



## **CARS.COM INC. COMPENSATION COMMITTEE CHARTER**

The Board of Directors (the “Board”) of Cars.com Inc. d/b/a Cars Commerce, Inc. (“Cars Commerce”), has established the Compensation Committee (the “Committee”) as a committee of the Board with the authority, responsibilities and specific duties described in this Compensation Committee Charter (the “Charter”).

### **Purpose**

The Committee shall assist the Board in discharging its responsibilities relating to Cars Commerce compensation philosophy and the compensation of the Chief Executive Officer of Cars Commerce (the “CEO”), Cars Commerce other senior officers as designated by the Committee in consultation with the CEO (collectively, including the CEO, the “Senior Officers”), and the members of the Board.

### **Membership**

The size of the Committee shall be determined by the Board in its sole discretion, but shall consist of three members or more. All members of the Committee shall meet the independence requirements of the New York Stock Exchange (the “NYSE”) and any other applicable laws or regulations. At least two members of the Committee also shall qualify as “non-employee” directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended. The members of the Committee shall be appointed by the Board and will serve until their successors are appointed or earlier at the Board’s discretion. Committee members may be removed from the Committee by the Board at any time, with or without cause, and any vacancies will be filled through appointment by the Board. The Board shall appoint one member of the Committee as its Chair. The Committee may form subcommittees of the Committee and may delegate authority to such a subcommittee so long as the subcommittee is comprised of independent directors.

### **Meetings**

The Committee shall meet as often as necessary to carry out its responsibilities. The Chair shall preside at each meeting. In the event the Chair is not present at a meeting, the Committee members present at that meeting shall designate one of its members as the acting chair of such meeting. The Committee shall maintain minutes or other records of meetings and activities of the Committee and make regular reports to the Board.

## Responsibilities

The following functions shall be the recurring activities of the Committee in carrying out its responsibilities outlined in this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional or substitute functions and adopt additional policies and procedures as may be appropriate considering changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in this Charter.

1. **Compensation Philosophy.** The Committee shall review and approve the overall compensation philosophy, all compensation plans, policies and programs of Cars Commerce for Senior Officers.
2. **CEO Compensation.** The Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance considering those goals and objectives and determine and approve the CEO's compensation level based on this evaluation. In determining the components of CEO compensation, the Committee may consider several factors, including but not limited to Cars Commerce performance, achievement of Cars Commerce strategic objectives, achievement of the CEO's personal objectives, shareholder returns, the CEO's performance, the value of similar awards to CEOs at comparable companies and the awards given to the CEO in past years.
3. **Other Senior Officer Compensation.** The Committee shall periodically review and approve the annual base salaries, short term incentive, long-term incentive, equity awards and other forms of compensation for Senior Officers, taking into account such factors as the Committee deems appropriate.
4. **Performance Compliance.** The Committee shall monitor compliance against performance conditions based on the rules and guidelines of Cars Commerce equity-based plans; however, compliance by participants with any share ownership or retention guidelines or requirements that may be established will be monitored by the Environmental, Social and Governance Committee Charter.
5. **Director Compensation.** The Committee shall, periodically and as and when appropriate, review and recommend to the full Board the appropriate level and manner of compensation of directors, including equity-based compensation.
6. **Employment Agreements.** The Committee shall review and approve the following as they affect Senior Officers: (a) any employment agreements and severance arrangements; (b) any change in control

agreements and severance plans and change in control provisions affecting any elements of compensation and benefits; (c) post-employment consulting agreements, and (d) any special or supplemental compensation and benefits for the Senior Officers and individuals who formerly served as Senior Officers, including supplemental retirement benefits and the perquisites provided to them during and after employment.

7. **Compensation Plans.** The Committee shall review and approve all equity-based compensation plans of Cars Commerce and amendments to those plans that by the terms of the plans require approval of the Committee. The Committee shall approve the granting of equity awards to Senior Officers and review the aggregate number of equity awards eligible for award by other management and in total, to ensure that awards are in appropriate proportion to Senior Officers and the aggregate of equity grants are reasonable and appropriate.
8. **Reporting to Shareholders.** The Committee shall review and discuss with management the Compensation Discussion and Analysis (the "CD&A") required to be included in Cars Commerce proxy statement and annual report on Form 10-K by the rules and regulations of the Securities and Exchange Commission (the "SEC"), and, based on such review and discussion, determine whether to recommend to the Board that the CD&A be so included.
9. **Compensation Committee Report.** The Committee shall produce the annual Compensation Committee Report for inclusion in Cars Commerce proxy statement in compliance with the rules and regulations promulgated by the SEC.
10. **SEC Compliance.** The Committee shall oversee Cars Commerce compliance with SEC rules and regulations regarding shareholder approval of relevant executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under NYSE rules that, with limited exceptions, shareholders approve equity-based compensation plans.
11. **Oversight of Compensation Risk Management.** The Committee shall review and oversee the risk assessment of Cars Commerce compensation programs, and advise the Audit Committee of the Board, as deemed necessary or appropriate, of financial risk-related matters arising from, or relating to, Cars Commerce compensation programs, and report the same to the Board. The Committee shall administer Cars Commerce clawback policy.

12. **Organization and Succession Planning.** The Committee shall at least annually review the organization and succession planning for the Senior Officers, and will do so in concert with the Environmental, Social and Governance Committee Charter.
13. **Consultants and Advisors.** The Committee shall have the sole authority to retain and terminate (or obtain the advice of) any compensation consultant, independent legal counsel or other adviser to assist it in the performance of its duties, but only after taking into consideration all factors relevant to the adviser's independence from management, including those specified in Section 303A.05(c) of the NYSE Listed Company Manual. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such adviser retained by the Committee, and shall have sole authority to approve the adviser's fees and the other terms and conditions of the adviser's retention. Cars Commerce must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.
14. **Committee Evaluation.** The Committee shall conduct its own annual performance review and evaluation of the Committee.
15. **Committee Charter Review.** The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

**Last Updated:** October 2023