILITY

Material ESG topics are discussed by the Board including cyber security and GDPR.

The Corporate Responsibility Committee assists the Board in fulfilling its oversight responsibilities in respect of governance and compliance, where topics have not been covered by the Board.

2. EXECUTIVE RESPONSIBILITY

Responsibility for assessing and managing our governance and compliance sits at both Executive and Board level. Our Executive Directors have responsibility for ensuring we conduct ourselves with the highest standards of honesty and integrity.

3. AUTO TRADER LEADERSHIP TEAM

The Group's Chief Technology Officer, Chris Kelly, is responsible for setting the Group technology strategy, including our cyber security programme.

The Group's Director of Governance, Claire Baty, is responsible for regulatory compliance, procurement, legal services and risk management. Her remit includes compliance with GDPR and FCA regulation.

4. AUDIT COMMITTEE

Internal audit reports and assessments of the effectiveness of risk management and internal control frameworks are presented to the Audit Committee and monitored to ensure recommendations are actioned.

5. SECOND LINE FORUMS & COMMITTEES

We operate the following regular second line forums and committees which report regularly to the Audit Committee:

- Risk Forum
- FCA Governance Committee
- GDPR Steering
- Cyber Security Forum
- Trust Forum
- Health & Safety Committee
- Disaster Recovery Steering

6. INTERNAL AUDIT PROGRAMME

We operate a rolling internal audit programme which provides independent and objective assurance activities relating to the Group's governance, risk management and internal control processes. The programme includes regular reviews of cyber security, enterprise risk management, GDPR compliance and FCA compliance.



OVERVIEW

We ensure high standards are embedded across the business through a compliance framework that includes policies, processes, guidance and training on core compliance topics.

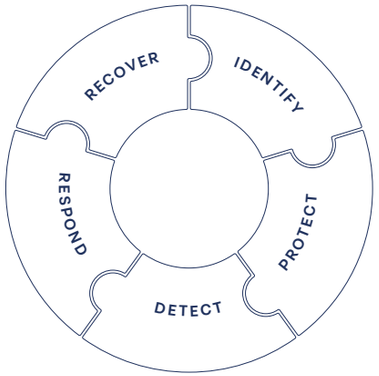
As an online marketplace, a primary focus is on cyber security and data protection to maintain customer trust and support our shift to digital retailing. It is crucial that our cyber and data security infrastructure evolves with our business priorities. In 2025 we complied fully with the UK Corporate Governance Code 2018. Details of our Board governance framework and policies are available in the Governance section (from page 73).

CYBER SECURITY

Trust is essential to our business. We prioritise the security of our services to protect our customers from cybercrime and fraud. As cyber attacks increase in volume and sophistication, they pose a significant and perpetual threat. A successful breach could harm our reputation with customers and regulators and be costly in terms of fraud losses, regulatory sanctions or remediation activity – one of our viability scenarios reflects the risk of a ransomware attack (see page 72).

Cyber security risks cannot be fully mitigated but by having an effective cyber security risk and governance framework we can reduce their impact. Our robust security programme covers both our corporate systems and the Auto Trader platform, under the supervision of our Chief Technology Officer. We employ a security by design process for products we develop and build for our customers and consumers with a defence in depth approach including multi-factor authentication for customers, least privilege access controls where required and appropriate and continuous testing of applications and products before, during and after deployment.

NIST CYBERSECURITY FRAMEWORK



NIST Cyber Security Framework

We use the NIST Cyber Security Framework ('NIST CSF') to define, continuously improve, and effectively govern our cyber security operations. This helps us to identify areas for improvement and define target levels of maturity across the framework, complementing our existing business and cyber security operations. Our outsourced internal audit programme reviews cyber security regularly, and we also make use of annual 'red team' exercises to test the effectiveness of our defences. In FY25 we adopted the NIST version 2.0 and we increased headcount in this area.

Policies and procedures

Our policies and procedures are designed to detect and respond to pre-emptive cyber attacks, risks and threats:

- An overarching Cyber Security Programme outlining the cyber security scope including the roles and responsibilities of the leadership team, cyber security forum and employees.
- A proactive awareness programme to educate all employees on cyber security risks.
- A suite of essential resources and policies designed to safeguard our organisation, our customers' and our employees' information and assets. These policies cover acceptable use, asset management, access control, bring your own device, document sharing, use of generative AI, the Information Security Programme, key management and cryptography, network security, passwords, security incident management, server security, software development lifecycle and vulnerability management.
- A dedicated security operations team to monitor, detect and respond to security incidents in line with our cyber security incident management procedures.
- Enhanced data protection solutions have been implemented across consumer facing and internal systems, to guard against the increasing threat of ransomware.
- All employee accounts are protected by multi-factor authentication ('MFA') regardless of device and location, providing enhanced authentication protection.
- Major incident response simulations and business continuity tests carried out periodically.
- System vulnerability and penetration testing carried out regularly by both external and internal resources, including: application vulnerability testing; penetration testing of our platform and infrastructure; and red team testing to ensure our processes for responding to a cyber incident are robust and fit for purpose.
- All aspects of our applications are designed and deployed with security in mind so that Auto Trader can deliver a secure and trusted platform for our customers.

PROTECTING OUR CUSTOMER AND CONSUMER DATA

At Auto Trader, data is at the heart of everything we do and data compliance and protection are crucial. Our structured framework helps us meet compliance obligations, customer expectations and privacy rights, and mitigate the risk of a data breach. We fully adhere to the Data Protection Act 2018 and UK GDPR for data protection standards.

We have policies and guidelines complying with privacy legislation for collecting and storing personal data of our consumers, customers, and employees. As a data processor for our customers and a data controller for employees' personal data, we are committed to ensuring the personal information we collect is used appropriately, securely, responsibly and transparently according to our privacy notices which govern all our platforms and subsidiaries.

We have dedicated teams responsible for data privacy, breach prevention, reporting, policy compliance, record keeping and data subject rights. We monitor adherence to data privacy laws and address breaches promptly through our assurance framework. Consumer data protection enquiries are managed via a dedicated mailbox.

We hold quarterly GDPR Steering meetings with data owners from all business areas to coordinate communication and guide our ongoing data strategy, and compliance with security and privacy regulations.

All data owners are encouraged to complete Certified GDPR Foundation training to achieve the International Board for IT Governance qualification ('IBITGQ'). Currently, over 80% of data owners are certified. Auto Trader employees, including part-time, contractors and Board members, must complete annual data privacy and information security training. We have established processes for UK GDPR compliance, including Data Protection Impact Assessments ('DPIAs') for identifying and minimising data protection risks in new or changed products or services involving personal data. We maintain records of processing activity ('ROPAs') detailing lawful basis and data retention periods, with bi-annual audits to ensure they remain up to date and accurate. We maintain separate privacy notices for consumers, employees and retailers, which are reviewed and updated regularly. We have processes in place to handle Subject Access Requests ('SAR') and Erasure requests.

Where required, Auto Trader obtains consent to collect personal data to service consumer enquiries about products, services, or vehicles advertised on our marketplace. Separate, explicit consent is obtained to contact consumers for marketing purposes. Where we do pass on personal data, we carefully vet third-party service providers to ensure they are aware of their responsibilities, including the security of personal information, and use it only to fulfil the service they provide on our behalf.

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.

FCA COMPLIANCE

Auto Trader Limited, the main trading subsidiary of the Group, is authorised by the FCA for consumer credit and insurance intermediary activities. Our activities primarily relate to providing finance and insurance introductions to consumers for third parties (retailers or commercial partners). We have introduced consumer journeys for some of our regulated activities as part of our digital retailing proposition using the technology of Blue Owl Limited (trading as 'AutoConvert'), a wholly owned subsidiary which is an Appointed Representative of Auto Trader Limited in respect of consumer credit activities.

Autorama UK Limited (trading as 'Vanarama') is authorised by the FCA for consumer credit activities relating to brokering leases to retail and trade customers. Autorama UK Ltd also maintains the required FCA permissions to support a managed exit from providing Guaranteed Asset Protection ('GAP') insurance in accordance with its previous distribution model. We have introduced, and continue to develop, consumer journeys where consumers start their journey on Auto Trader and complete an onward journey with Vanarama.

Working responsibly continued

We have specialist internal resource within our Governance, Risk and Compliance team across Auto Trader Limited and Autorama UK Limited with significant experience of working in FCA regulated businesses, and we have developed a detailed governance framework to ensure that we comply with the principles, rules and guidance applicable to our activities.

We have a comprehensive suite of policies, training and monitoring procedures to ensure awareness of and compliance with the requirements, including financial promotions, product change management, complaint handling and vulnerable customers. Our Customer Charter outlines our commitment to delivering good outcomes for consumers.

During the year, our compliance monitoring framework has supported us to continue to embed the requirements of the Consumer Duty, whilst also allowing us to keep pace with a period of change in the regulatory landscape that underpins motor finance.

We apply the FCA's Senior Managers & Certification Regime at Auto Trader Limited and Autorama UK Limited. The Auto Trader Leadership Team all take up roles of Senior Managers or Certified Functions at Auto Trader Limited. The Autorama UK Limited Board and other specific members of the Auto Trader Leadership Team make up the Autorama UK Limited Senior Managers population, with a number of non-Auto Trader Leadership Team members taking up roles as Certified Functions. All of these individuals have been assessed and certified as Fit and Proper. All employees are subject to the Conduct Rules and have received appropriate training and guidance.

BUSINESS ETHICS AND COMPLIANCE

We are committed to operating in a responsible and compliant way. Our governance framework, values, internal policies, processes and controls, training programmes and performance review systems are designed to support a culture of high standards, trust and integrity.

We have zero tolerance for bribery, corruption and financial crime in our business and in dealings with our customers, suppliers and other third parties we engage with. All of our employees, including contractors and Board members, complete annual online training on information security, GDPR, anti-bribery and corruption, tax evasion, anti-money laundering, modern slavery and whistleblowing.

Our Company values put ethical standards at the heart of our day-to-day decision-making and actions. We take all reasonable steps to prevent unethical practices and risks to consumers. We do not work with any service provider, customer, or supplier that does not align with our values.

We have performed a Group-wide review of our counter-fraud and financial crime framework. This involved a refresh of our financial crime risk register and we considered various vectors for financial crimes, such as: where Auto Trader could be the victim of a financial crime; where Auto Trader's systems and platforms could be exploited by criminals to defraud other users of our site; and where employees and/or associated persons could commit financial crimes which might seemingly 'benefit' Auto Trader.

GRIEVANCE REPORTING OR ESCALATION PROCEDURES

We aim to create a working environment in which all individuals enjoy coming to work, where they can perform at their best, and where they are free from discrimination or harassment.

We foster a culture of open and healthy conversations, mutual appreciation and respect. We do not tolerate any behaviour that undermines this aim. We are committed to a culture where staff can freely report any issue or concern, and access support via the escalation procedures we have in place. Our grievance policy sets out both informal and formal avenues for addressing concerns.

MAINTAINING A TRUSTED MARKETPLACE

Auto Trader 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.

RETAILER FEEDBACK

We actively gather retailer and consumer feedback to improve our products and services, ensuring market-leading solutions and support to our retailer partners. We monitor consumer sentiment across various products and channels, reviewing thousands of feedback items weekly.

PRODUCT RESEARCH AND TESTING

When we bring a product to market, we undertake thorough discovery to ensure solutions meet the varied needs of our retailer partners and consumers. Retailers participate at all stages, including beta testing prior to scaling solutions.

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 feedback gathered by our Partnerships community from retailers during inbound and outbound calls each week. This helps us measure retailer sentiment and respond promptly to market challenges they might be facing.

CONSUMER SENTIMENT

We maintain very positive feedback scores on Trustpilot (4.7/5 from 99k reviews), iOS App Store (4.8/5 from 274.k reviews), and Android Play Store (4.8/5 from 97.8k reviews).

TAG VERIFICATION

We hold the Brand Safety Recognition seal from Trustworthy Accountability Group ('TAG'), the leading programme fighting criminal activity and protecting brand safety in digital advertising. This recognition confirms our compliance with global standards against fraud, malware, and threats to brand safety, acknowledging our efforts to enhance trust and transparency in the industry.

VSTAG FORUM

We lead the Vehicle Safe Trading Advisory Group ('VSTAG'), an industry forum we founded in 2006, that includes the UK's top online automotive advertisers and advisors, the Metropolitan Police, Get Safe Online and Action Fraud. Together, we aim to reduce online vehicle crime and protect buyers and sellers of used vehicles from fraud.

Working responsibly continued

IMPLEMENTING CONSUMER DUTY

The FCA's Consumer Duty took effect on 31 July 2023, establishing higher standards of consumer protection within financial services. This Duty aligns well with our objectives of enhancing transparency in the car buying process, positioning us favourably to comply with the requirements.

Following the successful execution of our implementation plan, which included collaboration with our internal audit partners to conduct a readiness review in early 2023 and an effectiveness review in March 2024, compliance with the requirements of the Duty are now fully embedded in our policies and procedures.

We are confident in our ongoing compliance with the Duty and are well prepared to continue to meet its requirements and adapt as necessary as the FCA reviews the Duty rules during 2025.

MODERN SLAVERY

We are committed to preventing slavery and human trafficking in our business and supply chains. We require the highest standards of honesty and integrity in all our business dealings and relationships. We will not tolerate the mistreatment of people in our employment and employed in our supply chain. We are opposed to all forms of discrimination with respect to employment and occupation, modern slavery, human trafficking, forced or compulsory labour and child labour in our business and supply chain. Our Modern Slavery Act statements can be found here: plc.autotrader.co.uk/media/atufuyrt/at_modernslaverypolicy_2024.pdf. During 2025, no incidents of modern slavery or human rights abuse were identified or reported in our business or supply chain.

HUMAN RIGHTS

Auto Trader 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. All employees are paid above the Real Living Wage. We are an accredited Living Wage Employer. We 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.

WHISTLEBLOWING

We are committed to carrying out all business activities in an honest and open manner and strive to apply high ethical standards in all our business dealings. We actively cultivate a transparent and open culture, encouraging our employees to speak up whenever they have concerns, if they suspect anything inappropriate, or experience any serious malpractice or wrongdoing in our business. We believe this contributes to a fairer and more transparent marketplace where customers and consumers know that we can be trusted. 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. Reports are directed to the Audit Committee Chair and the Company Secretary or via an independent hotline.

TAX TRANSPARENCY

Auto Trader is committed to being a responsible taxpayer. We ensure responsible tax management with a strong controls culture, governance, and well-defined processes and controls. The Audit Committee oversees our tax-related risks within the Group's governance framework, with our tax policy being reviewed and approved annually. Our processes and controls are designed to ensure accuracy in the Group's tax filings, minimising the potential for errors. We recognise the role that tax plays in supporting wider society, contributing to the funding of public services and infrastructure that benefit communities and the economy. We are committed to fulfilling our tax obligations responsibly and paying the appropriate amount of tax at the right time in accordance with relevant legislation. In 2025 our total tax contribution was £230.2m (2024: £213.9m). Taxes borne by the Group totalled £105.9m (2024: £100.9m), made up of corporation tax, employer's NICs and stamp duty. Taxes collected by the Group totalled £124.3m (2024: £113.0m), comprised of PAYE deductions, employees' NICs and net VAT collected. Our full tax strategy (approved by the Audit Committee on 5 February 2025) is available at: plc.autotrader.co.uk/media/m4vdqotp/at_grouptaxpolicy2025.pdf.

PAYMENT PRACTICES REPORTING

We publish information about our supplier payment practices and performance. On average, Auto Trader takes 36 days (2024: 36 days) to pay our supplier invoices, with 98% (2024: 99%) paid within agreed terms during the reporting period.

SUPPLIER ESG ENGAGEMENT

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

We have an established supplier engagement strategy and the information we collect through our supplier engagement/onboarding process, complemented with our Ethical Procurement Questionnaires, provides us with greater insight into numerous aspects of our suppliers' performance, including their ESG practices.

As part of our environmental strategy, we have expanded our discussions on sustainability with those suppliers who account for our highest carbon emissions to deep dive into understanding where our suppliers are on their own sustainability journey. Additionally, this year we have launched our own internal Supplier Sustainability Ratings, which use simple criteria to establish which of our suppliers are at the beginning of their sustainability journeys and which are advanced and a leader in terms of targets, actions, initiatives and reducing their own emissions. We have published a Supplier Code of Conduct which outlines Auto Trader's stance on important matters and our expectations of our suppliers.

FURTHER INFORMATION

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

plc.autotrader.co.uk/esg/policies-reports

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

autotrader.co.uk/privacy-notice

plc.autotrader.co.uk/privacy-cookies

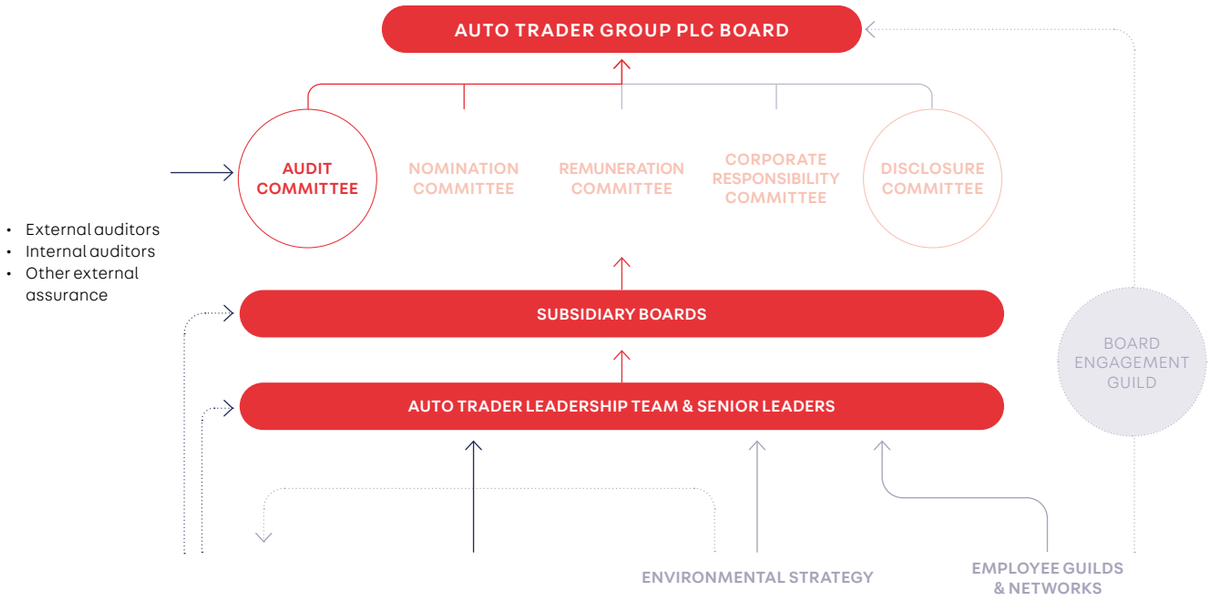
How we manage risk

Our risk management arrangements

Effective risk management supports sustainable long-term growth aligned with 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 frameworks' effectiveness.

Driving Change Together. Responsibly



- External auditors
- Internal auditors
- Other external assurance

- Risk management
- Internal control
- FCA compliance
- GDPR compliance
- Legal team
- Procurement
- Cyber security forum
- Disaster recovery steering

- Risk management
- Internal control
- FCA compliance
- GDPR compliance
- Legal team
- Procurement
- Cyber security team

- Environmental Strategy working group
- Sustainability Network

- Career Kickstart Network
- Parents' Network
- Ethnicity Network
- LGBT+ Network
- Disability & Neurodiversity Network
- Make a Difference Guild
- Women's Network
- Wellbeing Guild
- Social Mobility Network

› WORKING RESPONSIBLY **P29**

› GOVERNANCE OVERVIEW **P74**

How we manage risk continued

OUR RISK MANAGEMENT PROCESS

We use a four-step process to manage principal risks. The Auto Trader Leadership Team ('ALT') and risk owners in the 1st Line of Defence identify, assess, mitigate, and monitor their risks. They report to the PLC Board on risk management through our governance structure. The process is summarised opposite.

RISK IN THE BOARDROOM

Our risk management process works hand-in-hand with our strategy. Whilst the Board reviews the Group's risk register at least half-yearly, risk is a factor considered within every agenda item at every Board meeting. In the last year the Board has discussed topics including changes within automotive economy, our technology strategy & cyber security, and the potential impacts to the automotive finance market which could arise from the ongoing legal challenges surrounding commissions.

Board papers also capture considerations of potential risks arising from new initiatives. Accordingly, risk is an ever-present factor in all decisions made by the Board. Our principal risks have also been considered as part of the material decisions made by the Board (see page 19). The decision to the move to a new office in 2026 is a step towards mitigation of our Employees risk. The introduction of Co-Driver is a mitigation to our Innovation and Competition risks.

PRINCIPAL RISKS AND UNCERTAINTIES **P65**

EFFECTIVE RISK MANAGEMENT

IDENTIFY

We identify key risks using a top-down and bottom-up approach through three mechanisms:

- 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.

All new risks are captured on the Group risk register which is reviewed by the Board at least half-yearly.

ASSESS & 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, and operational impacts. Risks are then categorised as:

- Existential risks: those with the potential to cause fundamental change within our organisation and wider industry.
- Operational risks: those arising out of the existing business activities.
- Emerging risks: those which relate to new initiatives, new products and new laws and regulations.

MONITOR, REVIEW & ASSURE

The key controls are monitored throughout our governance structure, including:

- Ongoing monitoring by 2nd Line Functions.
- Monthly and quarterly 2nd Line Forums and Committees, including Risk Forum, Cyber Security Forum, FCA Compliance, and Trust Forum.
- A risk-based Internal Audit plan which delivers 4-5 assignments per year.
- Other third-party and specialist monitoring and assurance.

The Board reviews the outcomes of assurance activities on an as-needed basis. The Board also reviews the Group's risk register at least half-yearly and assesses the adequacy and effectiveness of mitigating actions in line with our risk appetite.

RESPOND & MITIGATE

Assessing risks helps us to determine the most suitable mitigation plan. Risk owners consider whether existing controls and mitigations reduce the risk to an acceptable level. 2nd Line Functions provide support to ensure that the response is consistent with our Group risk appetite. Additionally, challenge on risk response is provided from 2nd Line Functions, Forums, and Committees. 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.

RISK APPETITE

The Board has assessed the principal risks Auto Trader faces, including those from our strategy and the wider market. It has set a risk appetite that guides our response to these risks. Our risk appetite can be summarised as follows:

FLEXIBLE

Auto Trader acknowledges that, in some circumstances, fast-paced and innovative development of new products within the technology space presents significant opportunities and taking advantage of these opportunities may result in financial loss. We consider whether opportunities can outweigh the downside risks, and therefore, in pursuit of our strategic objectives, we are flexible about taking risks which relate to product innovation, addressing competitive threats, and/or making the most of market opportunities.

CAUTIOUS

As we pursue our strategic objectives, we must remain cognisant of the potential for them to have conflicting impacts on our stakeholders, including employees, suppliers and third parties, and the environment. Owing to the potential for these risks to have significant knock-on impacts across a wide range of categories, we are cautious about taking risks in relation to such areas.

AVERSE

We are averse to taking risks which conflict with our values; risks which could damage our reputation; risks which threaten the security of our systems and technology; risks leading to a breach of laws, regulations or financial covenants; and/or risks which could compromise the organisation's going concern status. Across these categories we take all reasonable steps to ensure our business activities do not give rise to significant risk of damage to our stakeholders, and in pursuing our strategic objectives we are averse to exposing ourselves to higher levels of risk knowingly.

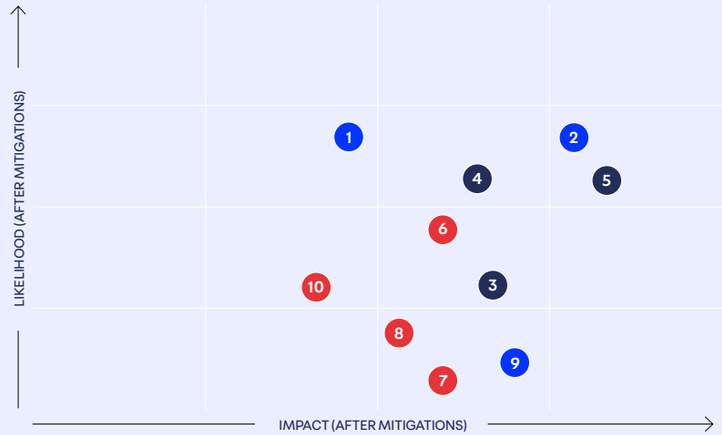
How we manage risk continued

OUR PRINCIPAL RISKS IN 2025

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 to Auto Trader and the automotive retail industry as a whole.
2. Risks we face from external sources.
3. Risks we face from internal sources.

The matrix below summarises our view for FY24 of the extent to which the Group is exposed to each of our principal risks:



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
9. Climate change
10. Reliance on third parties and partners

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

The evolving risk landscape & 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 in the following pages 66 to 70 and we have summarised below the most significant and material emerging risks:





RISKS AFFECTING THE AUTOMOTIVE INDUSTRY

- Global tariffs could affect automotive supply chains, which could lead to increased new car prices. However, the new car segment of the UK automotive industry may benefit from the tariffs if OEMs consider the UK as an increasingly attractive place to sell.
- EVs are making up an increasing proportion of new car registrations, however pricing of EVs remains the biggest barrier to mass adoption and the increased sales of EVs have been driven largely by the fleet segment. Recent changes to the ZEV mandate will provide OEMs with greater flexibility as they work towards 2030. We also expect that this change will help to support overall registrations of new cars in the UK which should bolster used car volumes in the following years.
- There is uncertainty about how the automotive finance industry could be impacted by the investigation into discretionary commission agreements ('DCAs'). Similarly, there is uncertainty about the potential impacts of the Supreme Court's hearing on disclosure of commissions. The outcomes of this hearing are expected during the summer of 2025.

RISKS WE FACE FROM EXTERNAL SOURCES

- The competitive landscape is increasingly complex. We continue to monitor potential threats posed by our traditional competitors, as well as 'big-tech' players entering the automotive retail industry.
- Within society, there is a trend towards increasing political and societal polarisation and there is a risk of societal discourse permeating into the workplace, leading to a negative impact upon our culture.
- The increasing prevalence of AI creates a new cyber-attack vector. Criminals will continuously seek more sophisticated and effective methods to attack businesses, and we are continuously investing in our defences.

RISKS WE FACE FROM INTERNAL RISKS

- As we progress with our platform strategy, we are increasingly reliant on technology partners to help us to service our customers. Ensuring that we maintain good relationships and communications with them is key to providing the best possible service to our mutual customers.
- Recent years have seen an increase in the number of automotive brands in the UK. There are now over 70 brands operating in the UK compared to 45 in 2019. There is an opportunity for us to support these brands by introducing them to our audience and to provide our consumers with informative content about the vehicles that these brands offer.

Principal risks and uncertainties

How we mitigate our emerging and principal risks

IDENTIFYING, ASSESSING, RESPONDING TO AND MONITORING THE GROUP'S PRINCIPAL RISKS

The Board has carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

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.

STRATEGIC PROGRESS **P13** KPIs **P22**

Principal risks and uncertainties continued

OUR STRATEGIC PRIORITIES

- Marketplace
- Platform
- Digital retailing
- Working responsibly

1. MACRO RISKS

Increasing

RISK AND POTENTIAL IMPACT

In a connected, global industry, we are prone to the impacts of external events 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 external, unpreventable, catastrophic and geo-political 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

- Global tariffs are creating economic uncertainty. Whilst Auto Trader is not affected directly by global tariffs, we remain wary of the potential knock-on impacts. Disrupted supply chains, for example, could lead to heightened costs.
- Global tariffs will likely impact our key stakeholders in the short term, especially OEMs. The tariffs could even have a favourable impact on the UK automotive industry if OEMs see the UK as an increasingly attractive location to sell new cars.
- The conflict in Ukraine continues to have knock-on economic impacts in the UK, and the potential for escalation of conflict in the Middle East remains a threat to supply routes between Asia and Europe.
- Despite the increasingly uncertain geo-political landscape, we remain financially resilient to major shocks and incidents. We continue to carry very low levels of debt, and our Syndicated RCF remains available to us.

HOW WE MANAGE THE RISK

- We monitor external events continuously. The ALT and the Risk Forum both evaluate the ways in which our business could be impacted from external events, both in the short term and in the longer term.
- We continuously 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 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.
- 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.

2. AUTOMOTIVE ECONOMY, MARKET AND BUSINESS ENVIRONMENT

Unchanged

RISK AND POTENTIAL IMPACT

An increase in the supply and/or a drop in consumer demand for new/used cars could lead to reduced vehicle prices and therefore reduced retailer profitability. Higher costs and interest rates could lower retailer profitability and reduce their advertising spend with Auto Trader. Reduced profitability could lead to consolidation of retailers.

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

Mass adoption of the agency model, whereby manufacturers sell new vehicles directly to consumers with the retailer acting as an agent facilitating the transaction, could lead to lower revenues for our retailer customers. Further, manufacturers operating an agency model may not wish to use Auto Trader as an advertising channel.

A move towards agency, combined with other structural changes in the industry, could lead to the consolidation of retailer forecourts.

KEY CHANGES AND OUTLOOK

- New car supply was stable in FY25 but still below pre-pandemic levels.
- Throughout much of FY25, consumer demand exceeded the supply of used cars, resulting in fast speed of sale. However, our revenues did not fully benefit from this trend because retailers better utilised our slot-based advertising model.
- Despite the strong demand and low used car supply, year-on-year used car retail prices were stable throughout FY25. This situation, coupled with intense competition for used car inventory and high trade prices, created a challenging environment for our customers.
- High operating costs, inflation, and high interest rates on stocking loans put financial pressure on our customers.
- Looking to the future, softening of the ZEV mandate targets should help with overall new car registrations, supporting used car supply in the future years.

HOW WE MANAGE THE RISK

- We monitor new and used car transactions closely, using 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 Auto Trader 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

- Marketplace
- Platform
- Digital retailing
- Working responsibly

3. LEGAL AND REGULATORY COMPLIANCE

Unchanged

RISK AND POTENTIAL IMPACT

The Group operates in a complex regulatory environment. As we progress in executing our strategy, we are likely to be exposed to increased legal and regulatory risks, particularly those relating to financial services and data protection.

There is a risk that the Group, or its subsidiaries, fail to comply with legal and regulatory requirements. This could lead to reputational damage, financial or criminal penalties and impact on our ability to execute our strategic objectives.

KEY CHANGES AND OUTLOOK

- We do not believe that Auto Trader will be directly or materially impacted by the recent Court of Appeal judgment against certain automotive finance lenders, which is currently awaiting the result of an appeal heard in April 2025 to the Supreme Court. We have made the relevant changes in our leasing journey to disclose and capture consent for commissions. We do not expect further product changes to be required to Deal Builder but continue to monitor the situation closely. Similarly, Auto Trader is not directly or materially impacted by the current FCA investigation into the discretionary element of commission arrangements. We believe that a technology enabled, transparent process for automotive finance will benefit car buyers, lenders and retailers under all scenarios.
- Changes to the regulatory landscape in the coming years include: the Economic Crime and Corporate Transparency Act; the Digital Markets, Competition and Consumers Bill; and the Data (Use and Access) Bill. Work is ongoing to ensure that we are compliant with all emerging laws and regulations. Changes to the regulatory landscape in the coming years include: the Economic Crime and Corporate Transparency Act; the Digital Markets, Competition and Consumers Bill; and the Data (Use and Access) Bill. Work is ongoing to ensure that we are compliant with all emerging laws and regulations.
- Continued scaling of Deal Builder and Leasing will heighten our exposure to the risks of non-compliance with GDPR and FCA regulations and our Governance, Risk and Compliance ('GRC') team continues to partner 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 & 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 and evaluate potential changes in laws and regulations. We utilise external specialists for specialist advice where needed.
- Our mature 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 the FCA Consumer Duty.
- Our suite of policies is reviewed regularly. These policies are supplemented by mandatory training for all employees to ensure awareness of, and compliance with, regulatory requirements.

4. COMPETITION

Increasing

RISK AND POTENTIAL IMPACT

External measures show that we are maintaining our position as the largest and most engaged automotive platform.

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 retailer products. This could lead to a loss of market share.

KEY CHANGES AND OUTLOOK

- Large technology organisations such as Meta, Google, eBay, and Amazon continue to operate in segments of the automotive sector.
- Recent competitive developments include TikTok, who recently launched Automotive Ads. In the US, Amazon launched Amazon Autos, and eBay acquired Caramel, and we are monitoring the potential for them to expand their presence in the UK automotive sector. We also closely monitor the activities of our traditional competitors.
- Notwithstanding the increasingly complex competitive landscape, we have maintained our position as the UK's largest and most engaged automotive platform, with over 75% of all minutes spent on automotive classified sites spent on Auto Trader.

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 through monthly reporting and formal quarterly competitor reviews. 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.
- We work in an agile way which enables us to respond quickly to emerging competitive threats.
- We work with OEMs to develop solutions to enable them to advertise their new car pipeline stock on our website.

Principal risks and uncertainties continued

OUR STRATEGIC PRIORITIES

- Marketplace
- Platform
- Digital retailing
- Working responsibly

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 our own failures or a malicious cyber-attack, would lead to a loss in confidence by the public, retailers and advertisers.

KEY CHANGES AND OUTLOOK

- Our Cyber Security team and Disaster Recovery Forum 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 invest in our cyber defences, for example we are in the process of rolling out passkeys for employees to authenticate onto their machines. We are also in the process of rolling out Mac laptops to all our employees which will improve the efficiency of employees as well as improve our security.
- We have reviewed and refreshed our data retention and deletion policies. This will reduce the amount of data that we hold, reducing the risk of data breaches.
- We have migrated from NIST version 1.1 to version 2.0. Our Cyber Security Forum monitors the maturity of our cyber framework and security remains central to the design of all our products and services.

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 processing systems and services.
- All our systems are cloud-based which heightens both our resilience to incidents, and our 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 security awareness training on at least an annual basis.
- We have embarked upon a multi-year project to upgrade our internal systems used by our customer and consumer support teams.
- We adopt the NIST 2.0 Cyber Security Framework to manage and reduce cyber security 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 building 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

- Our Company values, which were refreshed in FY24, have now embedded fully across Auto Trader and Autorama.
- In FY25 we evolved our organisational structure. This aims to heighten collaboration, efficiency, and opportunities for employees. Each Community has a Leadership Team who have delegated responsibility for operational matters within their Community / Collective.
- We also increased the size of our Auto Trader Leadership Team. This brings further diversity and expertise from around our business, including additional Product and Engineering skills.
- We have evolved our People Manager Hub to provide additional resources, tools, and guidance to People Managers. This will empower them to fulfil their responsibilities and to help develop all of our employees.
- However, across society there is increasing political and societal polarisation, and this has the potential to affect our employees and potentially have an impact on our culture. Nevertheless, employee attrition remains low and engagement remains high. Our Glassdoor rating is 4.6 out of 5.

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.
- 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 employee engagement surveys and monitoring of Glassdoor ratings, coupled with an all-employee share award, aim to heighten retention and engagement of all employees.
- We have 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.
- Health and Safety Committee reports to Risk Forum to ensure that all employees are working in a safe environment.
- 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.

Principal risks and uncertainties continued

OUR STRATEGIC PRIORITIES

- Marketplace
- Platform
- Digital retailing
- Working responsibly

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

- In line with our ambitions in New Car, in August 2024 we launched a major marketing campaign focused on driving buyers of new cars to our site.
- 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 have expanded our use of AI to improve our prevention and detection of potential frauds and scams, and this will continue to evolve in the coming years.
- We have continued to work with players in the industry to collectively fight against unscrupulous behaviours. We work closely with law enforcement to help them to prevent and investigate potentially criminal behaviour.
- We have reviewed and refreshed our crisis management plans to ensure that we are well prepared to respond in the event of a major incident.

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 Auto Trader 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.
- Our Customer Security team proactively monitors 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: DISRUPTIVE TECHNOLOGIES AND CHANGING CONSUMER BEHAVIOURS

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

- We have continued to scale Deal Builder. We now have c.2k retailers and c.84k vehicles on this product and feedback remains strong. Our future plans for Deal Builder involve increased marketing to consumers to help accelerate the uptake of the product.
- We have launched Co-Driver, a suite of customer-facing generative AI products which are designed to help retailers place high-quality adverts whilst at the same time reducing the time it takes to place an advert. We have also been working with technology partners to enable retailers to use Co-Driver within their own systems.
- We are investing in the growth of our Product and Tech Community. This will increase our agility, and the speed at which we can develop and deploy products. Our software development process continues to receive significant investment which enables us to design, build, and deploy software quickly, efficiently, and securely. We have deployed over 89k software releases in the last year.

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.
- 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 technology, maximises innovation.
- 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

- Marketplace
- Platform
- Digital retailing
- Working responsibly

9. CLIMATE CHANGE

Decreasing

RISK AND POTENTIAL IMPACT

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

Failure to overcome the challenges caused by the shift from internal combustion engines ('ICE') to electric vehicles ('EVs') could inhibit their take-up. Factors include the purchase price of EVs, potential for improvements in public transport, new and expanded emissions zones, increasing taxes on EVs, and consumer uncertainty 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

- The Labour Government has reinstated the 2030 ban on new ICE vehicles and extended the phase out date for hybrid vehicles to 2035. New EV sales in the UK accounted for 19.6% of new car registrations in 2024, below the ZEV mandate's 22%. However, OEMs avoided fines by purchasing credits from other OEMs and/or borrowing credits from future years.
- Fleet purchases drove sales of new EVs in 2024. OEMs applied discounts on new EVs in 2024, and whilst we expect this to continue into 2025, the softening of the ZEV mandate will provide OEMs with more flexibility in their transition to EVs.
- Price disparity between ICE and EVs remains the primary barrier to mass-adoption of EVs. Other factors include price inequality between public and private charging, and the availability and reliability of public EV charging.
- Introduction of Mac laptops to our employees will reduce our own climate impact.
- Updated data retention policies will also lower our data storage and energy usage.

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.
- Our Corporate Responsibility Committee oversees our environmental commitments, and work to reduce our carbon emissions continues.
- 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

Unchanged

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 Auto Trader's systems to access our services and data, whereas others use third-party technology systems that we have integrated with. We continue to work with these technology partners to enable our customers to use our platform capabilities.
- Our strategy remains dependent upon working successfully with a wide range of technology partners and this is a critical focus of our new Professional Services Collective.
- Our Vehicle Check product has successfully rolled out and enables us to obtain directly from source, rather than via a third party.
- Despite the ongoing geo-political uncertainties over the last year, our supplier-base has remained resilient over the last year. 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 have contingency plans to respond quickly in the event of disruption.
- Contracts and service level agreements are in place with all key 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 2018 (the 'Code'), the Directors have assessed the prospects and viability of the Group 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 12 to 13, 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 2030 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 assessed primarily through its strategic planning process. This process includes an annual review of the ongoing plan, led by the Group CEO and CFO through the Auto Trader Leadership Team ('ALT') and in conjunction with relevant functions. The Board participates fully in the annual process and has the task of considering whether the plan continues to take appropriate account of the external environment including technological, social and macro-economic changes.

The output of the annual review process is a set of objectives which collectively form our three strategic focus areas and our Environmental, Social and Governance ('ESG') strategy, an analysis of the risks that could prevent the plan being delivered, and the annual financial budget. The latest updates to the plan were finalised in March 2025, which considered the Group's current position and its prospects over the forthcoming year. Progress against this plan is reviewed monthly by both the ALT and the Board.

Detailed financial forecasts that consider customer numbers, stock levels, ARPR, revenue, profit, cash flow and key financial ratios have been prepared for the five-year period to March 2030. Funding requirements have also been considered, with particular focus on the ongoing compliance with covenants attached to the Group's Syndicated Revolving Credit Facility ('Syndicated RCF'). The first year of the financial forecasts is based off the Group's 2026 annual financial budget. The following years are prepared in detail and are flexed based on the actual results 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 digital retailing, 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 key assumptions are reflected in the Group's emerging and principal risks and uncertainties, which are set out on pages 65 to 70 and over which the Directors have carried out a robust assessment. The purpose of the principal risks is primarily to summarise those matters that could prevent the Group from delivering on its strategy, including those that would threaten its business model, future performance, solvency, and liquidity. A number of other aspects of the principal risks – because of their nature or potential impact – could also threaten the Group's ability to continue in business in its current form if they were to occur. This was considered as part of the assessment of the Group's viability, as explained on the following page.

Principal risks and uncertainties continued

ASSESSMENT OF VIABILITY

The output of the Group's strategic and financial planning process detailed previously reflects the Board's best estimate of the future prospects of the business. To make the assessment of viability, however, additional scenarios have been modelled over and above those in the ongoing plan, based upon a number of the Group's principal risks and uncertainties which are documented on pages 65 to 70. These scenarios were overlaid into the plan to quantify the potential impact of one or more of these crystallising over the assessment period.

While each of the Group's principal risks has a potential impact and has therefore been considered as part of the assessment, only those that represent severe but plausible scenarios have been modelled through the Plan. These were as follows:

Scenario modelled	Links to principal risks
Scenario 1: Severe macro-economic shock As rising economic uncertainty and increasing geo-political volatility creates macro-economic instability, this scenario assesses the impact of an adverse macro-economic shock, similar to the last global financial crisis. This could have a significant impact on the automotive supply chain and impact consumer demand, resulting in the Group's customers being unable to trade profitably, leading to loss of revenue, stock, audience and market share. **Revenue assumptions:** 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.10% decrease in Autorama revenue were assumed due to reduced demand and consumer confidence. Modest recovery was assumed from financial year ended March 2028. **Cost assumptions:** Cost of sales and marketing decreased in line with revenue.	**Risk 1:** Macro risk **Risk 2:** Automotive economy, market and business environment
Scenario 2: Ransomware attack A ransomware attack could result in the loss of data and downtime of the Group's systems and infrastructure. This would result in reduced revenue and associated additional costs of regulatory fines, remediation and reputational damage. This scenario assumes a ransomware attack resulting in the maximum General Data Protection Regulation ('GDPR') fine (4% of Group revenue), coupled with a significant level of reputational damage to the Group's brand. This diminishes confidence in the Group's products and services, resulting in a reduction in audience and revenue. **Revenue assumptions:** 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 2027 before gradual recovery from financial year ended March 2028 as a result of the work done to restore brand confidence and implement technical fixes. **Cost assumptions:** 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.	**Risk 3:** Legal and regulatory compliance **Risk 5:** IT systems and cyber security **Risk 7:** Brand and reputation
Scenario 3: Increased competition This scenario assumes a change in the competitive landscape as a result of the takeover of a competitor by a well-capitalised third party or the entry of a new player. The competitor could develop a superior consumer experience or retailer products. This could disrupt the Group's total market share and change retailer behaviour, impacting the Group's ability to grow revenues due to a reduction in retailer numbers and/or impact underlying ARPR due to a loss of pricing power. **Revenue assumptions:** Approximately 10% of retailers are lost in FY26, 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 was 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 2028 as new products and packages are developed to counter the competitive threat. **Cost assumptions:** Marketing spend increased as a percentage of revenue in a bid to counter competitive threat. Cost of sales decreased in line with revenue.	**Risk 2:** Automotive economy, market and business environment **Risk 4:** Competition **Risk 8:** Failure to innovate: disruptive technologies and changing consumer behaviours
Scenario 4: Combination of all three scenarios as above This is seen as a worst-case scenario, and highly unlikely.	All of those listed in other scenarios

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 their assessment of prospects and viability above, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period ending March 2030.

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 72, was approved by the Board on 29 May 2025 and signed on its behalf by:

Nathan Coe
Chief Executive Officer
29 May 2025