



CarGurus®

# 2021

CORPORATE SOCIAL  
RESPONSIBILITY REPORT





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## About CarGurus

CarGurus is a multinational, online automotive platform for buying and selling vehicles that is building upon its industry-leading listings marketplace with both digital retail solutions and the CarOffer online wholesale platform. The combination of CarGurus' foundational listings business, coupled with digital wholesale, and digital retail allows CarGurus to create a transaction-enabled platform that holistically serves both its dealer partners and largest consumer audience. CarGurus' transaction-enabled platform gives consumers the confidence to shop, finance, buy or sell a vehicle either online or in-person, and it gives dealerships the ability to source, market and sell, all with a nationwide reach. The company uses proprietary technology, search algorithms and data analytics to bring trust, transparency, and competitive pricing to the automotive shopping experience. CarGurus also operates online marketplaces in Canada and the United Kingdom. In the United States and the United Kingdom, CarGurus also operates the Autolist and PistonHeads online marketplaces, respectively, as independent brands.

At CarGurus we are aware of the impact we have on the environment and the community around us. We are committed to growing responsibly by integrating sustainable practices into every aspect of our business and its operations, globally. We always challenge ourselves to continuously improve upon our environmental, social and governance ("ESG") efforts and lead by example.

### Our Core Values

WE ARE

PIONEERING

WE ARE

TRANSPARENT

WE ARE

DATA-DRIVEN

WE MOVE

QUICKLY

WE ARE

COLLABORATIVE

WE HAVE

INTEGRITY







## About this report

This Corporate Social Responsibility (“CSR”) Report covers CarGurus’ ESG initiatives during our 2021 fiscal year, unless otherwise specified.

We believe that this CSR Report is an important element of CarGurus’ ESG disclosure program. As we continue to invest in our employees, culture, and community, we expect to consider and report on ESG factors as they evolve within the Company. In preparing this CSR Report and selecting the topics and metrics to include, we have referenced the reporting frameworks developed by the Sustainability Accounting Standards Board (“SASB”). Please see the Appendix to this CSR Report for our SASB disclosures for our 2021 fiscal year. As used in this CSR Report and in the Appendix thereto, the terms “CarGurus,” “the Company,” “we,” “us,” and “our” mean CarGurus, Inc. unless the context indicates otherwise.

For questions or for more information, please visit the Investor Relations section of our website, <https://investors.cargurus.com>, or email [investors@cargurus.com](mailto:investors@cargurus.com).

## A message from our CEO

At CarGurus, we give people the power to reach their destination, enabling consumers and dealers with the confidence and tools to buy or sell any vehicle, anywhere, at the right price, and in the right way for them. We are driven by our pioneering mindset, collaborative approach, and our commitment to transparency. Importantly, we believe in keeping integrity at the heart of everything we do; acting responsibly and considering the impact of our actions on each other, our customers, and the world around us. With those values in mind, I am pleased to share CarGurus' 2021 CSR Report.

As a business, we made significant progress in 2021 in our evolution to a transaction-enabled platform. We also continued to invest in our employees, fueling growth for CarGurus and our community members. This year wasn't without headwinds; the ongoing COVID-19 pandemic and uncertain macroeconomic environment have challenged businesses globally. However, our momentum continues to inspire me in our journey ahead, and I'm proud of the social and environmental initiatives that have contributed to progress both at CarGurus and within the communities in which we operate.

This Report covers the ways in which we're focused on making a positive impact in the areas of environmental, social, and corporate governance. We review how we continue to reduce our environmental impact through energy-efficient and sustainable workspaces, easy search capabilities for fuel-efficient, hybrid and electric vehicles on our platform, and a selection of environmentally conscious employee benefits. In addition, we share how investing in our employees and the communities we operate shaped our diversity, equity inclusion and belonging strategy, employee engagement, and global citizenship over the past year.

While there is still much to learn and even more to do as we continue to progress with our ESG efforts, I want to acknowledge the tremendous work the team has done thus far. These initiatives would not be possible without their leadership and unwavering commitment to our values, our customers, each other, and our communities. I look forward to continuing the momentum and sharing our progress along the way.

Jason Trevisan



## Environmental

We endeavor to embody our Core Value of Integrity by acting responsibly and considering the impact of our actions on one another, our partners, and the world around us. While our facilities and operations have a limited impact on the environment, there remain opportunities for us to continually improve our conservation, recycling, and waste reduction efforts.

For our employees in our offices, we encourage participation in a robust recycling program that includes recycling bins at every employee desk and conference room as well as next to all trash receptacles in our office kitchens. We also incentivize low-carbon-producing means of transportation via public transportation subsidies and by offering a generous annual stipend for employees who bike to work.

In the 2021 fiscal year, our offices were temporarily closed due to the COVID-19 pandemic and, subject to limited exceptions, our employees worked remotely. During the year, however, we provided monthly gifts to our employees at home as part of our appreciation for their hard-work and continued efforts considering the ongoing effects of the COVID-19 pandemic. Conscious of our shipping and environmental impact, we were thoughtful of the method in which these gifts were delivered to employees as well as the vendors we partnered with for our Perks@Home program. Specifically, we provided an electronic gift card selection to reduce the impact of shipping physical gifts, packaged a company-wide food gift in biodegradable packing materials, and partnered with a clothing company that actively executes sustainable business practices for their apparel products for our employees.

Further, as we continue to grow our business and employee population, we needed to find a new location for our future headquarters. We identified this as an

opportunity for environmental improvement and to ensure we are doing our part to reduce our carbon footprint. To this end, the building that will house our headquarters in Boston, Massachusetts will offer cutting-edge systems for energy efficiency and sustainability, consistent with what we anticipate being a LEED Gold certified building, will be easily accessible by public transportation and will have electric vehicle charging stations and indoor bike racks. We believe it is important for us to operate our businesses in an energy-efficient and sustainable manner and we believe our new headquarters will allow us to stay true to our beliefs by helping us further reduce our environmental impact. As we continue the planning efforts for our new corporate headquarters, we are committed to implementing environmental-friendly practices to further our commitment to limiting our environmental impact.

We also offer an ESG-focused fund option through Calvert Investments (the “Calvert Fund”) with our available lineup of funds under our Section 401(k) plan for our eligible U.S. employees. The Calvert Fund targets responsible investments in companies that provide positive leadership through business operations focused on materially improving societal outcomes, including those that will affect future generations.

In our CarGurus marketplace, we bring our sustainable approach to our consumer base by making it easy for them to filter and search for Fuel Efficient, Hybrid and Electric vehicles on our platform. In 2021 we saw the number of Hybrid and Electric vehicle listings on our platform increase year-over-year.

While there is ample room to improve our efforts, we are consistently evaluating new opportunities and new processes to further reduce our environmental impact.



## Social

Investing in our employees and the communities in which we operate, as well as the global communities with which many of our employees, dealers, and stakeholders live, is not only essential to being a good corporate citizen, it's good for business. We believe that diversity, equity, inclusion and belonging ("DEIB") are the cornerstones of collaboration, excellence, and innovation, and we strive to build and nurture a global culture where inclusiveness is a reflex, not an initiative. We envision a workplace where everyone feels they can bring the ultimate expression of themselves and their potential to work every day – where they don't just fit, they thrive. We are committed to making impactful donations to charities and organizations that our employees are invested in through CarGurus' Charitable Giving Program, and we are dedicated to providing best-in-class workforce development and training by fostering a culture of learning to aid in growth for all our employees.

### Diversity, Equity, Inclusion and Belonging

We are committed to building a workforce that reflects the diversity of our customers and the world around us. We strive to ensure that all employees see themselves represented in leadership roles and across the company and are committed to creating a workplace where everyone has an equitable opportunity to grow, contribute, and develop. We are dedicated to fostering a culture of belonging where we embrace and celebrate each person's unique story and perspective, and we aim to create an environment where all employees are positioned to thrive at the highest levels. Finally, we actively support initiatives and programs that help DEIB efforts in our employees' communities.

Some of the ways we acted on these commitments during 2021 include: incorporating growth targets in the representation and belonging for underrepresented populations at the Company in the U.S. as part of our

ERGs are employee-led groups that are formed based on shared characteristics or life experiences. CarGurus ERGs include:

Extra@CarGurus

CarGurus Salutes Service

Women@CarGurus

POC@CarGurus

Parents@CarGurus

AAP@CarGurus (new in 2021)

annual strategic and organizational initiatives, one of the components of our annual cash incentive award program; partnering with our Diversity, Equity, Inclusion and Belonging Advisory Team to amplify DEIB programs and establish short- and long-term DEIB initiatives; providing a variety of learning opportunities through speaker series, community conversations and anti-racist books club; and supporting several employee resource groups ("ERGs"). Additionally, in 2021 we established a new ERG group, AAP@CarGurus (Asian American Pacific Islander) for the CarGurus community. We are thrilled that our six ERGs had over 500 employees engaged as members and over 1,500 of CarGurus' employees attended events or programs sponsored by these groups in 2021. Finally, we supported DEIB efforts within our employees' communities by promoting Black-Owned Businesses within our internal communications platforms, sending gift-boxes to employees from local female-owned businesses, purchasing books for a family reading night from a local Black-Owned bookstore, and donating to a local social justice and advocacy program if employees posted a picture of themselves in tie-dye.

Additionally, based on data from employees who chose to self-identify, on a year-over-year basis we increased representation among women and non-binary employees (32.8% to 35.1%) and maintained representation among underrepresented racial minorities (30.0% to 30.1%) within our U.S. workforce. We also saw year-over-year increases in the U.S. among women and non-binary employees in technical (23.3% to 25.9%) and management-level roles (34.2% to 38.6%), as well as among underrepresented racial minorities in technical roles (43.6% to 45.7%). Furthermore, we have continued our diverse interview panel requirements, established in 2020, (minimum of two underrepresented candidates at the interview stage) during our hiring process for all director-level and above positions across the Company. In 2021, we also partnered with DEIB-focused job boards and decreased bias in job descriptions to attract underrepresented candidates for open roles. Finally, in 2021 we established three partnerships with organizations that provided a strategic pipeline to finding, hiring, and supporting diverse talent.

### **Corporate and Global Citizenship**

Corporate citizenship and social responsibility are part of how we define Integrity: do the right thing by each other, our customers, and the world around us. During 2021, there were a number of ways that we demonstrated our commitment to giving back to our communities and beyond, including:

#### **Business Coalition for the Equality Act (the “Coalition”):**

In 2021 we formalized our commitment to the rights of the LGBTQ+ community by joining the Coalition, a group of leading U.S. employers that support the Equality Act, proposed federal legislation that would prohibit discriminations against LGBTQ+ Americans under federal law.

**CarGurus’ Charitable Giving Program:** This program encourages our employees to submit nominations for grants to tax-exempt organizations, which are then reviewed by a committee of our employees and awarded to selected charities on a quarterly basis. In 2021, we awarded approximately \$200,000 in grants to 24 charitable organizations. Since the Charitable Giving Program’s inception in 2018 through 2021, CarGurus has donated nearly \$700,000 to charities across the markets we operate.

**Racial Justice Donation:** As a reflection of our dedication to supporting the AAPI Community and denouncing the increase in racist and violent attacks they’ve faced since the start of the COVID-19 pandemic, CarGurus donated \$10,000 to the AAPI Civic Engagement Fund, which aims to foster a culture of civic participation within AAPI communities to strengthen America’s democracy, improve quality of life for all, and create vibrant multiracial communities.

**COVID-19 Assistance Donation:** In 2021, India saw a stark increase in COVID-19 positive cases, hospitals that were over-capacity, and shortages of oxygen or other life-saving medical equipment. We made efforts to assist, donating \$10,000 to Sewa International in support of their “Help India Defeat the Second Wave of COVID-19.” These funds raised helped purchase supplies and essential life-saving medical equipment, including oxygen concentrators and ventilators, for hospitals in India.

**Veteran Assistance Donation:** After the loss of 13 service members from the Marines, Army, and Navy and 200 civilians in Kabul, Afghanistan in 2021, CarGurus donated \$5,000 to the Travis Manion Foundation which is dedicated to supporting those who served the United States. This foundation develops programs, training opportunities, and events designed to empower veterans and families of the fallen and inspires them to pass on their values to the next generation and community at large.



## Workforce Development and Investment

At CarGurus, growth means learning and developing as individuals and teams. We believe that learning is a process that happens every day, everywhere, not just inside classroom walls. It is through curiosity, experimentation, and pushing ourselves into the zone of discomfort that we can grow as individuals and maintain our pioneering mindset as an organization. Investing in and developing our employees is core to our people and talent strategy, which includes the following programs:

**Learning & Development:** We believe that while each employee is responsible for owning their own growth roadmap, learning is a shared journey that requires support and the opportunity to share learnings with others. We are therefore dedicated to creating a learning culture, where all employees are challenged to grow, learn, and become better versions of themselves, while helping one another do the same. In 2021, nearly 100% of our employees participated in learning and development activities worldwide, which ranged from mandatory quarterly compliance training courses to one-on-one, virtual, social and self-directed learning, mentoring, coaching and external development sessions.

**Career and Professional Development:** Enabling career growth opportunities and conversations are critical to our people and talent strategy. As such, we have created several programs to promote development and shared learning, including Drive, an internal career development program. All new employees are also required to participate in our new hire First Gear program. This

program not only focuses on educating new hires on who we are, what we do and how to succeed in their roles, but also provides sessions specific to DEIB efforts so new employees can be involved from the onset of their career with us. Throughout 2021, we hosted internal development-focused events and workshops supporting our employees' professional growth. In addition to the in-house programming facilitated by our Learning and Development team, during the past year we provided all employees with access to additional content through LinkedIn Learning and the ability to receive tuition reimbursement at qualified educational institutions.

**Leadership Development:** At CarGurus, leadership is about creating the conditions for people to achieve great things together. We've learned that there are some simple but powerful actions the best leaders demonstrate to make this happen and we've translated these into our Leadership Principles. While it's not always easy, we strive to lead by demonstrating these behaviors, fueling growth for ourselves, our teams, our customers, and our business. In 2021, we launched a three-part leadership development program, Re-Fuel, in which managers and other employee leaders received training on topics such as "Coaching to Performance," "Inclusive Leadership" and "Fostering Psychological Safety."





## Our Leadership Principles



### Lead yourself

Our leaders are intentional about how they show up, manage themselves, and take responsibility for their decisions and the impact they have on others.



### Create a shared purpose

Our leaders tap into motivation by aligning people around a common purpose. They connect strategy and success by focusing their teams on clear objectives and helping people understand how their individual roles contribute to our collective Mission.



### Inspire ownership and accountability

Our leaders create a shared commitment to success and therefore a mutual accountability for results. They enable and empower others but know when to roll up their sleeves and provide support. The best leaders develop more leaders.



### Communicate openly

Our leaders communicate proactively and transparently about goals, challenges, and opportunities. They listen with the intent to understand. They seek opportunities to collaborate across the business.



### Invest in growth

Our leaders embody a growth mindset. They challenge themselves and their teams to be curious and actively seek opportunities for learning and improvement, even when it's uncomfortable.



### Cultivate environments of respect and trust

Our leaders care about people. They value diverse perspectives and are committed to building a culture where everyone can show up as themselves and do their best work together.

## Employee Engagement

Each year, we conduct an employee engagement survey to help our management team gain insight into and gauge employees' feelings, attitudes, and behaviors around working at CarGurus. Our latest survey completed in September 2021, had a participation rate of approximately 85% of our eligible employees worldwide. The survey results indicated that we excelled in areas including manager empathy, career development, belonging, as well as overall excitement about CarGurus' future. Based on employee feedback, we also identified certain company-wide opportunity areas to improve engagement and drive long-term success.

In 2021, as a result of the ongoing COVID-19 pandemic and world events, we launched CarGurus' Wellness Program designed to support and maintain a healthy lifestyle at "work" and at home. Benefits of this program included access to Studio SWEAT OnDemand for on demand workouts, an Employee Assistance Program (EAP) to aid employees with life challenges and

uncertain times, paying for employees to use Care.com which helps find childcare, pet care, senior care and more to assist life at work and a free subscription to Headspace, a leading mindfulness and meditation application. Finally, we also provided Mental Health holidays to employees to further support our employees' mental health and wellness while working remotely as a result of the COVID-19 pandemic.

Our culture and commitment to building a workplace where we can all thrive was recognized externally in 2021 with awards for Built In Boston's "Best Places to Work," Boston Business Journal's "Best Places to Work", and Comparably's "Best Perks & Benefits", "Best CEO", and "Best Work-Life Balance". Further as a result of CarGurus' efforts in 2021 the Human Rights Campaign Foundation rated CarGurus as one of the "Best Places to Work for LGBTQ+ Equality" and commended CarGurus for advancing inclusion in the workplace.



## Governance

Our values of Integrity and Transparency are at the core of our approach to responsible Governance. We are committed to continuously improving and refining a sustaining governance structure that fosters long-term stockholder value, focusing on legal compliance and building value for all stakeholders.

### Corporate Governance

CarGurus is led by a majority-independent Board with a commitment to DEIB. Our Board provides oversight and counsel to management and represents the interests of our stockholders. Since our initial public offering in 2017, our Board has been comprised of a majority of independent members, including directors in leadership positions. For example, during 2021 Lori Hickok served as Chair of the Audit Committee of our Board (the “Audit Committee”). Yvonne Hao also joined our Board during 2021 and was appointed to the Audit Committee at such time.

Our Board has also adopted and maintains Corporate Governance Guidelines that set forth our Board’s commitment to diversity. Specifically, our Board believes that diversity, including differences in backgrounds, qualifications, and personal characteristics, is important to the effectiveness of its oversight of the Company

and that its membership should reflect a diversity of personal characteristics. Our Board is committed to this policy of inclusiveness and will therefore continue to take reasonable steps to ensure that candidates from traditionally unrepresented groups are considered for the pool of candidates from which our director nominees are chosen. Consistent with this philosophy, the representation of women and underrepresented racial minorities on our Board increased in 2021 compared to the prior year.

The CarGurus Code of Conduct is the operative policy helping us drive forward our sustainable governance practices. We believe our reputation for Integrity is one of our most important assets. Accordingly, the Code of Conduct sets forth our expectation that all of our employees, officers, and directors, and those of our subsidiaries and affiliates, are to conduct themselves according to the highest ethical and professional standards of conduct, guided by fundamental principles of trust, honesty, objectivity, fairness, and respect for oneself and others. During 2021, we achieved nearly 100% employee participation in our annual Code of Conduct compliance training course.





## Data Privacy and Security

We also believe privacy and data protection are the foundation for building trust with our employees, customers, communities, and partners. Accordingly, we maintain comprehensive information security and privacy policies that govern all aspects of our business that are regularly updated to reflect legal developments and evolving best practices regarding data privacy and security.

CarGurus addresses the complex issues of privacy and data security by assessing both our legal and regulatory obligations as well as our customer and user expectations. We maintain a global privacy program that grows with prevailing industry practices, including the implementation of controls that are commensurate with the sensitivity of the data being processed. CarGurus regularly reviews and enhances its privacy measures based on legal changes, in compliance with current legal standards including Europe's General Data Protection Regulation and the California Consumer Protection Act, and continuing as laws are passed in additional jurisdictions.

Employee training is a key element of our privacy program. CarGurus requires all new employees to complete privacy and security compliance trainings during their onboarding, and we update those trainings annually for all other employees. We also provide targeted training from time to time on varying topics and to different audiences as regulations or our products and operations evolve.

As a reflection of our commitment to transparency, we provide appropriate privacy notices through our product design, our customer contracts, and our privacy policies. Our written policies detail our privacy practices, which vary depending upon the user's geography or product context. They include descriptions of the user

information that we collect or receive, the choices and control that a user has in relation to this data, the purpose for which CarGurus uses such information (including regarding advertising), our policies relating to our usage and sharing within CarGurus, its affiliates, and partners, and disclosures about third-party partner privacy policies and user controls for sharing and controlling such information. We update our privacy policies from time to time as our products, user expectations, and the law develops around the world. At CarGurus, we understand that privacy is an evolving topic, and we're committed to privacy principles as we build and expand our products and services.

The Audit Committee maintains oversight of our compliance with cybersecurity principles. As part of this function, the Audit Committee regularly meets with members of management responsible for data privacy, technology, and information security risks to discuss these risks, risk management activities, and the effectiveness of our security measures. In 2021, we made large organizational investments to support privacy and data security improvements, including increasing the headcount of our Information Security team, investing in new security tools and technology to help identify organizational security risks and enforce internal controls, expanding our compliance training program with new security awareness courses, and establishing an enterprise risk management program. Additionally, during 2021 we maintained a Security and Compliance Committee comprised of members of senior leadership from across our organization that met regularly to consider information security matters, including cybersecurity, IT infrastructure, data privacy and other compliance issues.



## Concluding remarks

As we have acknowledged throughout this Report, we are committed to having a positive impact and driving change as a company. Some of the programs described in this Report have been part of our corporate citizenship DNA since our early days, consistent with our Core Values, and others were new initiatives as part of our ongoing efforts to demonstrate leadership in our space and support our customers, dealers, employees, and community through our actions.

While we are excited to share this CSR Report and are proud of our progress to date, we recognize that we are continually learning and identifying areas for improvement in our ESG journey. We are committed to constantly evolving as a company and taking meaningful steps to deepen our impact across the ESG spectrum. We look forward to sharing this progress with you in next year's Report.

## Appendix to CarGurus FY 2021 CSR Report

### SASB Disclosures

The Sustainability Accounting Standards Board's ("SASB") mission is to establish and maintain industry-specific standards that assist companies in disclosing financially material, decision-useful sustainability information to investors. We have considered SASB's Technology & Communications sector – Internet Media & Services industry standard when reporting on environmental, social and governance ("ESG") issues and have provided key details below.

Employee Recruitment, Inclusion & Performance			
SASB CODE	METRIC	FY 2020	FY 2021
TC-IM-330a.1	Percentage of employees that are foreign nationals	2020: 5.3%	2021: 5.5%
Methodology: Reflects CarGurus' foreign national employees in the U.S. under nonimmigrant visas as of December 31 of the applicable year as a percentage of CarGurus' total U.S. employees as of each such date.			
TC-IM-330a.2	Employee engagement as a percentage	2020: 66%	2021: 62%
Methodology: In order to ensure that we are meeting our people and talent objectives, we conduct an employee engagement survey at least annually to help our management team gain insight into and gauge employees' feelings, attitudes, and behaviors around working at CarGurus. Our employee engagement surveys for each of 2020 and 2021 were conducted with our employees worldwide through the Culture Amp platform. These surveys consisted primarily of rating questions on which employees were asked to indicate their level of agreement with a statement based on a five-point scale from Strongly Agree to Strongly Disagree, and also included a limited number of free-text questions to which employees were asked to write out a response. We had participation rates of approximately 87% and 85% for the surveys we conducted in December 2020 and September 2021, respectively. Our employee engagement metrics presented above reflect the percentage of favorability in response to survey questions (i.e., responses indicating Strongly Agree or Agree). Survey results are analyzed against prior year survey results and Culture Amp's New Tech (500-1K employees) Benchmark for 2020 and 2021, as applicable, which consists of survey results from companies that are primarily internet-based or focused on creating new technologies.			
TC-IM-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Please see the "Employee Diversity, Inclusion and Belonging Metrics" table below.	

Employee Diversity, Inclusion and Belonging Metrics				
		As of 12/31/2020 <sup>3</sup>	As of 12/31/2021	Improvement / (Decrease) YoY
Female and Non-Binary <sup>1</sup>	Manager and Above <sup>2</sup>	34.2%	38.6%	445 bps
	Technical Roles	23.3%	25.9%	256 bps
	All Other Employees <sup>2</sup>	32.4%	34.1%	167 bps
Underrepresented Racial Minorities <sup>1</sup>	Manager and Above <sup>2</sup>	20.0%	19.4%	(59) bps
	Technical Roles	43.6%	45.7%	206 bps
	All Other Employees <sup>2</sup>	32.6%	33.3%	63 bps
<sup>(1)</sup> Based on CarGurus' U.S. population of employees who chose to self-identify. <sup>(2)</sup> Reflects internal designations. "All Other Employees" includes U.S. employees not categorized as "Manager and Above". <sup>(3)</sup> Figures for FY 2020 have been updated from CarGurus' 2020 CSR Report to reflect changes in the Company's demographic reporting methodology and for consistency with metrics reported herein for FY 2021.				

## Data Privacy, Advertising Standards & Freedom of Expression

SASB CODE	METRIC	FY 2020		FY 2021
TC-IM-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	<p>CarGurus addresses the complex issues of privacy and data security by assessing both our legal and regulatory obligations as well as our customer and user expectations. We maintain a global privacy program that grows with prevailing industry practices, including implementation of controls that are commensurate with the sensitivity of the data being processed. CarGurus regularly reviews and enhances its privacy measures based on legal changes, largely beginning with Europe's General Data Protection Regulation ("GDPR") and the California Consumer Protection Act ("CCPA"), and continuing as laws are passed in additional jurisdictions.</p> <p>Employee training is a key element of our privacy program. CarGurus requires all new employees to complete privacy and security compliance trainings during their onboarding, and we update those trainings annually for all other employees. We also provide targeted training throughout the year on varying topics and to different audiences as regulations or our products and operations evolve.</p> <p>CarGurus believes in transparency. We provide appropriate privacy notices through our product design, our customer contracts, and our privacy policies. Our written policies detail our privacy practices, which vary depending upon the user's geography or product context. They include descriptions of the user information that we collect or receive, the choices and control that a user has in relation to this data, the purpose for which CarGurus uses such information (including regarding advertising), our policies relating to our usage and sharing within CarGurus, its affiliates, and partners, and disclosures about third-party partner privacy policies and user controls for sharing and controlling such information. We update our privacy policies from time to time as our products, user expectations, and the law develops around the world. At CarGurus, we understand that privacy is an evolving topic, and we're committed to privacy principles as we build and expand our products and services.</p>		
TC-IM-220a.2	Number of users whose information is used for secondary purposes	CarGurus utilizes its population of user data for secondary purposes, including to improve our products and service offerings.		
TC-IM-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	2020: None	2021: None	
TC-IM-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	CarGurus reviews all law enforcement requests for scope and legality and responds to all such valid requests. In 2020 and 2021, CarGurus received less than ten requests per year, affecting an average of two to three users each.		
TC-IM-220a.5	List of countries where core products or services are subject to government - required monitoring, blocking, content filtering, or censoring	We are not aware of any countries which subject CarGurus to monitoring, blocking, content filtering, or censoring.		
TC-IM-220a.6	Number of government requests to remove content, percentage compliance with requests	2020: None, N/A	2021: None, N/A	



## Data Security

SASB CODE	METRIC	FY 2020	FY 2021
TC-IM-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	2020: (1) 0 (2) N/A (3) N/A	2021: (1) 0 (2) N/A (3) N/A
TC-IM-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	<p>CarGurus performs regular information security risk assessments covering our facilities, systems, and information assets. These risk assessments are performed using third party-cybersecurity standards such as National Institute of Standards and Technology (NIST) and Center for Internet Security (CIS) benchmarks as guidelines. We share risk assessment results and risk mitigation suggestions with senior management, as appropriate. Our risk assessment results specify proposed changes to systems, processes, policies, and tools to reduce security vulnerabilities and threats to CarGurus, its customers, and its website visitors. We mitigate risks through the implementation of policies, procedures, and controls.</p> <p>CarGurus conducts and records vendor security assessments for its third-party service providers. These assessments evaluate the vendors' security posture and their criticality to the business, as well as analyze the technology risks to the organization. Critical service providers are reviewed at least annually.</p> <p>Data security is overseen by our Vice President of Information Security and Technology who reports to our Chief Technology Officer. Additionally, during 2020 and 2021 we maintained a Security and Compliance Committee comprised of members of senior leadership from across our organization that met regularly to consider information security matters, including cybersecurity, IT infrastructure, data privacy and other compliance issues. The Audit Committee of our Board of Directors ultimately monitors our compliance with cybersecurity matters. As part of this function, the Audit Committee regularly meets with members of management responsible for data privacy, technology and information security risks to discuss these risks, risk management activities, incident response plans, best practices, the effectiveness of our security measures and other related matters.</p>	

## Environmental Footprint of Hardware Infrastructure

SASB CODE	METRIC	FY 2020	FY 2021
TC-IM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	2020: (1) 3,683 GJ* (2) Data not available (3) Data not available  *Reflects a correction due to a clerical error of data disclosed in the Company's 2020 CSR Report.	2021: (1) 3,044 GJ (2) Data not available (3) Data not available
Methodology: Reflects energy consumption for the Company's proportionate share of occupancy in the buildings that comprise the Company's U.S. headquarters in Cambridge, MA during the applicable time periods.			
TC-IM-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	2020: (1) 4.71 m <sup>3</sup> (2) Data not available (3) Data not available	2021: (1) 2.78 m <sup>3</sup> (2) Data not available (3) Data not available
Methodology: Reflects water consumption for the Company's proportionate share of occupancy in the buildings that comprise the Company's U.S. headquarters in Cambridge, MA during the applicable time periods.			
TC-IM-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	<p>In 2020 and 2021, our development servers and U.S. and international websites were hosted at third-party data centers in the U.S. as well as through third-party cloud computing services in the U.S. and in Europe. Since we lease space for our data center needs, we are limited in our ability to address the source of our energy use directly or implement other environmental improvements. Nonetheless, in 2022 we have expanded our development server and website hosting operations through Amazon Web Services, a provider of cloud infrastructure services, which we believe will enable us to reduce our overall environmental footprint in the future.</p>	



### Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this CSR Report and the Appendix thereto may include “forward-looking statements.” We may, in some cases, use terms such as “anticipates,” “believes,” “could,” “estimates,” “expects,” “intends,” “likely,” “may,” “might,” “plans,” “potential,” “predicts,” “projects,” “seeks,” “should,” “target,” “will,” “would,” or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. All statements contained in this CSR Report and the Appendix thereto other than statements of historical facts are forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, which could cause them to differ materially from actual results. Information concerning those risks is available in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other reports we file with the Securities and Exchange Commission. These factors could cause actual results and developments to be materially different from those expressed in or implied by such statements. Forward-looking statements do not guarantee future performance and actual results may differ materially from those projected. The forward-looking statements are made only as of the date of this CSR Report, and we undertake no obligation to update such forward-looking statements to reflect subsequent events or circumstances.

This CSR Report and the Appendix thereto also contain estimates and other statistical data that we have obtained or derived from internally prepared studies and surveys. You are cautioned not to rely on our extrapolations of internally prepared studies and surveys, as these are estimates involving a number of assumptions and limitations, which we are unable to ensure will be reached.

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