

CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF CAZOO GROUP LTD

Adopted as of August 26, 2021.

I. PURPOSE OF THE COMMITTEE

The Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Cazoo Group Ltd (the “*Company*”) shall assist the Board in its oversight responsibilities for approving and evaluating the Company’s executive compensation plans, policies and programs, taking into account factors it deems appropriate from time to time, including strategic considerations, wider stakeholder considerations, the degree of risk to the Company and its businesses that those plans, policies and programs may imply, and the results of non-binding member votes with respect to such matters. The Committee shall also oversee matters relating to management development and succession.

II. COMPOSITION OF THE COMMITTEE

The Committee shall be made up of at least three (3) members, the majority of whom shall be independent, non-executive directors. The chair of the Committee shall be an independent director. Committee members are appointed by the Board. The Board decides the Committee’s exact number of members and can remove or replace a Committee member at any time with or without cause.

The members of the Committee shall be appointed by the Board and each member shall serve until such member’s successor is duly elected by the Board or until such member’s earlier resignation, removal, retirement, disqualification or death. The members of the Committee may be removed, with or without cause, by action of the Board.

If the Board does not designate a chair, the members of the Committee, by a majority vote, may designate an independent director as the chair. Any vacancy on the Committee shall be filled by majority vote of the Board.

The Committee may form one or more subcommittees, each of which may take such actions as may be delegated by the Committee to the extent permitted by law.

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee shall meet at least two times each fiscal year. The chair of the Committee shall each year establish a schedule of meetings; additional meetings may be scheduled as required. Meetings shall be called by the chair of the Committee or, if there is no chair, by a majority of the members of the Committee. Meetings may be held by telephone / video or by other electronic means to the extent permitted by the Company’s Amended and Restated Articles of Association (the “*Articles*”) and applicable law. Committee actions may be taken by unanimous written consent. A majority of the members of the Committee shall constitute a quorum. All determinations shall be made by a majority of the members present at a meeting duly called and held. Any conflicts of interest of members of the Committee are to be declared at the start of each meeting and recorded in the minutes. The Committee shall report its activities to the Board on a regular basis and shall make such recommendations to the Board as it deems appropriate. Minutes for all meetings shall be prepared, circulated in draft form, and approved.

Only members of the Committee have the right to attend Committee meetings. However, the Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. However, the Committee shall meet at least annually without such members present, and in all cases the Chief Executive Officer of the Company (the “*CEO*”) and any other such officers of the Company shall not be present during the portions of meetings at which their individual compensation or performance is discussed or determined.

IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

Executive Compensation

The Committee shall have the following duties and responsibilities with respect to the Company’s executive compensation plans:

- (a) Review at least annually the Company’s compensation philosophy, goals and objectives of the Company’s executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate. No director or senior manager should be involved in any decision as to their own remuneration. The objective of the remuneration policy shall be to support strategy and promote long-term sustainable success; the remuneration of the executive directors should be aligned to the Company’s purpose and values and be clearly linked to the successful delivery of the Company’s long term strategy.
- (b) Evaluate annually the performance of the CEO in light of the goals and objectives of the Company’s executive compensation plans and determine and recommend the CEO’s compensation level based on this evaluation to the Board. In determining the long-term incentive component of the CEO’s compensation, the Committee shall consider factors as it determines relevant, which may include, for example, the Company’s performance and relative shareholder return, the value of similar awards to chief executive officers of comparable companies, and the awards given to the CEO in past years.
- (c) Evaluate annually the performance of the other executive officers of the Company in light of the goals and objectives of the Company’s executive compensation plans and determine and recommend the compensation of such other executive officers of the Company to the Board. To the extent that long-term incentive compensation is a component of such executive officer’s compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the CEO. The Committee may take into consideration the CEO’s recommendations with respect to the compensation of the other executive officers.
- (d) Review and approve any employment or similar contract, severance, change in control, or termination arrangements to be made with any executive officer of the Company and their reasonableness in light of practices at comparable companies and any benefits received by the Company in connection with such arrangements.

- (e) Establish and review policies concerning personal benefits to the Company's executive officers.
- (f) To the extent it deems necessary, implement, as well as review and amend the Company's "clawback" policy covering the Company's executive officers or other employees.
- (g) Establish a policy for authorising claims for expenses from the directors.

Incentive Compensation, Equity-Based and Employee Benefit Plans

The Committee shall have the following duties and responsibilities with respect to the Company's incentive compensation, equity-based and employee benefit plans:

- (h) Review at least annually the goals and objectives of the Company's incentive compensation and equity-based plans in which directors or executive officers participate, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.
- (i) Review periodically, as needed, the Company's employee benefit plans, in light of the goals and objectives of these plans.
- (j) Review at least annually the Company's incentive compensation and equity-based plans in which directors or executive officers participate, in light of the goals and objectives of these plans and recommend that the Board amend these plans if the Committee deems it appropriate.
- (k) In the Committee's sole discretion, review and approve all equity-compensation plans.

Risk Management

The Committee shall periodically review the Company's compensation policies and practices as they relate to risk management practices and/or incentives that enhance risk-taking in order to assess whether such policies and practices create risks that are reasonably likely to have a material adverse effect on the Company. In connection with such review, the Committee may, as it considers appropriate, consult with, or receive a report from, the Company's management concerning compensation practices and policies for the Company's non-executive officers.

Charter Modifications/Updating

The Committee shall review this Charter of the Compensation Committee (the "***Charter***") at least annually and may recommend to the Board from time to time any proposed changes to the Charter and to any other documents related to the responsibilities of the Committee.

Other Matters

The Committee shall also perform such other duties and responsibilities as are consistent with this Charter, the Company's organizational documents or as the Committee or the Board otherwise deems necessary and appropriate.

The Committee shall review on a periodic basis reports prepared by management of gender pay equity at the Company, including any reports required by applicable law.

The Committee must give due consideration to all applicable laws, regulations and any other applicable rules, principles of corporate governance and best practices and applicable industry standards.

V. ROLE OF CHIEF EXECUTIVE OFFICER

The CEO may make, and the Committee may consider, recommendations to the Committee regarding the Company's employee benefit plans and practices, including its executive compensation, incentive-compensation and equity-based plans with respect to the Company's executive officers other than the CEO.

VI. EVALUATION OF THE COMMITTEE

The Committee shall, no less frequently than annually and in coordination with the Nominating and Corporate Governance Committee, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

VII. OUTSIDE ADVISERS

The Committee shall have the authority, in its sole discretion, to retain or obtain the advice of, and terminate, compensation consultants, independent legal counsel, an executive search firm or accounting or other professional advisers or consultants to provide advice to the Committee it believes necessary or appropriate to carry out its duties. The Committee may also use the services of the Company's regular legal counsel or other advisors to the Company.

In retaining or seeking advice from compensation consultants, independent legal counsel, an executive search firm, or accounting or other professional advisers or consultants (other than the Company's in-house counsel), the Committee shall take into consideration the factors specified in the NYSE listing rules.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel, an executive search firm or any other adviser or consultant retained by the Committee and for ordinary and administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may consult with Company management on compensation issues, including a consideration of data and other material presented by Company management with respect to executive compensation and any other information requested by the Committee.