

AUTO TRADER GROUP PLC

TERMS OF REFERENCE FOR THE CORPORATE RESPONSIBILITY COMMITTEE

These Terms of Reference for the Corporate Responsibility Committee (the "Committee") have been adopted by the Board of Directors (the "Board") of Auto Trader Group plc (the "Company"). The Committee shall review and reassess these Terms of Reference at appropriate intervals and recommend any proposed changes to the Board for approval. These Terms of Reference were introduced and approved by the Board on 28th September 2020.

1. Purpose

The Committee shall assist the Board in fulfilling its oversight responsibilities in respect of corporate responsibility and sustainability for the Company and its group as a whole (the "Group").

2. Duties and Responsibilities

In furtherance of this purpose, the Committee shall have the following duties and responsibilities:

- 2.1 Develop and implement a centralised framework for how corporate responsibility is governed across the Group. The breadth of this governance spans aspects of acting and doing business in a responsible manner (including in relation to environmental, social and governance (ESG) matters, although some areas are covered by other committees)
- 2.2 Review and provide input to the Company on the management of current and emerging sustainability matters affecting the Company and provide external and independent oversight and guidance on the environmental and social impact of how Auto Trader operates. The Committee will identify areas for improvement and assist the Board in understanding progress against these areas.
- 2.3 The Committee should compliment the existing guild structure within the organisation. The Committee will have oversight of and report on the Group's performance on ESG measures, however execution of individual initiatives remains within the business and is expected to be largely carried out by the relevant guild. The Committee may provide guidance and recommendations based on its centralised view and the observations made
- 2.4 Identify and analyse those future external developments and scenarios, in relation to ESG, which are likely to have significant influence upon the Group's ability to operate in a responsible manner, upholding Auto Trader's reputation and/or its ability to conduct its business appropriately, which is in the long-term interest of stakeholders
- 2.5 The Committee shall keep under review the extent and effectiveness of the Company's external reporting of corporate responsibility, and its participation in relevant external benchmarking indices. This will include engagement with a wider group of stakeholders and particularly shareholders and their stewardship teams

3. Membership

- 3.1 The Committee shall consist of at least three members. Members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee. The majority of the members of the Committee shall be independent non-executive directors.
- 3.2 The Company Secretary or his or her nominee shall act as the secretary of the Committee (the "Committee Secretary").
- 3.3 Only members of the Committee and those entitled to attend as an observer have the right to attend Committee meetings. However, other individuals, both internal and external, may be invited to attend for all or part of any meeting, as and when appropriate.
- 3.4 The Committee shall include a committee chair (the "Committee Chair"). The Committee Chair shall be appointed by the Board. The Committee Chair shall be entitled to chair all regular sessions of the Committee and add topics to the agenda. In the absence of the Committee Chair, the remaining members shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed as Committee Chair.
- 3.5 Appointments to the Committee shall be for a period of three (3) years, which may be extendable by no more than two (2) additional three (3) year periods, provided that the director still meets the criteria for membership of the Committee.
- 3.6 If any member of the Committee is unable to act for any reason, the Committee Chair may appoint any other director of the Company to act as his or her alternate.

4. Meetings

- 4.1 The Committee shall meet, in person, at least twice (2 times) a year, or more frequently as circumstances dictate, and all Committee members shall strive to be present at all Committee meetings. The Committee meetings shall follow a set agenda established by the Committee.
- 4.2 Two (2) Committee members, acting in person, linked by telephone or video conference facilities or by proxy, shall constitute a quorum. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be summoned by the Committee Secretary at the request of any of its members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue time and date, together with an agenda of items to be discussed, shall be forwarded by the Committee Secretary to each member of the Committee, and any other person required to attend, no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to the attendees as appropriate, at the same time.

6. Reporting Procedures

- 6.1 The Committee Secretary shall prepare and circulate the minutes of the meetings of the Committee to all members of the Committee and maintain a minute book containing minutes for meetings signed by the chair of the meeting.
- 6.2 The Committee shall report its actions and recommendations to the Board after each Committee meeting and, once agreed upon by the Committee, shall provide to the Board a copy of the minutes, unless in the opinion of the Committee Chair it would be inappropriate to do so. The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 6.3 The Committee Chair should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

7. Annual Performance Evaluation

- 7.1 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 7.2 To ensure that the Committee remains up to date with developments, the Committee shall be provided with appropriate and timely training from suitably qualified external advisers, for new members and on an on-going basis.
- 7.3 The Committee will give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing Rules, Prospectus Rules and Disclosure and Transparency Rules and any other applicable rules, as appropriate.

8. Authority

- 8.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 8.2 In connection with its duties the Committee is authorised by the Board to obtain, at the company's expense, any outside legal, consultant or other professional advice.

9. Other matters

The Committee shall:

- 9.1 have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required; and
- 9.2 consider other matters as referred to the Committee by the Board.

As approved by the Board on 28th September 2020