

CARGURUS, INC.

CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “Board”) of CarGurus, Inc. (the “Company”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) as a framework for the governance of the Company to reflect the Board’s strong commitment to sound corporate governance practices and to encourage effective policy and decision making at both the Board and management level, with a view to enhancing long-term value for Company stockholders. These Guidelines are intended to assist the Board in the exercise of its governance responsibilities and serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations.

These Guidelines are not intended to change or interpret any federal or state law or regulation, including the General Corporation Law of the State of Delaware, or the Certificate of Incorporation or By-laws of the Company, each as may be amended from time to time. The Board will annually review these Guidelines. The Board may amend these Guidelines, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be a violation of any applicable law, rule or regulation, and, provided further, that any such modification or waiver is appropriately disclosed as required.

I. Role and Composition of the Board of Directors

A. Role of the Board

The primary responsibilities of the Board, the members of which are elected by the Company’s stockholders, are oversight, counseling and direction to the Company’s management in the interest and for the benefit of the Company’s stockholders. In addition to the responsibilities described in these Guidelines, the Board selects the Chief Executive Officer (who, along with other members of senior management, is charged with the day-to-day conduct of the Company’s business and operations), provides advice to the Chief Executive Officer and other members of the Company’s senior management, monitors senior management performance, oversees the governance of the Company, assists with assessment of corporate risks and policies and systems for risk mitigation and addresses strategic issues affecting the Company.

Each member of the Board (each, a “director” and collectively, the “directors”) is expected to spend the time and effort necessary to properly discharge such director’s responsibilities. Accordingly, a director is expected to regularly attend meetings of the Board and Board committees on which such director sits, and review prior to each meeting the material distributed in advance for such meeting. A director who is unable to attend a meeting (which it is understood will occur on occasion) is expected to notify the Chairman or the chairperson of the appropriate committee in advance of such meeting.

B. Size, Composition and Membership Criteria

In accordance with the Company’s By-laws, the Board will consist of such number of directors as may from time to time be determined by the Board to be appropriate. The Board is divided into three classes that are of approximately equal size. Each class of directors is elected for a three-year term, and the election of directors is staggered such that only one class of directors is elected each year. The Board shall periodically review the size, structure, composition and functioning of the Board.

The Board shall be comprised of a majority of directors who, in the business judgment of the Board, qualify as “independent directors” under the applicable rules of the NASDAQ Stock Market (“Nasdaq”), subject to any exceptions regarding independence that may be available to a “controlled company” as

defined by Nasdaq. An “independent” director of the Company shall be one who meets the requirements for being an independent director under Nasdaq’s corporate governance listing standards, including the requirement that the Board must have affirmatively determined that the director has no material relationships with the Company, either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company. The Board makes an affirmative determination regarding the independence of each director annually (or as needed).

The Board shall be responsible for developing Board membership criteria and periodically reviewing these criteria, including the appropriate role of diversity. These criteria may include, among other factors, business experience and skills, independence, character, wisdom, judgment, integrity, ability to make independent analytical inquiries, understanding of the Company’s business environment, the ability to commit sufficient time and attention to Board activities, and the absence of potential conflicts with the Company’s interests. The Board will consider these criteria in the context of the perceived needs of the Board as a whole at any given time and seek to achieve a diversity of occupational and personal backgrounds on the Board.

C. Selection of Director Nominees

The entire Board shall be responsible for nominating candidates for election to the Board at the Company’s annual meeting of stockholders and for filling vacancies on the Board that may occur between annual meetings of stockholders, subject to any special provisions included in the Company’s Certificate of Incorporation, as may be amended from time to time. The Board shall be responsible for identifying, considering, recommending, recruiting and selecting candidates for Board membership consistent with the Board approved criteria and qualifications for membership. When formulating its Board membership recommendations, the Board shall consider any advice and recommendations offered by the Chief Executive Officer or the stockholders of the Company or any outside advisors the Board may retain.

D. Board Leadership

The Board may elect one of its members as Chairman of the Board. Currently, the Company’s Chief Executive Officer serves as Chairman of the Board. At each Board meeting, the Chairman will act as chair of the meeting.

E. Director Orientation and Continuing Education

The Company will provide new directors with access to information and meetings with management in order to familiarize new directors with the Company’s business, operations, risk management and accounting issues, finances, and governance practices (including the Company’s Code of Business Conduct and Ethics). In addition, the Board encourages directors to identify and participate in education programs to assist them in performing their responsibilities as directors of the Company. Directors will be reimbursed for reasonable costs and expenses incurred in attending director education programs.

F. Change in Principal Occupation

When a director’s principal occupation or business association is expected to change or changes substantially during the director’s tenure on the Board, the director must promptly notify the Board, which along with the Chairman will review the continued appropriateness of the director remaining on the Board under the circumstances and then recommend action, if any, to be taken with respect to any offer by the director to resign.

G. Service on Other Boards and Audit Committees

A director may not serve on the boards of more than four other public companies in addition to the Company's Board (unless (1) the director is the chief executive officer of a public company, in which case the limit is two other such boards or (2) the Board determines that such simultaneous service would not impair the ability of the director to effectively serve on the Company's Board). Directors must consult with the Board's Chairman before accepting an invitation to serve on the board of another public company. No member of the Audit Committee may serve on the audit committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of the director to effectively serve on the Audit Committee.

II. FUNCTIONING OF THE BOARD

A. Meetings and Agendas

There shall be at least four (4) regularly scheduled meetings of the Board each year, although the Board may meet more frequently as necessary. It is the responsibility of each of the directors to attend the meetings of the Board and the committees on which he or she serves.

The Board's Chairman shall schedule, set the agenda for, and chair the meetings of the Board. If the Chairman is not present, an independent director shall be appointed to chair such meetings.

Upon completion, a copy of the agenda shall be provided to the entire Board. Each Board member shall be free to suggest inclusion of items on the agenda for any given meeting. Thereafter, any Board member may suggest additional subjects that are not specifically on the agenda for any particular meeting. In that case, the Board member should contact the Board's Chairman at least ten days prior to the relevant meeting.

B. Executive Sessions of Independent Directors

In general, the agenda for every regularly scheduled Board meeting shall include a meeting of the "Independent Directors," as defined by Nasdaq listing requirements, in executive session. In any event, the non-management directors shall meet in executive session at least semi-annually to discuss, among other matters, the performance of the Chief Executive Officer. The non-management directors will meet in executive session at other times at the request of any non-management director. Absent unusual circumstances, these sessions shall be held on the same date as regularly scheduled Board meetings.

C. Strategic Planning

The Board will review the Company's long-term strategic plan, including business unit initiatives, at least annually.

D. Board Materials and Attendance at Meetings

To the extent possible, information and data that is important to the Board's understanding of matters to be discussed at a meeting shall be distributed to the Board sufficiently in advance of the applicable meeting to permit meaningful preparation. Directors are expected to prepare for, attend, and actively participate in all Board meetings, and are invited and encouraged to attend the Company's annual meeting of stockholders. In the event of a pressing need for the Board to meet on short notice, or where an issue to be addressed is highly sensitive or confidential, materials may be presented only at the Board meeting.

III. STRUCTURE AND FUNCTIONING OF COMMITTEES

A. Number, Structure and Independence of Committees

The Company currently has the following two standing committees: Audit Committee and Compensation Committee. The duties for each of these committees shall be outlined in each committee's charter adopted by the Board and/or by further resolution of the Board. The Board may establish and maintain other committees or re-allocate responsibilities of one committee to another from time to time, as it deems necessary and appropriate. The Board may form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

Each of the Audit Committee and Compensation Committee shall be composed of independent directors to the extent required to satisfy applicable legal, regulatory, and Nasdaq requirements.

B. Responsibilities

Each standing committee operates under a written charter that sets forth the purposes and responsibilities of the committee. Each charter is adopted by the Board and posted on the Company's website. Each standing committee assesses the adequacy of its charter annually and recommends changes to the Board as appropriate. All committees report regularly to the full Board with respect to their activities.

C. Meetings and Agendas

The chair of each committee, in consultation with the Chairman of the Board, determines the agendas for and frequency and length of the committee's meetings. Materials related to agenda items are provided to committee members sufficiently in advance of meetings to allow the members to review and prepare for discussion at the meeting except where such advance notice is not practicable. Committee members are expected to prepare for, attend and actively participate in all Committee meetings.

IV. DIRECTOR ACCESS TO MANAGEMENT AND OUTSIDE ADVISORS

At the invitation of the Board, members of management may attend Board meetings or portions of meetings for the purpose of presenting matters to the Board and participating in discussions. Directors have full and free access to members of the Company's management but are requested to coordinate with the Company's Secretary or Chief Financial Officer.

The Board has the authority to retain such outside counsel, experts and other advisors as it determines appropriate to assist it in the performance of its functions. Each of the Audit Committee and Compensation Committee has similar authority to retain outside advisors as it determines appropriate to assist it in the performance of its functions.

V. DIRECTOR COMPENSATION

The Board may direct that the Compensation Committee shall periodically review the compensation of non-management directors for service on the Board. Director compensation is set by the Board and will consider any recommendation of the Compensation Committee. Directors are reimbursed for reasonable costs and expenses incurred in attending meetings of the Board and its committees.

VI. EVALUATION OF THE CHIEF EXECUTIVE OFFICER

The Compensation Committee is responsible for reviewing and approving on an annual basis the corporate goals and objectives with respect to compensation for the Chief Executive Officer. The Compensation Committee shall evaluate at least once a year the Chief Executive Officer's performance in light of these established goals and objectives and based upon these evaluations shall set, or recommend to the Board for approval, the Chief Executive Officer's annual compensation. The Chief Executive Officer may not be present during voting or deliberations regarding his or her compensation. The Compensation Committee shall report to the whole Board at a meeting of the Board any actions, decisions, or approvals taken, made or granted by the Compensation Committee with respect to any of the matters described above in this paragraph.

VII. SUCCESSION PLANNING

The Board plans for management succession, including the position of Chief Executive Officer as well as certain other senior management positions. The Compensation Committee is responsible for considering a Chief Executive Officer succession plan and discussing such succession plan periodically with the Chief Executive Officer.

VIII. ANNUAL PERFORMANCE EVALUATIONS OF THE BOARD AND COMMITTEES

The Board conducts annual evaluations to assess its performance. The Audit Committee and Compensation Committees conduct annual evaluations to assess their performance. The ability of individual directors to contribute to the Board and the performance of each individual director is considered a part of these evaluations.

IX. CONFIDENTIALITY

The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

Date Adopted: October 11, 2017

Date Revised: November 1, 2018