

TERMS OF REFERENCE FOR THE DISCLOSURE COMMITTEE

These terms of reference for the Disclosure Committee have been adopted by the Board of Directors (the "Board") of Auto Trader Group plc (the "Company").

1. PURPOSE

The Committee shall assist the Board in discharging its responsibilities relating to monitoring the existence of Inside Information and its disclosure to the market.

2. DUTIES AND RESPONSIBILITIES

2.1 Reporting obligations of OLT members to the Disclosure Committee

2.1.1 All OLT members will be provided with a copy of the Escalation Process in in the form contained within the MAR Compliance Manual Appendix 2.

2.1.2 This requires that the following types of information should be escalated to the Disclosure Committee

2.1.3 "Unplanned Events", being any significant event or new development in the business of an unexpected nature. Unplanned Events may be of a financial or a non-financial nature (for example, it may be something which will have a reputational, rather than a financial, impact on the business). Any items with a known or potential financial impact (immediate or future) of over £1m should be escalated. OLT members should report the event without delay to one or more the members of the disclosure committee

2.1.4 "Planned Events" whether of a financial or non-financial nature, is any significant event or new development in the business of an expected nature. A Planned Event is usually internally driven, arising from commercial decisions such as investments, divestments and restructuring. Any planned event with a known or potential financial impact (immediate or future) of over £1m should be reported in advance by the OLT member to one or more the members of the disclosure committee.

2.2 Role of the Disclosure Committee in determining whether information is Inside Information

2.2.1 Upon receipt of any such information, the Disclosure Committee shall reach an informed decision as to whether the information is Inside Information; if so, the means by which such information shall be disclose; and, whether the Company is entitled to delay announcement of the Inside Information.

2.2.2 In forming such a decision, the Disclosure Committee may seek advice from the Group's professional advisers and shall have regard to information previously disclosed by the Company.

- 2.2.3** Where the members of the Disclosure Committee conclude that Inside Information is in existence, the Disclosure Committee will arrange for an announcement to be drafted and referred to the Board for its consideration.
- 2.2.4** Where the members of the Disclosure Committee conclude that Inside Information is in existence, but that the Company is entitled to delay the disclosure of the Inside Information, the Disclosure Committee should document its decision and circulate this to the Board for its approval.
- 2.2.5** If the Disclosure Committee and/or the Board are unable to reach a timely decision as to whether a disclosure obligation has arisen, the Chief Executive (or, in his absence, the Finance Director) shall have ultimate responsibility and authority for determining whether a disclosure obligation has arisen.
- 2.2.6** Notwithstanding the above, overall responsibility for compliance with the Company's disclosure obligations rests with the Board.

2.3 Ongoing obligations of the Disclosure Committee

The Disclosure Committee shall undertake the following tasks on an ongoing basis:

- (a) maintain appropriate records of its meetings and of all material discussions and key decisions (including keeping copies of all disclosures made by the Company), the apportionment of responsibilities and of outside advice received;
- (b) review market rumours and press speculation about the Group and decide whether any response or announcement is required to be made by the Company to the market, such announcements being referred to the Board for approval before their release to the extent that this would not cause undue delay;
- (c) to the extent requested to do so by the Board, monitor ongoing developments to determine whether any disclosures need to be made or any disclosures previously made by the Company need to be updated (e.g. review the Group's performance for material differences from the Company's internal forecasts, for changes in the Company's internal forecasts and against previously published forward looking statements), recommending to the Board any necessary action;
- (d) to the extent requested to do so by the Board, monitor analysts' expectations and research as to the performance of the Group, and recommend any necessary corrective action;
- (e) liaise with external advisers, in particular the Company's corporate brokers and legal advisers where appropriate;
- (f) from time to time, review this Policy and propose any recommendations to the Board for consideration;
- (g) carry out all such other actions as are considered by the Disclosure Committee to be necessary and/or expedient in the discharge of the Company's disclosure obligations.

3. MEMBERSHIP REQUIREMENTS

3.1 The Committee shall consist of at least three members, including the Chief Executive, the Finance Director, the Chief Operating Officer and the Deputy Company Secretary

3.2 The Company Secretary or his or her nominee shall act as the secretary of the Committee (the "Committee Secretary").

4. MEETINGS

4.1 The Committee shall meet, in person, as frequently as circumstances dictate, and all Committee members shall strive to be present at all Committee meetings.

4.2 Two (2) Committee members, including at least one (1) Executive Director, 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.

4.3 At the start of every meeting, one of the Committee Members shall be appointed as Chairman of that meeting.

5. NOTICE OF MEETINGS

5.1 Meetings of the Committee shall be summoned by any member of the Committee as circumstances dictate.

5.2 Supporting papers are to be sent to Committee members as soon as practically possible in advance of the meeting, without causing unnecessary delay.

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 chairman 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 Chairman 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.

7. AUTHORITY

7.1 The Committee is authorised by the Board to (i) seek any information it requires from any employee of the Company in order to perform its duties, and (ii) call any employee to be questioned at a meeting of the Committee as and when required.

7.2 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.

As approved by the Board in July 2016.