



Group tax strategy

YEAR ENDED 31 MARCH 2025

 **AutoTrader**

Auto Trader Group Plc

Group tax strategy

Year ended 31 March 2025

1. Introduction

This document sets out the Tax Strategy of Auto Trader Group plc and its subsidiary undertakings (hereinafter, collectively referred to as 'the Group').

The Tax Strategy will be periodically reviewed and any material amendments will be approved by the Board of Auto Trader Group plc.

The Tax Strategy applies to all forms of taxes payable by the Group, including direct taxes, indirect taxes, payroll based taxes, customs duties etc. This document sets out the Group's tax risk management policy, which covers both the internal governance of tax matters and our approach to tax compliance.

Our approach to tax forms part of our broader purpose to Drive Change Together. Responsibly.

With this in mind, the Group is committed to collecting and paying the correct amount of tax, at the right time and acting in a transparent and responsible manner.

Auto Trader Group plc regards this document as complying with its duty under para 16(2) and para 25(1), Sch 19 FA16, and was approved by the Board on 5 February 2025.

Trust and transparency is key in today's automotive marketplace...



2. Group tax objectives

Trust and transparency is key in today's automotive marketplace. Auto Trader is committed to acting with integrity and transparency in all matters, including tax. We aim to provide transparent and accessible communication to enable others to understand our Tax Strategy.

The Group's Tax Strategy is focused on achieving the following objectives:

- Ensuring compliance with relevant tax legislation, rules, regulations and reporting requirements in all countries where the Group operates;
- Control and management of ongoing risks and opportunities by ensuring appropriate governance and assurance procedures are in place;
- Applying professional due diligence and care in the management of all risks associated with tax matters;
- Collecting and paying the correct amount of tax in accordance with the applicable legislation;
- Fostering constructive, professional and transparent relationships with tax authorities, based on the concepts of integrity, collaboration, trust and transparency;
- Ensuring Auto Trader's corporate and social responsibilities, reputation and brand are always considered.

3. Tax governance and compliance

The Group believes it has a corporate and social responsibility to pay the appropriate amount of taxes in accordance with UK and Overseas legislation. The Group is committed to compliance with tax law and practice, including disclosing all relevant facts and circumstances to the tax authorities, timely submission of returns and payments in relation to all taxes and claiming reliefs and incentives where available.

The Group's Chief Financial Officer is the Senior Accounting Officer for the Group and has overall responsibility for the Group Tax Strategy. The Tax Strategy has been approved by the Audit Committee and the Board of Auto Trader Group plc.

Day-to-day responsibility for ensuring compliance is delegated to the Director of Group Finance, who regularly updates the Audit Committee on the Group's tax position and compliance risk and annually reports to the Audit Committee to confirm that the Tax Strategy has been complied with.

The Director of Group Finance is appropriately qualified and is responsible for the overall management of Group tax requirements including compliance with tax legislation and key tax deadlines, maintaining the day-to-day relationship with HMRC and providing suitable training and support to the business. External advice will be sought where the risk, complexity and size of the

decision requires an opinion from a third party and/or where the appropriate skills and expertise are not available in-house.

The Director of Group Finance works closely with the Group's risk and compliance function to define and review the key internal controls in respect of tax.

4. Tax planning and risk management

Tax risk arises from entering into transactions that have an uncertain tax outcome. In deriving our tax position, the Group aims for certainty and observes all applicable laws, rules, regulations and disclosure requirements, applying diligent professional care and judgement to arrive at well-reasoned conclusions. Where the tax law is unclear or subject to interpretation, professional advice or confirmation will be sought.

The Group considers the tax consequences of its transactions as a factor in its planning processes, but will not engage in any arrangements that are contrived or artificial.

The tax function is recognised as a vital business partner by the business and will work closely with the business in providing clear, timely, relevant and business focused advice across all aspects of tax. The tax function aims to facilitate the growth and development of the Group's business activities in a tax efficient manner and commercial drivers will not override compliance with all applicable laws.

The tax function will ensure that the business understands that tax should be involved throughout the business to ensure the effective delivery of the Tax Strategy. This will be achieved through regular interaction and communication between the tax function, the finance function and the broader management team. In addition, robust tax controls are in place to manage and quantify tax risks and these are regularly tested and monitored.

5. Relationship with HMRC

The Group is committed to an open, transparent and professional relationship with HMRC, based on mutual trust and collaborative working. This is achieved through:

- Engaging with HMRC on a real time basis, where possible, to minimise tax risk;
- Responding to questions in a timely manner;
- Reviewing and maintaining robust internal tax controls;
- Agreeing positions on significant tax matters or unusual transactions, where relevant, in advance of returns being filed;
- Handling tax authority enquiries and audits in a courteous, timely and professional manner in the normal course of the annual compliance cycle.
- If errors occur, they are disclosed to HMRC at the earliest opportunity. Any additional

procedures required are put in place to ensure that such errors do not arise in future.

By working in a transparent and collaborative way with tax authorities the Group aims to be considered as a low-risk tax payer by the tax authorities.

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