

# **VOLKSWAGEN FINANCIAL SERVICES AUSTRALIA (VWFSA)**

## **Modern Slavery Statement 2025**

## Contents

|                                                                                 |          |
|---------------------------------------------------------------------------------|----------|
| <b>About this Modern Slavery Statement .....</b>                                | <b>2</b> |
| <b>A message from our Managing Directors .....</b>                              | <b>3</b> |
| <b>Our Structure, Operations and Supply Chain .....</b>                         | <b>4</b> |
| Structure .....                                                                 | 4        |
| Operations.....                                                                 | 4        |
| Supply Chain .....                                                              | 4        |
| <b>Identifying our Modern Slavery Risks .....</b>                               | <b>5</b> |
| <b>Actions to address Modern Slavery Risks .....</b>                            | <b>5</b> |
| (a) Code of Conduct for Employees: .....                                        | 5        |
| (b) Code of Conduct for Business Partners.....                                  | 6        |
| (c) Supplier Contracts.....                                                     | 6        |
| (d) Speak Up Culture/Whistleblower System .....                                 | 6        |
| (e) Training and Awareness .....                                                | 7        |
| <b>Assessing the effectiveness of our actions .....</b>                         | <b>7</b> |
| <b>Consultation with owned entities /subsidiaries controlled by VWFSa .....</b> | <b>7</b> |
| <b>Mandatory Criteria.....</b>                                                  | <b>8</b> |

## About this Modern Slavery Statement

This modern slavery statement is made in accordance with the Australian *Modern Slavery Act (2018)* (Cth) (Act). It covers the steps taken by VWFSA and its owned and controlled entities, Driver Australia seven Trust, Driver Australia eight Trust, Driver Australia nine Trust, Driver Australia ten Trust, Driver Australia eleven Trust, Private Driver Australia 2023-1 Trust, Driver Australia Master Trust, Driver Australia Master two Trust (Special Purpose Trusts, referred to hereafter as the “Trusts”), during its financial year ending 31 December 2025 to identify, mitigate and manage the specific risks of modern slavery in its operations and supply chain. This statement is a joint statement made by VWFSA and Driver.

This statement was prepared and reviewed by the members of the Executive Management of VWFSA and was approved by the Board of Directors in its capacity as the principle governing body of VWFSA.

It is important to note that this statement also incorporates the Slavery and Human Trafficking statement of Volkswagen Aktiengesellschaft (**Volkswagen Group**), which sets Volkswagen Group’s global approach, processes and principles to combat slavery and human trafficking.

## **A message from our Managing Directors**

Volkswagen Financial Services Australia (VWFSA) is committed to conducting its business responsibly and ethically, and to preventing all forms of modern slavery within its operations and supply chain.

We recognise that the breadth and complexity of financial services and associated supply chains can increase exposure to human rights risks. Notwithstanding these challenges, VWFSA maintains a strong commitment to ensuring that our business does not, directly or indirectly, contribute to labour exploitation or human rights abuses.

Respect for people and ethical conduct underpin VWFSA's values and approach to business. These principles guide our policies, practices and decision-making and are embedded within our operations and relationships with suppliers and business partners.

VWFSA continues to review and strengthen its approach to identifying, assessing and addressing modern slavery risks across its operations and supply chains, building on actions undertaken in previous reporting periods.

VWFSA remains committed to continuous improvement and to contributing to a more sustainable and responsible future by identifying, mitigating and addressing modern slavery risks within our supply chain.

---

**Ralf Teichmann**  
Managing Director

---

**Paul Stanton**  
Managing Director

## **Our Structure, Operations and Supply Chain**

### **Structure**

VWFSA is a private limited company incorporated in Australia that provides financial services to dealerships, companies and individual customers. It holds an Australian Credit Licence and an Australian Financial Services Licence. The VWFSA head office is located in Chullora, Sydney and, at the end of the Reporting Period, employed approximately 200 employees.

During the reporting period, VWFSA owned and controlled subsidiaries Driver Australia seven Trust, Driver Australia eight Trust, Driver Australia nine Trust, Driver Australia ten Trust, Driver Australia eleven Trust, Private Driver Australia 2023-1 Trust, Driver Australia Master Trust, Driver Australia Master two Trust (Special Purpose Trusts, referred to hereafter as the “Trusts”), that are corporate unit trusts established as securitisation vehicles to support its funding operations. The Trusts is wholly owned by VWFSA, has no dedicated staff or suppliers, and does not own or control any other entities. The Trustees are Perpetual Corporate Trust Limited, and the Trust Manager is Perpetual Nominees Limited, who manages the Trusts on a day to day basis.

### **Operations**

The primary objective of VWFSA is to offer competitive Finance and Insurance products through over 700 retailers. We represent automotive brands, within the Volkswagen Group, including Volkswagen Passenger and Commercial Vehicles, Audi, ŠKODA, Bentley, Porsche, Ducati, Lamborghini as well as Jaguar and Land Rover.

As an Australian based financial services company, VWFSA’s employee profile is largely made up of professionals who are directly employed with us. Our employees’ terms and conditions are set out in employment contracts which comply with relevant employment legislation and industrial instruments.

We have a range of internal policies that set out business standards for fair pay, appropriate use of labour, contract management, working conditions and non-discrimination. These standards, combined with raising employee awareness through mandatory online training, proactive and regular monitoring, and multiple channels to raise concerns or suspicions, means that we consider the risk of causing modern slavery among our own employees to be low.

### **Supply Chain**

VWFSA has a supply chain that is primarily comprised of service providers to maintain its financial services operations. These providers are predominantly locally based however there are some key suppliers which are internationally based or have international operations.

VWFSA has established policies, systems and procedures to ensure due diligence throughout its supply chains to deter and help identify any instances of slavery or slavery-like conditions.

VWFSA actively used 135 suppliers and service providers during the Reporting Period. These suppliers and service providers are located in Australia and elsewhere in the world and are engaged to fulfil VWFSA's business operations. This supply chain is locally managed by VWFSA with 51 suppliers accounting for 80% of VWFSA's total procurement spend.

### Identifying our Modern Slavery Risks

Modern slavery includes human trafficking, slavery and slavery-like practices such as forced labour, forced marriage, servitude, debt bondage and deceptive recruiting.

VWFSA acknowledges the risks of modern slavery across our operations and supply chain, including the following:

- Employer: Exploited labour within direct or indirect employment arrangements.
- Business Partners: Having relationships with business partners through the supply chain that have links to modern slavery.
- Procurement: Procuring goods or services which may have modern slavery in their creation or distribution.

VWFSA is committed to conducting its business responsibly and ethically, and to preventing all forms of modern slavery within its operations and supply chain. Therefore, to raise awareness of modern slavery risks we educate staff to recognise and report on instances of potential modern slavery risks. All staff members complete online training on modern slavery, based on the *Australian Modern Slavery Act 2018 (Cth)* with training results tracked and reported.

### Actions to address Modern Slavery Risks

VFWSA has established policies, systems and procedures to ensure transparency throughout its supply chains to deter and help identify any instances of slavery or slavery-like conditions.

#### (a) Code of Conduct for Employees:

All employees of the wider Volkswagen Group including VWFSA are required to comply with the Volkswagen Group Code of Conduct for Employees (**Code**). The Code is based on shared values which outlines how we work, make decisions and interact with one another and supports ethical and responsible conduct with a focus on our responsibility as a member of society, our responsibility as a business partner and our responsibility in the workplace.

Additionally, at VWFSA, we respect human rights and support the observance of these rights. We reject all deliberate use of forced or compulsory labour. Child labour is

prohibited. We comply with all applicable employment laws, including the minimum age requirements for employment.

#### **(b) Code of Conduct for Business Partners**

In addition to the Code of Conduct for Employees, supplier relations are governed by the Volkswagen Group Code of Conduct for Business Partners, which sets out the Volkswagen Group's expectations of our business partners' conduct with respect to core environmental, social and compliance standards, including internationally acknowledged human rights. By progressively integrating these requirements into our procurement process at the contractual level, we seek to ensure that our sustainability standards are observed along our supply chain.

#### **(c) Supplier Contracts**

Contractual agreements will include specific provisions requiring suppliers/service providers to:

- Comply with modern slavery laws and not engage in any form of modern slavery.
- Take all reasonable steps to ensure that its suppliers do not engage in any form of modern slavery (including undertaking due diligence in its selection of suppliers and continually monitoring and auditing its suppliers for this purpose).
- Allow VWFSA to audit the supplier/service provider for compliance with the Act.

As a business, VWFSA maintains its zero-tolerance approach to any form of modern slavery. VWFSA acknowledges that modern slavery exists and is a risk to all businesses. In the event that any of VWFSA's business partners are found to be engaging in modern slavery or other unethical working practices, VWFSA will take reasonable steps to address those issues with this business partner, seek to drive improved standards and, if deemed necessary, may either suspend or terminate its relationships with any such business partners.

#### **(d) Speak Up Culture/Whistleblower System**

VWFSA has established a whistleblower system and policy which places importance on fostering a speak-up culture that encourages employees to speak up and report suspected wrongdoing and raise concerns relating to serious misconduct. Reportable misconduct includes modern slavery concerns and suspicions of human rights violations.

Reports can be made via telephone, e-mail, mail and via an online tool, in person and anonymously, on request. Strict confidentiality and privacy are maintained throughout the entire process. The whistleblower system guarantees the highest possible protection for whistle-blowers and affected persons. Discrimination against whistleblowers is a serious regulatory violation and will not be tolerated.

Additionally, VWFSA has an incident and breach reporting framework which provides another channel for employees to speak up and raise concerns with regards to modern slavery and human rights issues.

### **(e) Training and Awareness**

As part of our internal training and communication plan, our employees receive information specific to modern slavery risks, as well as periodic training on the Volkswagen Group Code of Conduct, which also includes a focus on business human rights as we believe that awareness is equally important for our business partners.

In 2020 we introduced VWAG's global sourcing platform to our business partners. This platform provides our business partners with important information on our expectations but, equally provides them with resources and information to better understand and mitigate risks they may have in their own supply chains.

### **Assessing the effectiveness of our actions**

VWFSA is committed to assessing the effectiveness of the actions taken to identify, assess and address modern slavery risks through qualitative and quantitative measures including:

- Our procurement, legal and risk teams review activities and outcomes against established responsibilities to support effective modern slavery due diligence across the business.
- Review of training
- Reporting to Leadership
- Review of procurement, employment and related policies
- Review of ms trends and cases in auto finance industry

We remain committed to continuous evolution of our approach to mitigate and address the risks to VWFSA of modern slavery.

### **Consultation with owned entities /subsidiaries controlled by VWFSA**

During the reporting period and in preparing this joint statement, VWFSA consulted with Trusts through engagement with the Trustees (Perpetual Corporate Trust Limited) and Trust Manager (Perpetual Nominees Limited), who manages the Trusts on a day to day basis. Given the Trusts narrow purpose as a securitization vehicle and its lack of dedicated staff or suppliers, the risk of modern slavery is considered low.

## Mandatory Criteria

This statement was prepared to meet the mandatory reporting criteria set out in the Australian Modern Slavery Act 2018 (Cth). The statement addresses the seven mandatory criteria in the table below.

| <b>Mandatory Criteria</b>                                                                                                                   | <b>Reference in this statement</b>                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Clearly state the name of the reporting entity.                                                                                             | Structure - page 4                                                                             |
| Describe the entity's organizational structure, operations, and the nature of its supply chains.                                            | Our Structure, Operations and Supply Chain – page 4                                            |
| Identify the modern slavery risks present in the operations and supply chains of the reporting entity and any entities it owns or controls. | Identifying our Modern Slavery Risks – page 5                                                  |
| Outline the practical actions taken by the entity to assess and address those risks, including due diligence and remediation processes.     | Actions to address Modern Slavery Risks – page 5 and 6                                         |
| Explain how the entity assesses and measures the effectiveness of its actions.                                                              | Assessing the effectiveness of our actions – page 7                                            |
| Detail the process of consultation with any owned/controlled entities or any subsidiaries covered by a joint statement.                     | Consultation with owned entities /subsidiaries controlled by VWFS – page 7                     |
| Include any other information the reporting entity considers relevant.                                                                      | About this Modern Slavery Statement – page 1<br>A message from our Managing Directors – page 3 |