

Driver UK ten

Benchmark Securitisation
of UK Auto Financing Contracts

£[●]m Class A Asset Backed Floating Rate Notes due [April 2033]

£[●]m Class B Asset Backed Floating Rate Notes due [April 2033]

Originator / Seller: Volkswagen Financial Services UK Ltd ("VWFS")
Arranger: Lloyds Bank
Joint-Lead Managers: Lloyds Bank, Crédit Agricole CIB, Wells Fargo

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Arranger is Lloyds Bank Corporate Markets plc

Joint Lead Managers are Crédit Agricole CIB, Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH & Wells Fargo Securities International

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Agenda

1	Executive Summary	11	5	Historical Performance Data	56
2	Volkswagen Group Mobility	16	6	Transaction Details and Structure	61
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4	Lending Policy, Customer Operations, Residual Value Management and Remarketing	34			

Section 1

Executive Summary



Key Transaction Characteristics

	Amount (£)	In %	Credit Enhancement ⁽²⁾	Ratings DBRS (sf) / S&P (sf) / KBRA (sf)	WAL (yrs) ⁽³⁾	Expected Maturity ⁽³⁾	Legal Final Maturity	Coupon ⁽⁴⁾ : SONIA +
Class A	[•]	[73.50]	[27.70]	[AAA / AAA / AAA]	[2.13]	[August 2029]	[April 2033]	[•]bps
Class B	[•]	[9.50]	[18.20]	[AA / AA / A+]	[2.48]	[August 2029]	[April 2033]	[•]bps
Subordinated Loan	[•]	[11.00]	[7.20]	NR	NA	NA	NA	NA
Overcollateralisation	[•]	[6.00]	n/a	NR	NA	NA	NA	NA
Cash Collateral Amount	[•]	[1.45] ⁽¹⁾	n/a	NR	NA	NA	NA	NA

SPV located in:	Luxembourg
Revolving period:	Yes – 6 months revolving period
Structure:	Senior / Mezzanine / Subordinated Loan
Fixed / Floating:	Floating
Credit Enhancement:	Subordination of the Class B Notes to the Class A Notes Subordinated Loan Initial overcollateralisation and partially amortising cash reserve Priority of payments Sequential payments until target overcollateralisation (OC) levels are reached; thereafter pro-rata payments Switching back to sequential payments upon trigger breach
Assets	Prime UK auto financing receivables [51.12]% new vehicles and [48.88]% used vehicles [99.26]% retail and [0.74]% corporate customers [93.86]% PCP, [5.83]% HP, [0.31]% LP
Ratings	Expected from DBRS, S&P and KBRA
STS	Is intended to be UK STS, LCR, CRR eligible, verified by PCS, Cash Flow Model available on Bloomberg and Intex

(1) [1.20]% as % of pool balance; [1.45]% as % of Class A and B notes balance

(2) Includes CCA

(3) Assuming inter alia the exercise of the clean-up call at 10.00%, 0.00% CDR and [20.00]% p.a. prepayments (see also Preliminary Prospectus)

(4) Subject to a floor at zero

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Comparison between Driver UK eight / nine / ten

	Driver UK eight		Driver UK nine		Driver UK ten ⁽³⁾	
Issue Date	25/03/2024		24/10/2024		[27/10/2025]	
Capital Structure (D/F/M/S/A/K)						
Class A ⁽¹⁾	–/AAA–/AAA–/AAA	£444.6m	–/AAA–/AAA–/AAA	£358.8m	[AAA]/–/–/[AAA]/–/[AAA]	£[●]m
Class B ⁽¹⁾	–/AA–/–/A+–/AA–	£68.1m	–/AA–/–/A+–/AA–	£51.5m	[AA]/–/–/[AA]/–/[A+]	£[●]m
Sub-loan	NR	£74.8m	NR	£59.7m	[NR]	£[●]m
OC ⁽²⁾	NR	£37.6m	NR	£30.0m	[NR]	£[●]m
Credit Enhancement (D/F/M/S/A/K)						
Class A ⁽¹⁾	–/AAA–/AAA–/AAA	30.1%	–/AAA–/AAA–/AAA	29.4%	[AAA]/–/–/[AAA]/–/[AAA]	[27.7]%
Class B ⁽¹⁾	–/AA–/–/A+–/AA–	19.2%	–/AA–/–/A+–/AA–	19.1%	[AA]/–/–/[AA]/–/[A+]	[18.2]%
Sub-loan	NR	7.2%	NR	7.2%	[NR]	[7.2]%
OC ⁽²⁾	NR	NA	NR	NA	[NR]	NA
Cash Collateral Account	At closing	1.45%	At closing	1.45%	At closing	[1.45]%
Specified General Cash Collateral Account Balance	Of current aggregate nominal amount of Class A and B Notes	1.45% (floor of 1.0% £5.1m)	Of current aggregate nominal amount of Class A and B Notes	1.45% (floor of 1.0% £4.1m)	Of current aggregate nominal amount of Class A and B Notes	[1.45]% (floor of [1.0]% £[●]m)
Collateral					Provisional Pool [30/06/2025] ⁽³⁾	
Country of Receivables	UK		UK		UK	
Portfolio Type	6 month revolving		6 month revolving		6 month revolving	
Principal Balance	£625,007,501.52		£500,009,476.54		£[500,002,867.01]	
No. of Contracts	30,032		22,799		[21,514]	
Avg. Financing Amount	£20,811.38		£21,931.20		£[23,240.81]	
New/Used ⁽⁴⁾⁽⁵⁾	50.11% / 49.89%		49.44% / 50.56%		[51.12]% / [48.88]%	
Corporate/Retail ⁽⁵⁾	0.90% / 99.10%		1.01% / 98.99%		[0.74]% / [99.26]%	
WA Seasoning (months)	10		9		[6]	

Source: Driver UK eight Prospectus, Driver UK nine Prospectus, Driver UK ten Preliminary Prospectus

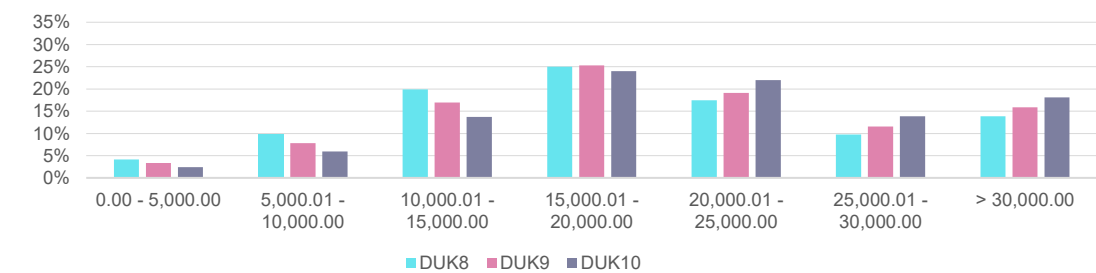
(1) Structured Finance Rating applies; Credit Enhancement is the sum of the available subordination, overcollateralisation and initial cash collateral amount, excluding excess spread
(2) Overcollateralisation is the excess of discounted receivables balance over the aggregate of the Class A Notes, Class B Notes and Subordinated Loan
(3) Based on a preliminary portfolio with a cut-off date as of [30.06.2025]
(4) New cars include new and demo
(5) As a percentage of Discounted Receivables Balance

Pool Cut Data Driver UK eight / nine / ten

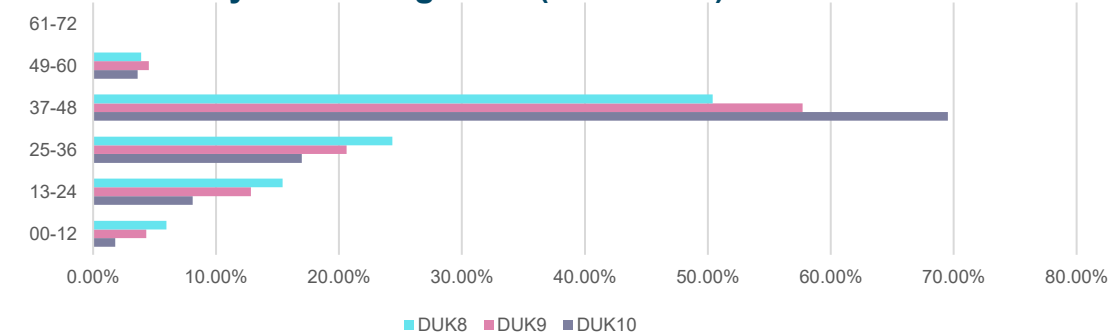
	DUK8 ⁽¹⁾	DUK9 ⁽¹⁾	DUK10 ⁽²⁾
Payment Type			
Direct Debit	99.85%	99.90%	[99.81]%
Others	0.15%	0.10%	[0.19]%
Type of Vehicles			
New Vehicles	50.11%	49.44%	[51.12]%
Used Vehicles	49.89%	50.56%	[48.88]%
Customer Type			
Retail	99.10%	98.99%	[99.26]%
Corporate	0.90%	1.01%	[0.74]%
Type of Credit			
Hire Purchase	7.04%	7.00%	[5.83]%
Lease Purchase	0.48%	0.64%	[0.31]%
PCP	92.48%	92.36%	[93.86]%
Fuel Type			
Battery Electric	7.61%	7.02%	[10.13]%
Diesel	17.41%	14.63%	[12.40]%
Hybrid	3.38%	4.06%	[5.55]%
Petrol	71.60%	74.29%	[71.91]%
Remaining Terms (months)			
Min	6	6	[6]
Max	60	60	[59]
WA	37.86	38.57	[40.87]
Seasoning (months)			
Min	0	0	[1]
Max	55	55	[51]
WA	9.58	8.96	[6.48]
Lessee			
Top 20 Largest Lessee	0.71%	0.80%	[0.96]%

Numbers may not add up due to rounding
 (1) Based on closing pool
 (2) Based on a preliminary portfolio with a cut-off date as of [30.06.2025]

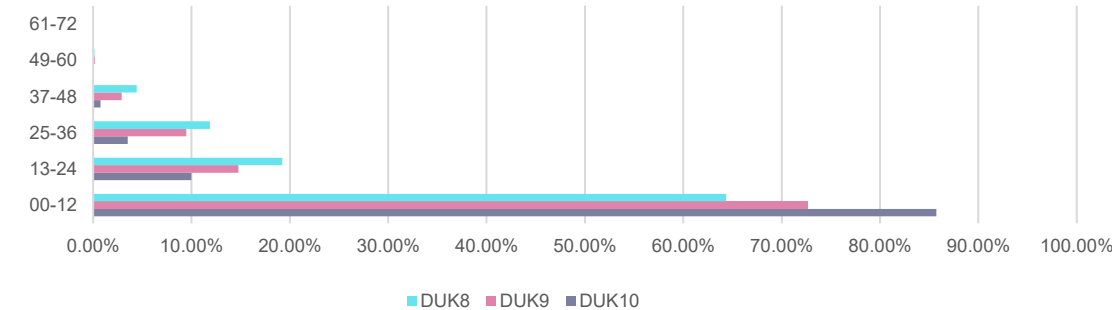
Distribution by Outstanding Discounted Balance



Distribution by Remaining Term (in months)

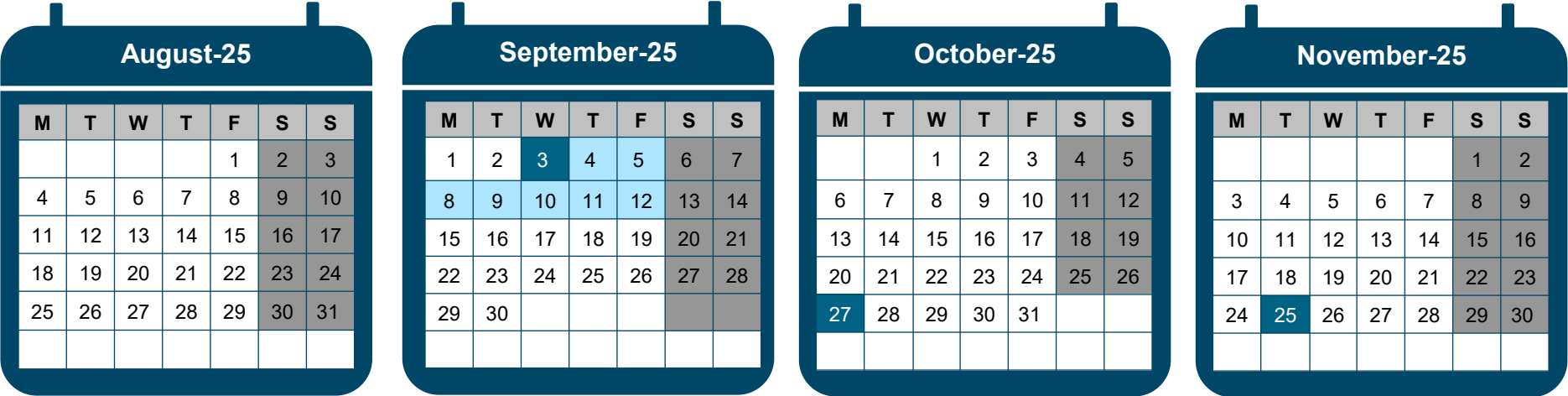


Distribution by Seasoning (in months)



Marketing Timeline

- Marketing & Pricing
- Key Transaction Dates
- Weekend



Key Marketing Dates

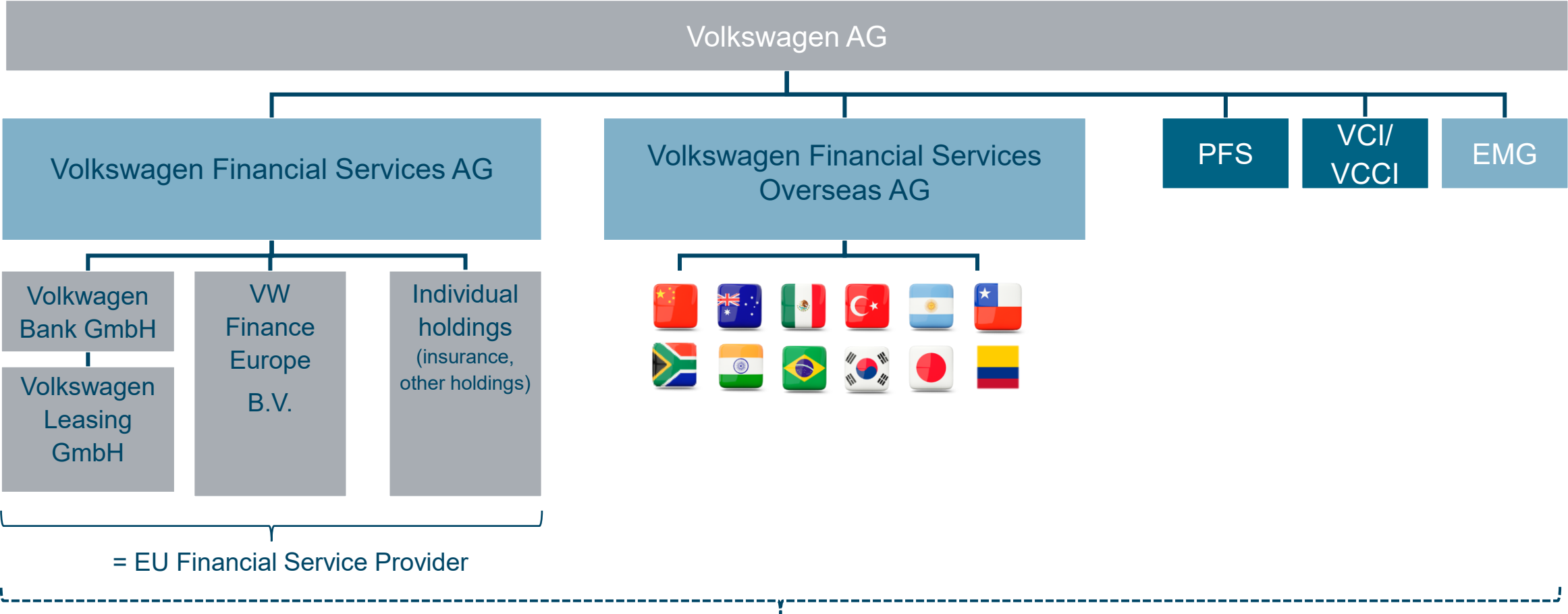
- | | |
|------------------------|---|
| [3] September 2025 | <ul style="list-style-type: none">Announce TransactionRelease Deal Information |
| [w/c 8] September 2025 | <ul style="list-style-type: none">Bookbuilding & Pricing |
| 27 October 2025 | <ul style="list-style-type: none">Financial Closing |
| 25 November 2025 | <ul style="list-style-type: none">First Payment Date |

Section 2

Volkswagen Group Mobility



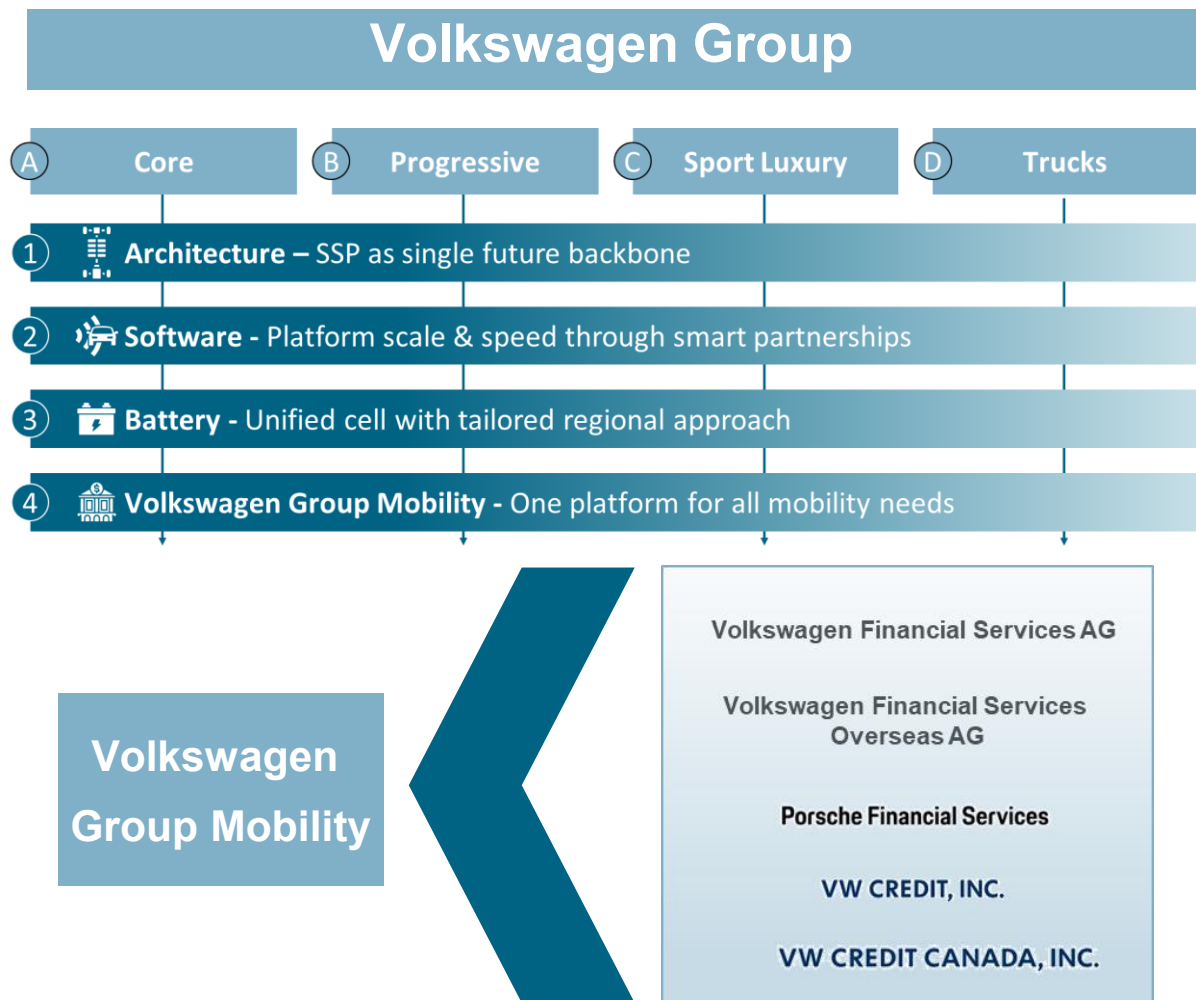
Structure and markets Volkswagen Group Mobility since July 1st, 2024



Volkswagen Group Mobility

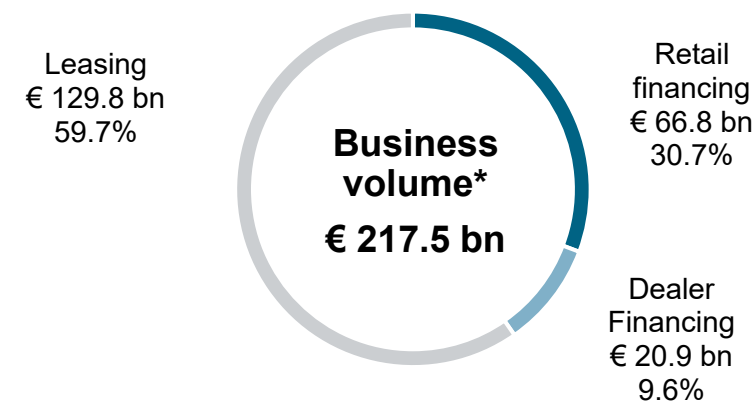
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Volkswagen Group Mobility at a glance (06/30/2025)



Key figures Volkswagen Group Mobility

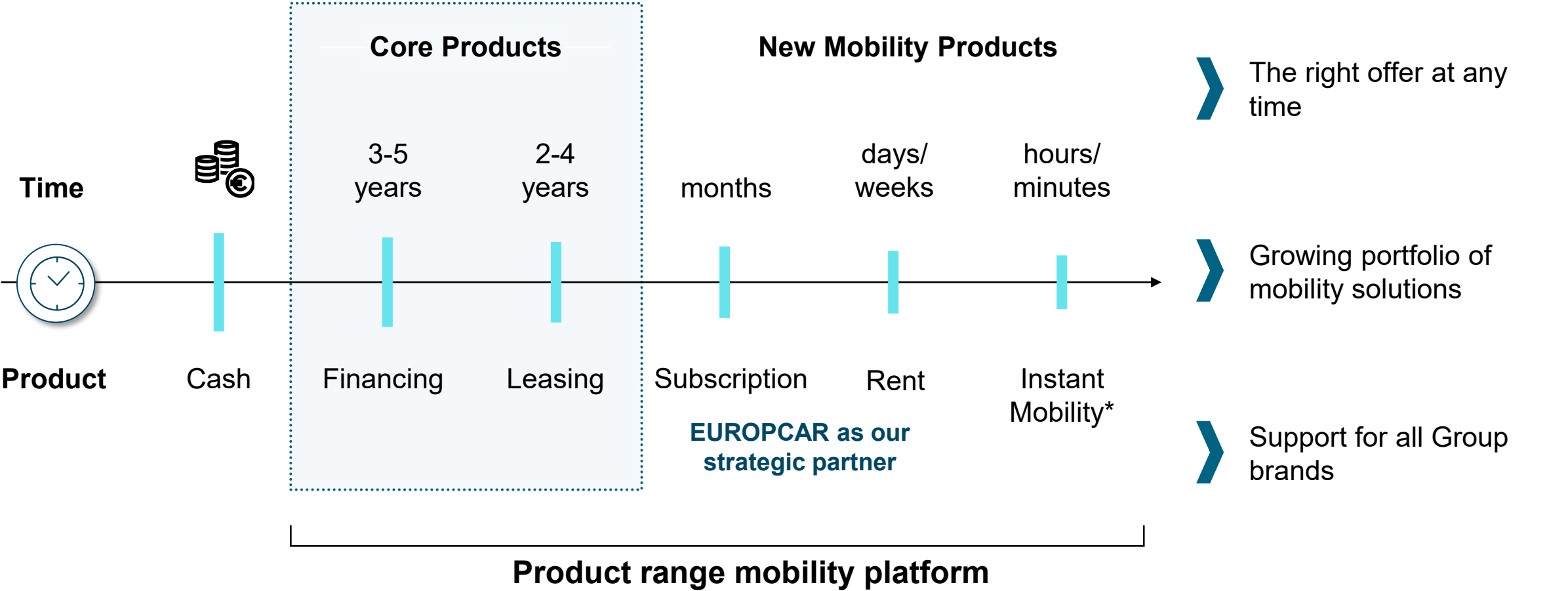
Total assets	€ 278.7 bn
Equity	€ 41.1 bn
Deposits	€ 62.0 bn
Operating profit	€ 1.8 bn
Employees	14,935
Contracts (units)	28.4 mn



* Receivables + Leased Assets

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New Mobility Products of Volkswagen Group Mobility

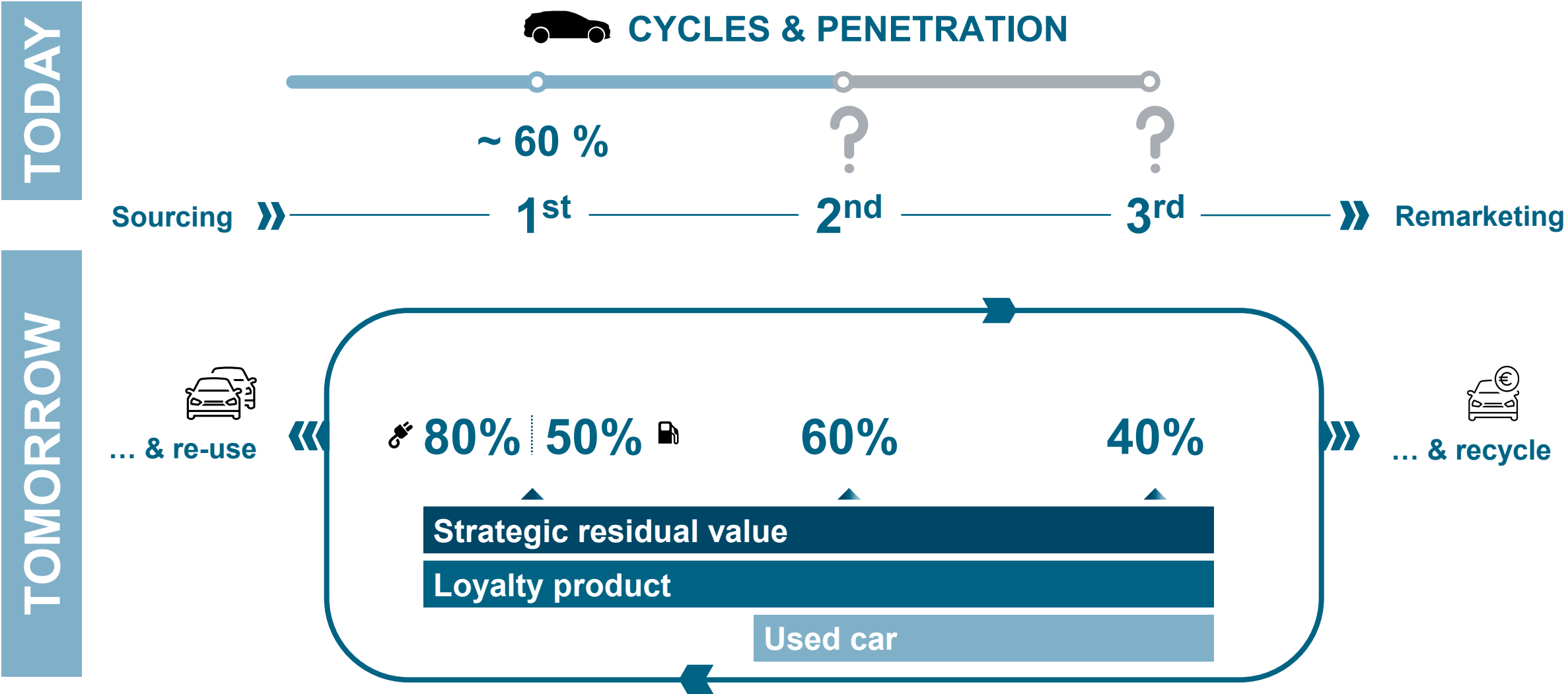


* Instant Mobility (mainly from third-party providers): sharing (eScooter, bicycle, car), hailing (incl. taxi), pooling, public transport

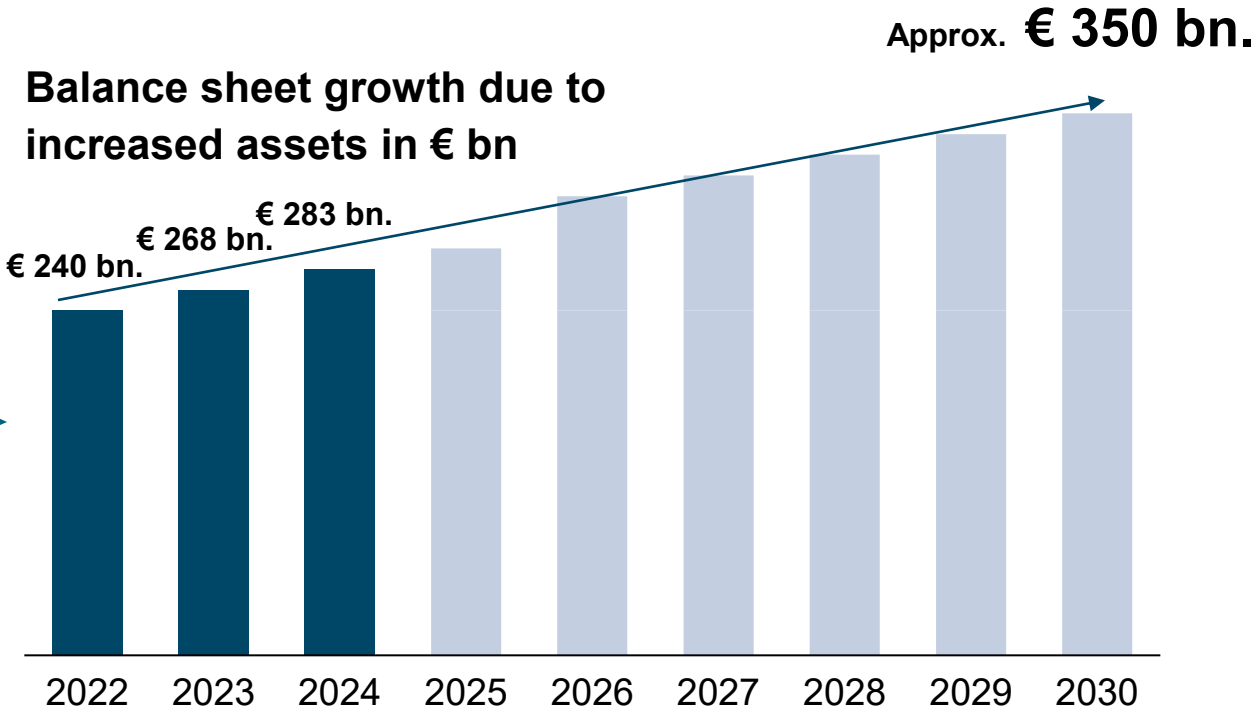
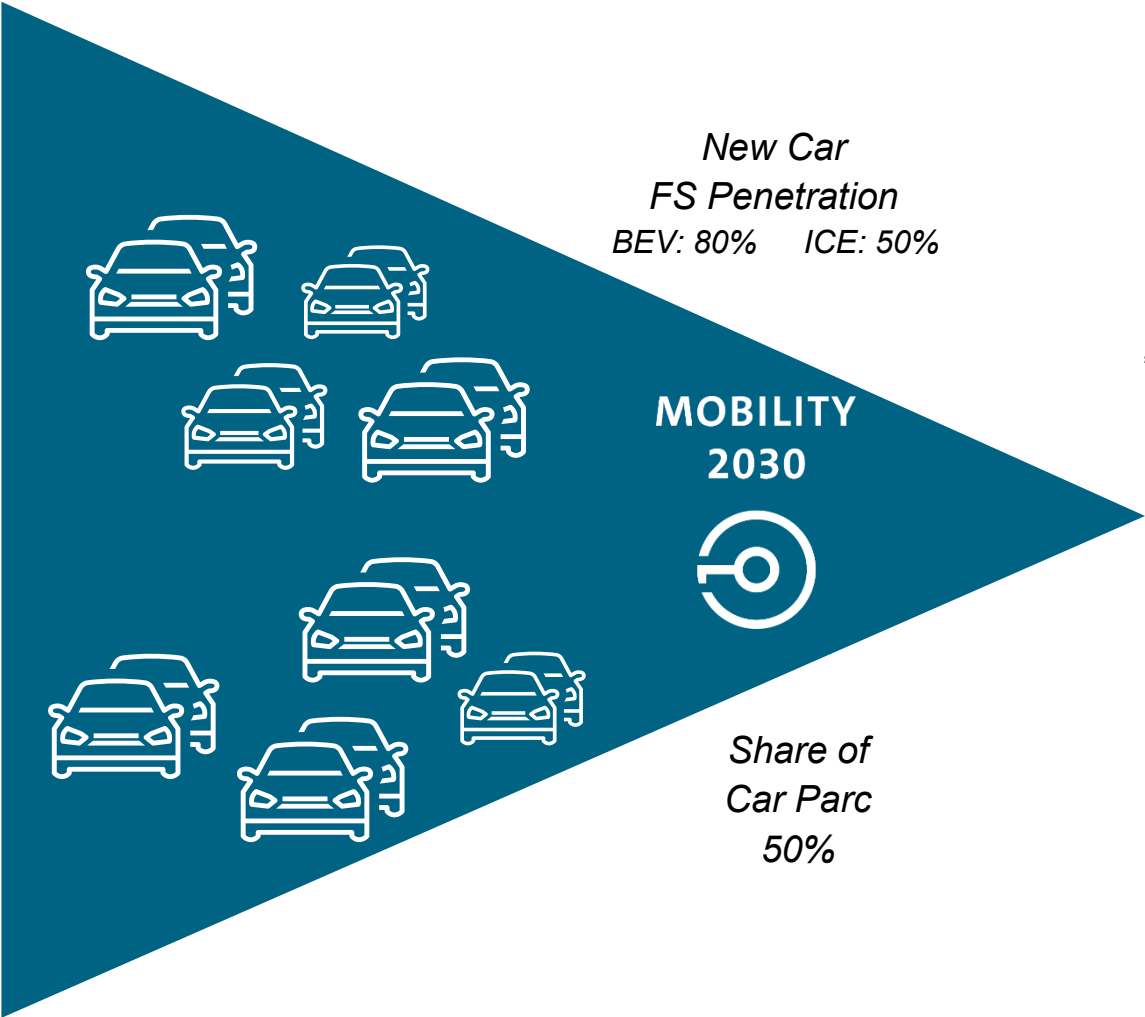
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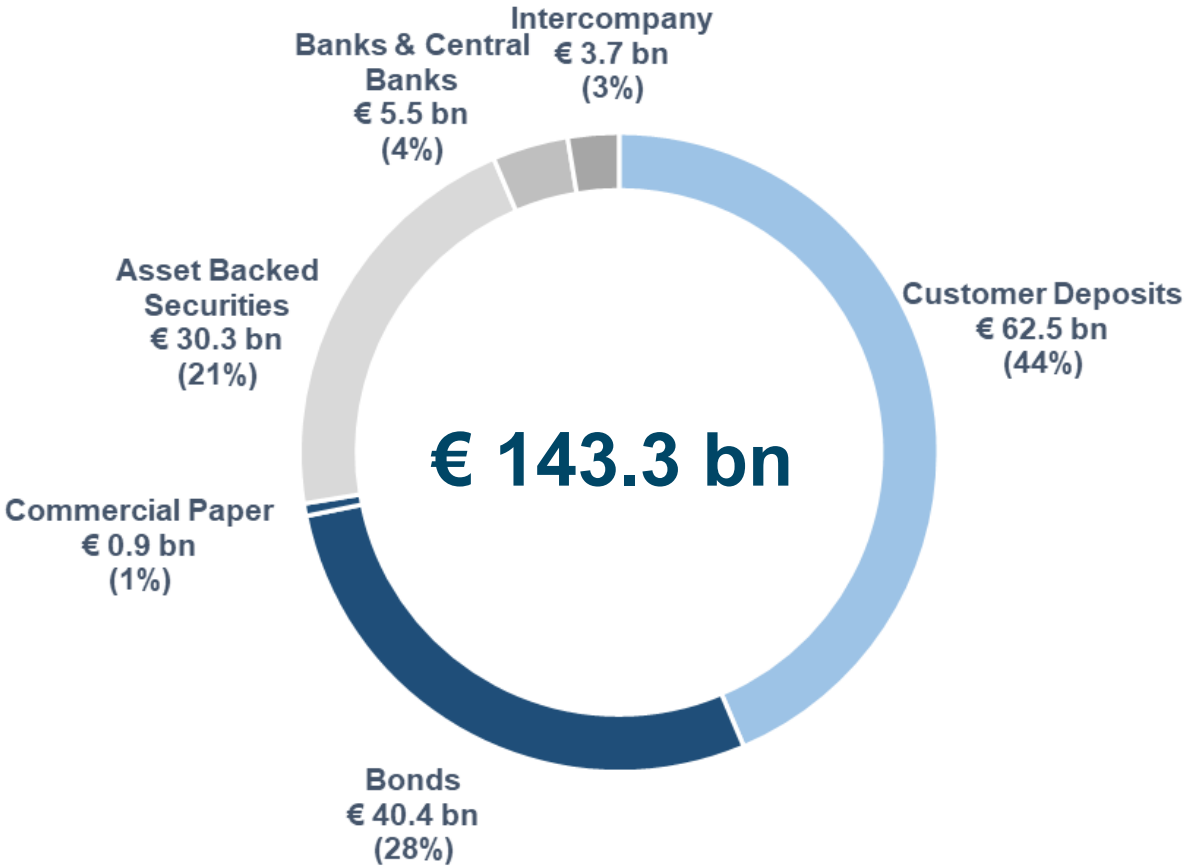
With the Vehicle Lifetime Concept we will utilise untapped opportunities especially in 2nd & 3rd lifecycle



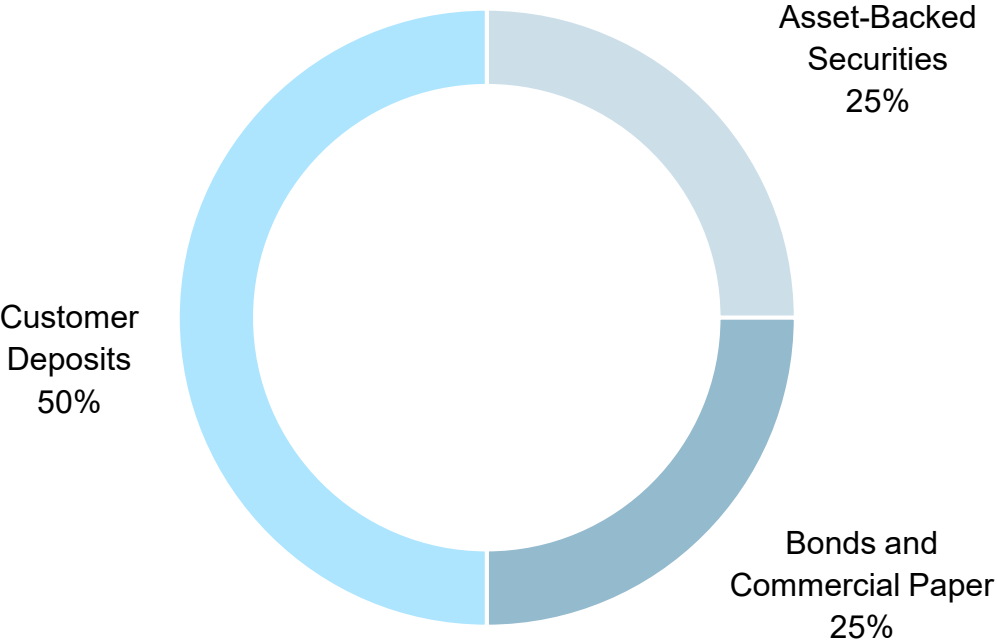
Annual new car sales and an increasing Volkswagen Group Mobility share of Volkswagen's car parc will increase VW Group Mobility's refinancing demand



Funding allocation of segment Volkswagen Financial Services AG as of 30.06.2025



Strategic Funding Mix 2030



Volkswagen Group Mobility Ratings

- Sound Corporate Credit Ratings in the investment grade from S&P, Moody’s and Fitch
- ESG ratings from Sustainalytics and Sustainable Fitch at the upper end of our peer group

Volkswagen Financial Services AG

Credit Rating*	S&P	Moody’s	Fitch
VW FS AG	BBB+	Baa1	A-
VW Bank	BBB+	A1	A-

* Senior Unsecured Rating

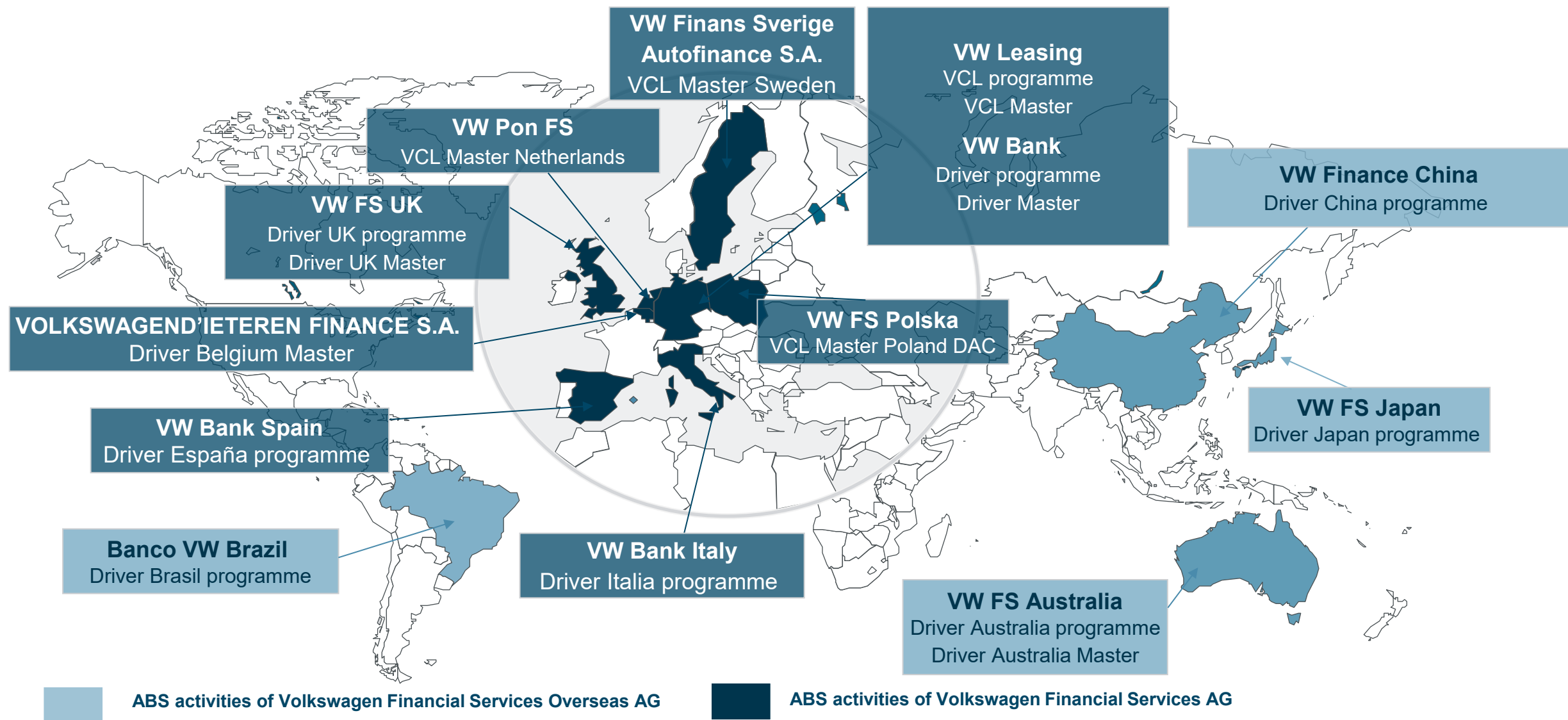
ESG Rating	Sustainalytics	Sustainable Fitch
VW FS AG	15.0 (Low Risk)	3 (Neutral)

Volkswagen Financial Services Overseas AG

Credit Rating*	S&P	Moody’s	Fitch
VW FS O AG	BBB+	Baa1	A-

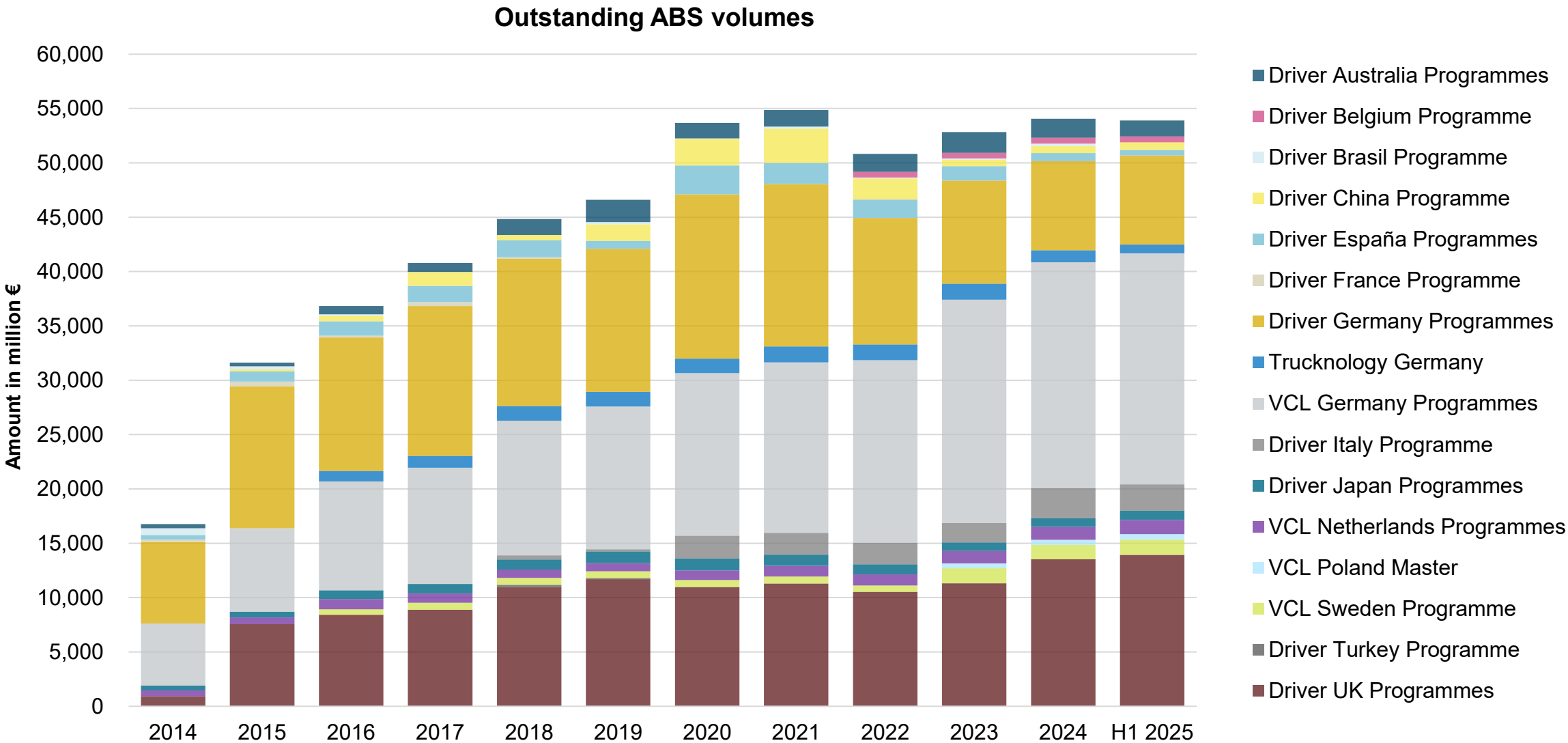
* Senior Unsecured Rating

Worldwide ABS activities of VWFS AG and VWFS Overseas AG



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Section 3

Volkswagen Financial Services (UK) Ltd.



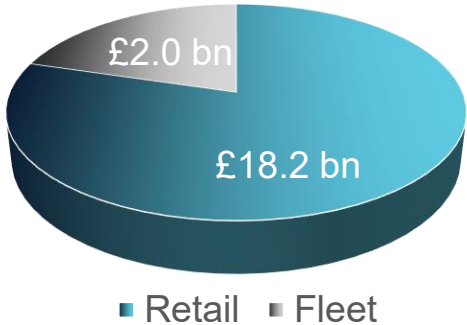
Volkswagen Financial Services (UK) Limited – Market UK

Group Structure



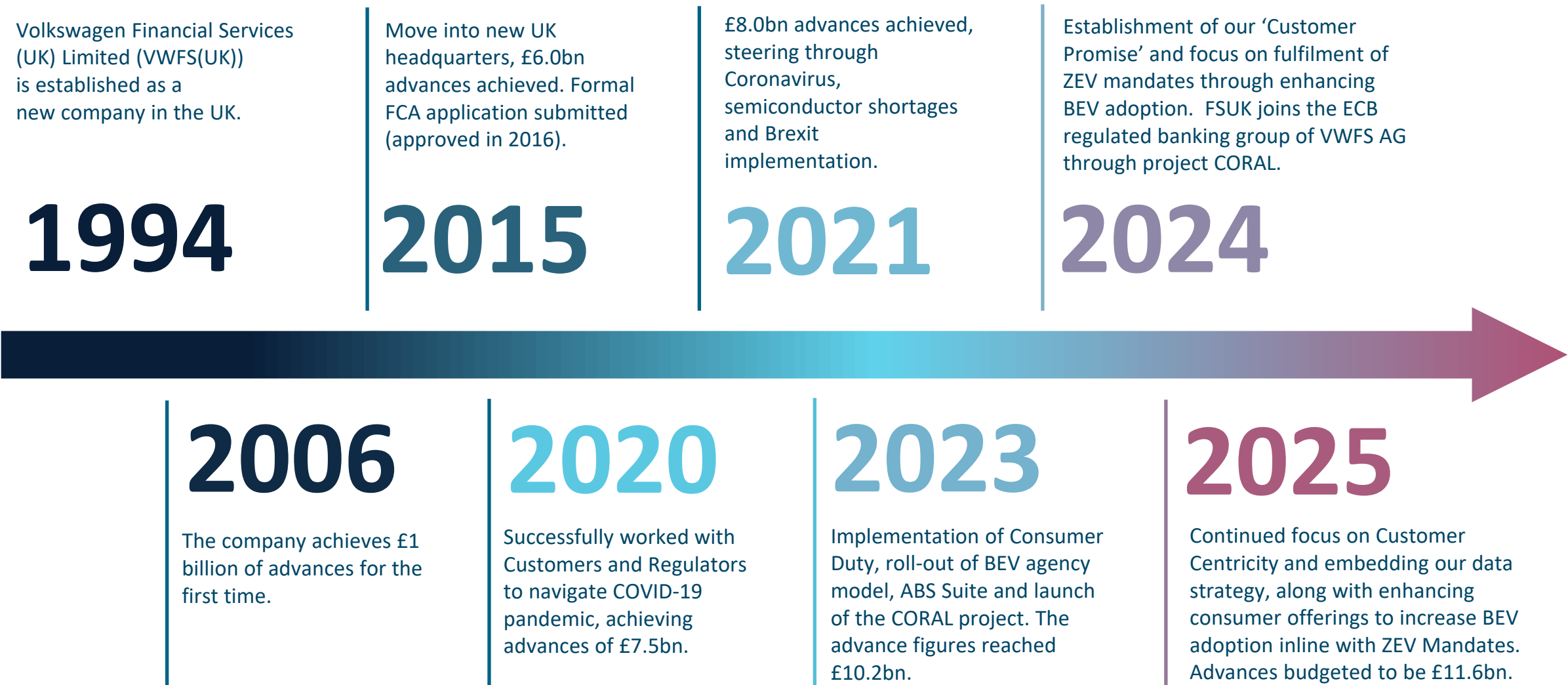
VWFS UK Key Figures - 31/12/2024	
Total Earning Assets	£20.2bn
Operative Income III	£297m
Employees (FTE)	1053
Retail Contracts	945k
Leasing Contracts	89k
Service	1040k
Insurance	945k

Earning Assets by Product



2024 UK Passenger Car Market	
VWG UK Market Share	24.4%
Total new Registrations	1.95m

Volkswagen Financial Services (UK) Limited – Company Evolution



Volkswagen Financial Services (UK) Limited – Market UK

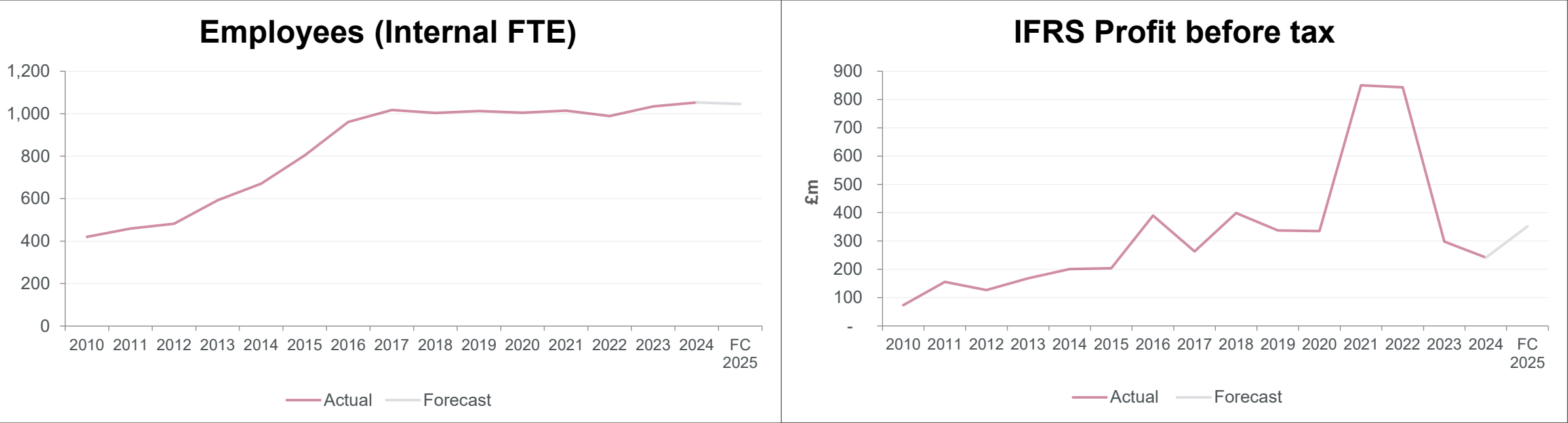
	Product	Payment	Asset Ownership	Term
Retail Financing Products – Asset Based	<i>Standard Hire Purchase</i>	The customer pays for the cost of the product in equal monthly repayments .	Asset ownership is retained by VWFS UK until after the payment of all outstanding monies due at the end of the agreement, which includes an option to purchase fee for the transfer of legal title.	12 – 60 months*
	<i>Solutions (Personal Contract Purchase)</i>	An equal monthly instalment profile followed by a final “ balloon ” at the end of the finance term with an option to pay the “balloon” and take ownership, refinance the “balloon” or return the vehicle.	Asset ownership is retained by VWFS UK until after the payment of all outstanding monies due at the end of the agreement and an additional option to purchase fee is paid in full as consideration for the transfer of legal title.	18 – 49 months**
	<i>Lease Purchase</i>	The customer pays for the cost of the product in equal monthly instalments followed by an option to pay or refinance the final “ balloon ” payment.		18 – 49 months**
Fleet Products	<i>Contract Hire</i>	The customer pays for the lease in equal monthly payments.	Title remains with VWFS as this is a lease agreement, so the customer does not take ownership.	12 – 48 months 12 – 60 months for commercial vehicles
	<i>Finance Lease Full Payout</i>	The customer pays for the lease in equal monthly payments.		12 – 60 months
	<i>Finance Lease Fixed Payout</i>	The customer pays for the lease in equal monthly payments, followed by a balloon payment.		12 – 48 months

* Some campaigns for certain models allow for higher terms than 60 months, i.e. the “10 Year HP California” campaign or similar

** For refinanced contracts term from 12 to 49 months

Volkswagen Financial Services (UK) Limited – Market UK

Key Portfolio Information

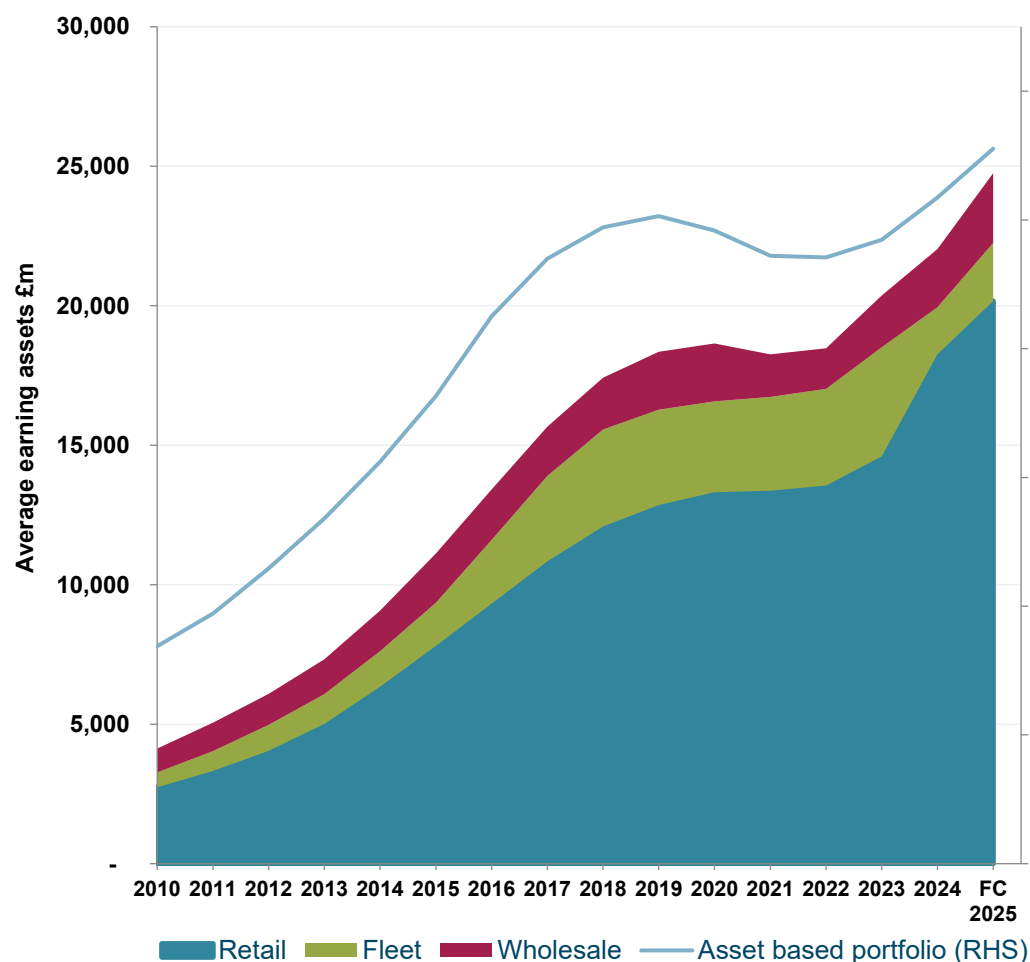


2021 and 2022 include exceptional disposal results arising from increases in residual values of vehicles. 2022 includes significant positive effects due to the mark to market valuation of swaps, which unwound through the adoption of hedge accounting in 2023 and 2024. Following unprecedented market conditions, more typical performance / growth is expected from 2025 onwards.

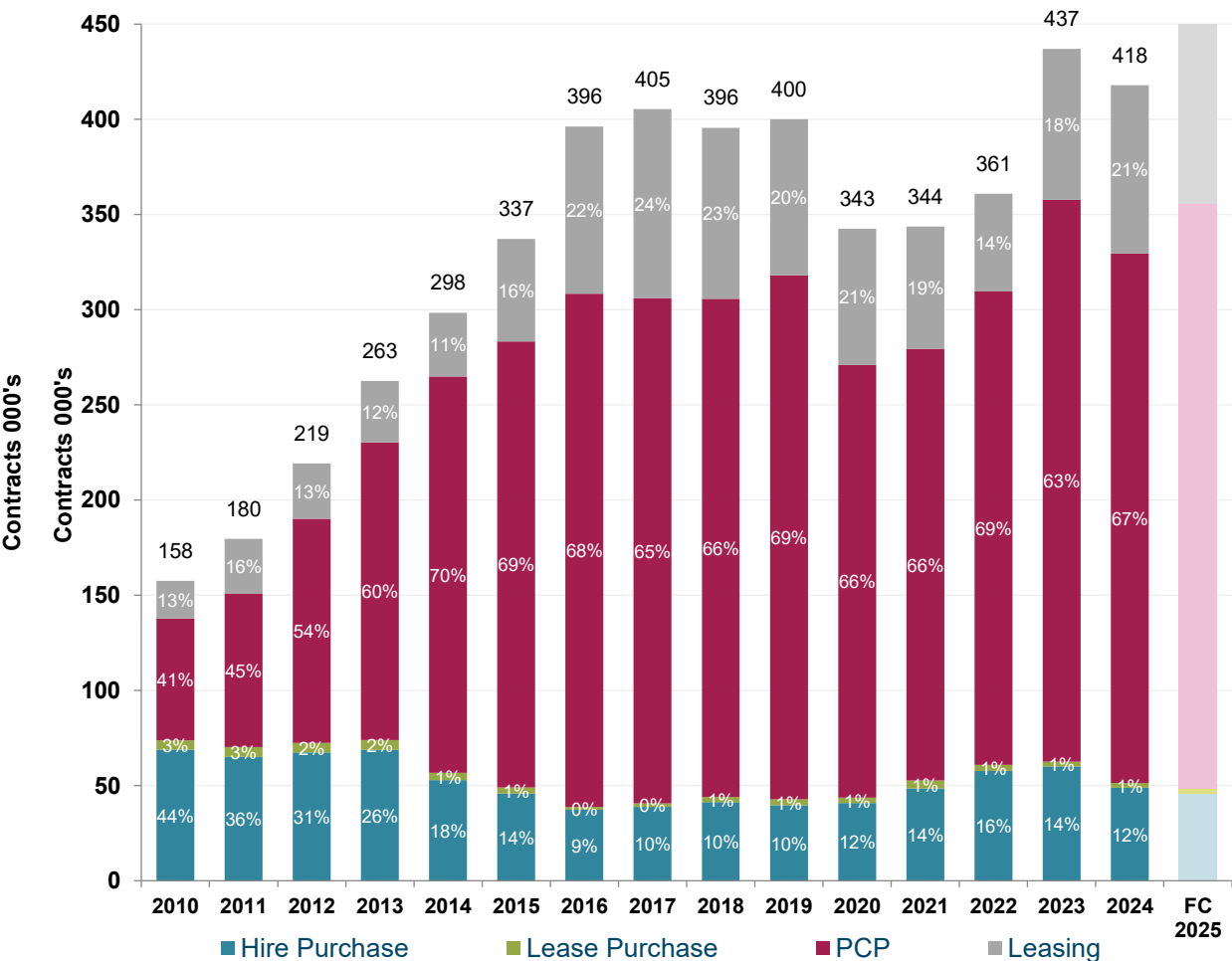
Volkswagen Financial Services (UK) Limited – Market UK

Key Portfolio Information

Financial Strength – Portfolio Growth

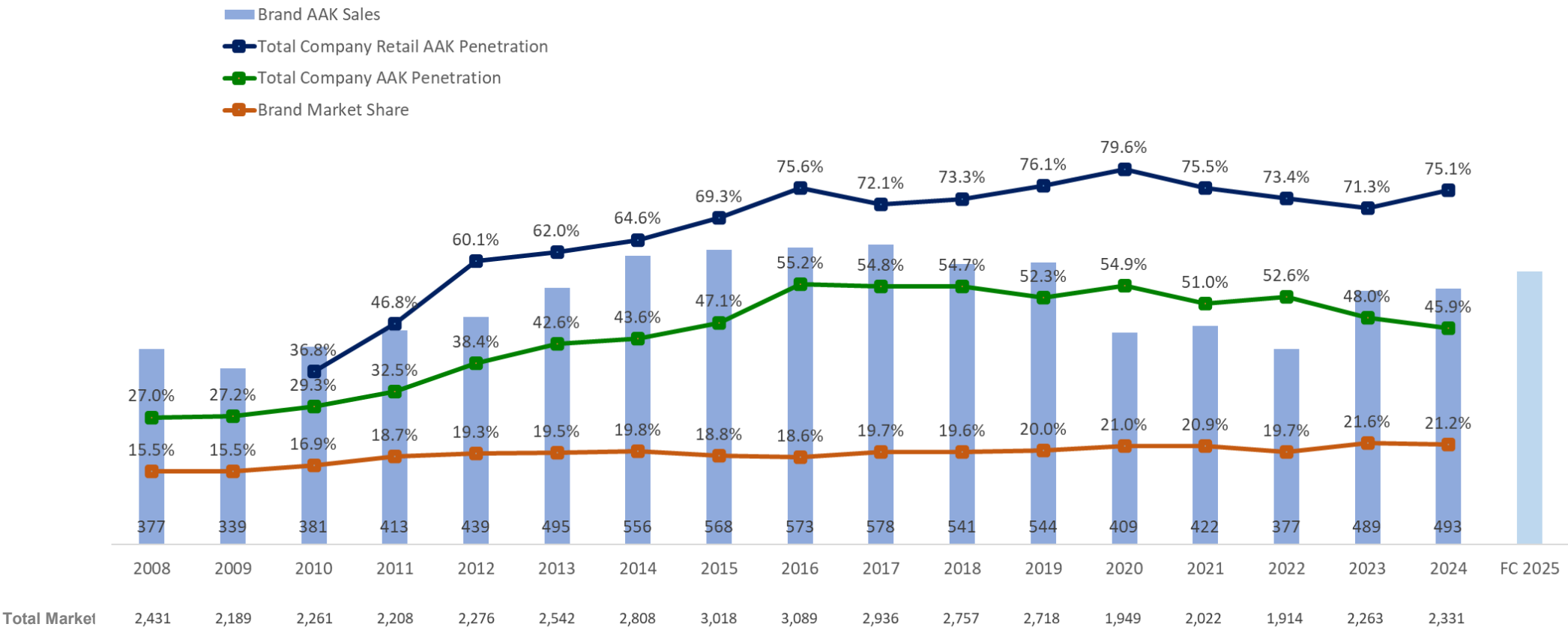


New Business – Contract Advances



VWFS UK finance penetration performance update

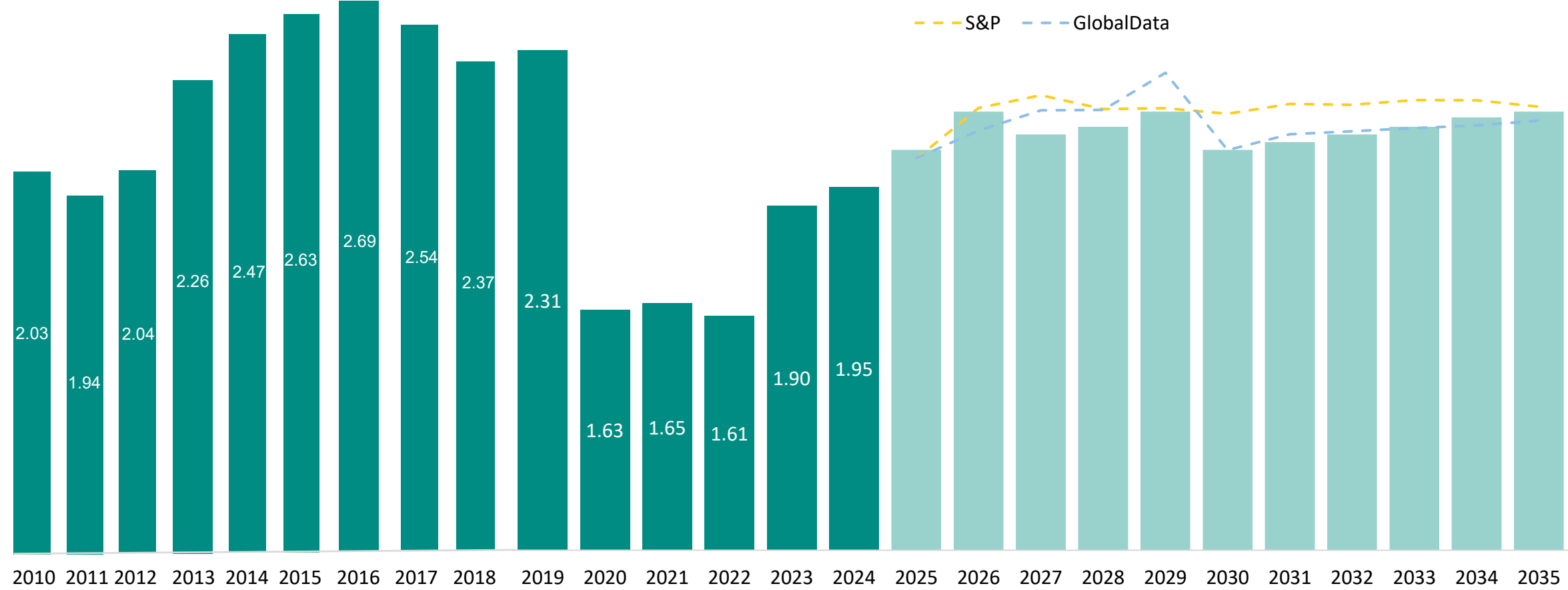
The UK business has grown significantly with penetration up 26% since 2008 and new car retail performance at 75.1% in 2024.



- Notes
- 1. PC & CV Market represented alongside VWFS brands
 - 2. Market Share and AaK exclude MFS
 - 3. Total Company and Retail Penetration rate includes all brands
 - 4. Total market includes passenger cars and commercial vehicles, data sourced from VWG FC

UK Auto Market Update – Passenger Cars

Market forecast to continue to recover, albeit remain subdued due to economic conditions and ZEV Mandate (particularly in 2027 due to end of flexibilities). Market cliff-edge and risk from 2030-34 due to ICE ban.



Note: SMMT updated January 2025, S&P updated January 2025, GlobalData updated December 2025

Section 4.1

Volkswagen Financial Services (UK) Ltd.

Lending Policy



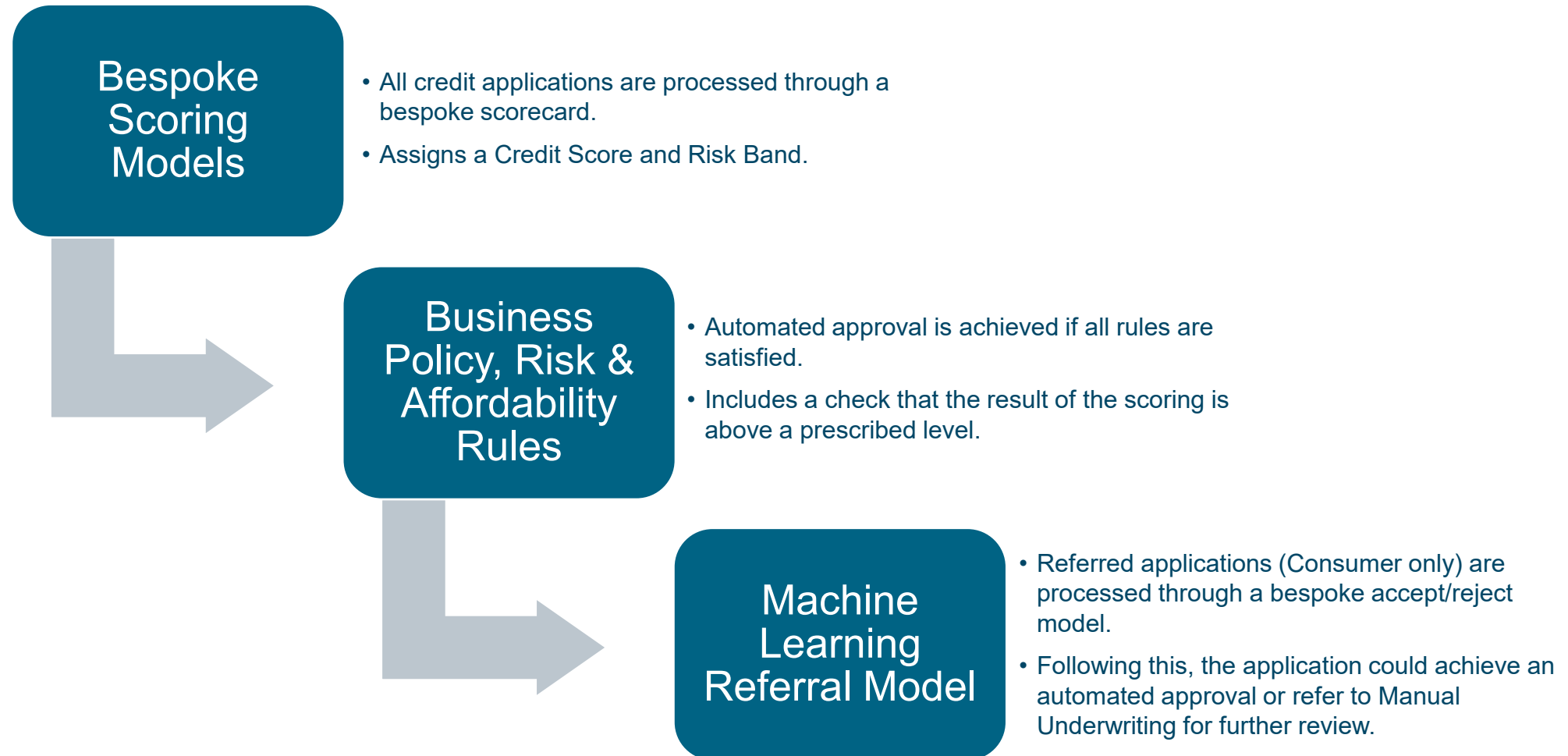
Volkswagen Financial Services (UK) Limited – Underwriting

Credit Application Process and Background



- A creditworthiness and affordability assessment is conducted for all applicants.
- External credit reference agency (CRA) information combined with VWFS (UK) Risk strategy determine the creditworthiness of the applicant.
- Dependent on the credit score and business policy rules the application may be flagged for additional manual assessment by an underwriter.
- Approximately 70% of all consumer applications are auto accepted without needing further assessment.
- Know Your Customer – the identity of every applicant is verified at point of application. Approximately 90% are authenticated electronically using CRA data, otherwise applicants are verified using proof of address & photo ID.

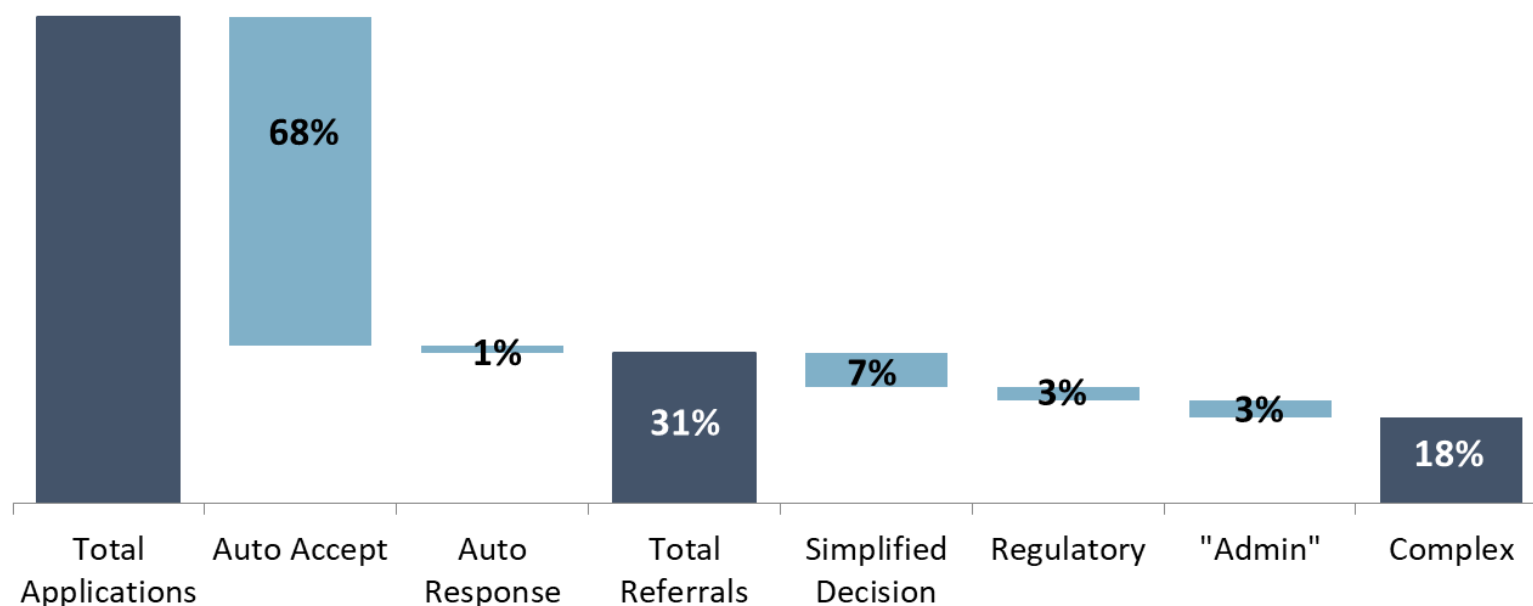
Volkswagen Financial Services (UK) Limited – Underwriting Credit Risk Strategy



Volkswagen Financial Services (UK) Limited – Underwriting

Performance of Strategy

- The credit risk strategy automates or simplifies the system response for c.80% of credit applications.
- Manual referrals are returned to the relevant underwriter queue based on the level of complexity and manual effort required.
- This creates an efficient process resulting in a better customer experience with quicker turnaround times for both the retailer and customer.



Auto response = Application is returned to the dealer for review/correction of input data (e.g. incorrect Date of Birth) and after resubmission approves automatically

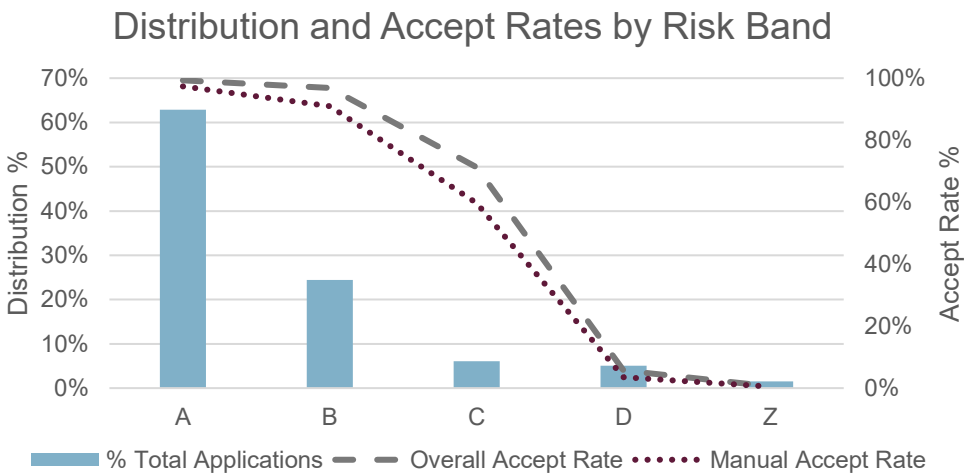
Regulatory = regulatory referrals, e.g. fraud, PEPS/Sanctions checks

Simplified decision = A system recommended “decline” decision is returned to an underwriter

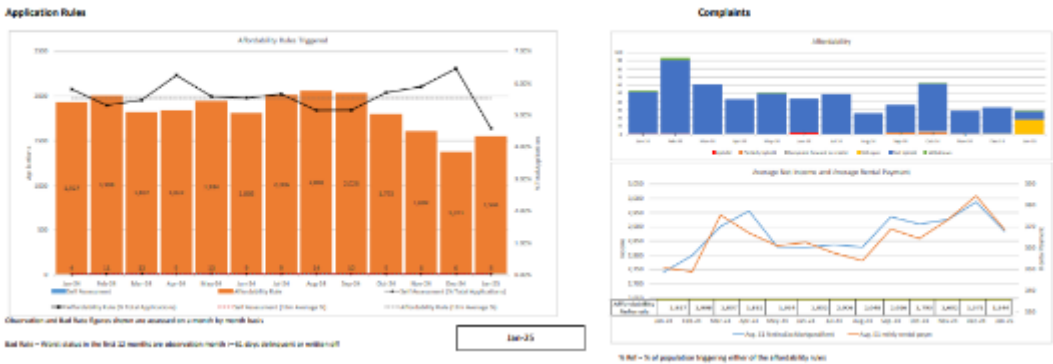
“Admin” = Accept subject to manual checks of proof of identity and/or ability to pay

Volkswagen Financial Services (UK) Limited – Underwriting Decision Monitoring

- The Risk department monitor that the portfolio distribution and overall volume of approvals are in line with the proposed decision strategy.
- Manual approvals are also monitored against risk targets to ensure underwriter decisioning is compliant with score.
- Underwriting rules are analysed including volume of rules hit and subsequent underwriter action. Performance of rules and bad rates is also monitored closely.
- Affordability strategy and performance is monitored by the Risk department who produce a monthly affordability dashboard.



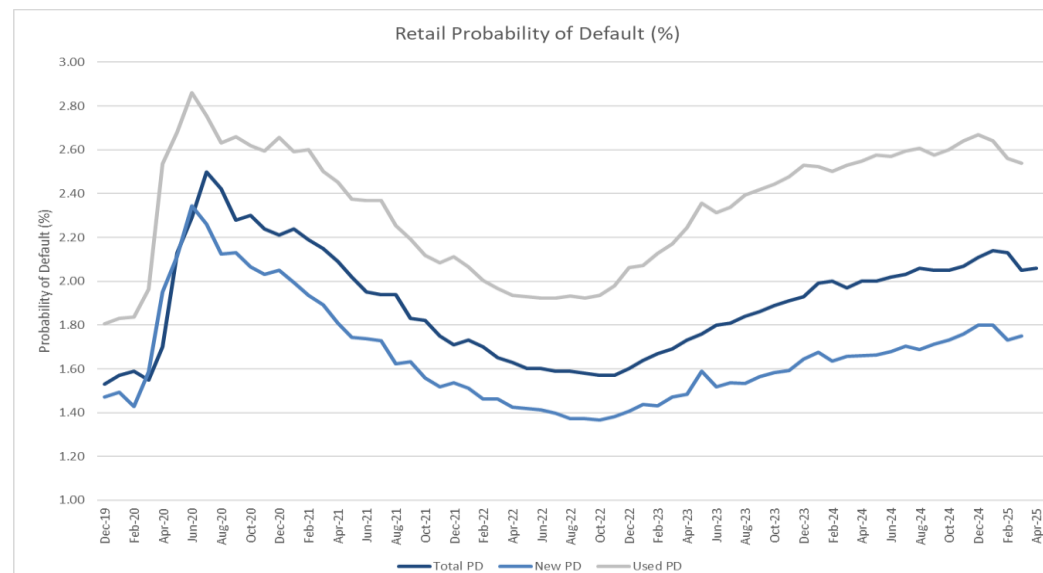
Affordability Dashboard



Volkswagen Financial Services (UK) Limited – Underwriting

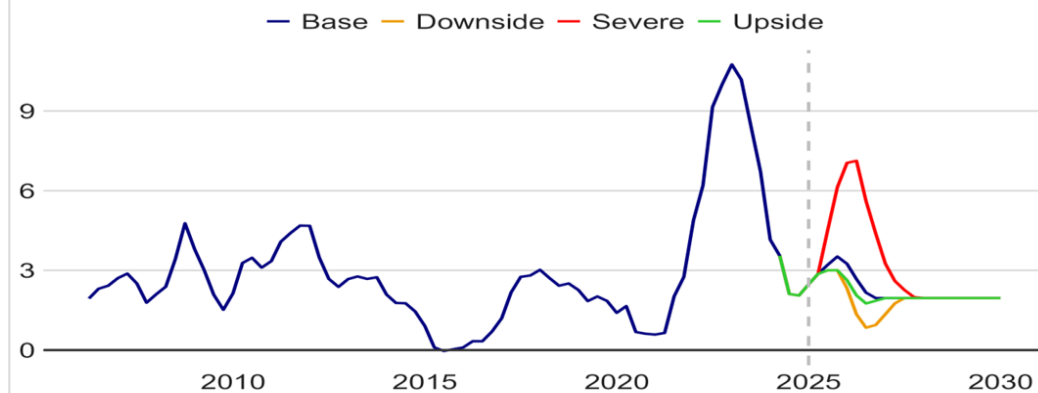
Credit Outlook – Cost of Living and Impact on Portfolio

- The portfolio Probability of Default (PD) has been increasing due to credit deterioration caused by the macroeconomics cited below, changes in the hostile terminations process which see more forbearance cases on the portfolio and changes in portfolio composition.
 - ❖ **Macroeconomics** – As macroeconomics weaken, the performing portion of the portfolio receives a weaker PD, along with slightly more default cases. Historically, the portfolio has exhibited resilience to adverse macroeconomic conditions. In response, the overall accept rate has reduced accordingly.
 - ❖ **Hostile Terminations** – Based on regulatory advice, VWFS (UK) Ltd have developed a robust process/assessment for offering successful and affordable repayment plans, rather than writing cases off, where there is potential to reach contract maturity/repayment. This process has evolved through various iterations and has recently reached optimisation, which has allowed a focus and conclusion for some of the more aged cases. This is apparent with the PD improvements shown over the last few months.
 - ❖ **Portfolio Composition** – Targeting more Used Vehicle business and non core business also changes the historic comparatives for the PD. VWFS (UK) Ltd are currently working with an external consultancy firm to ensure current models still remain fit for purpose and appropriate considering change in overall portfolio composition.



Consumer Prices Inflation

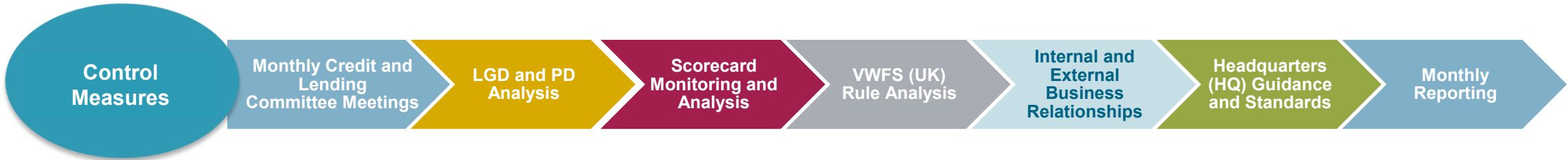
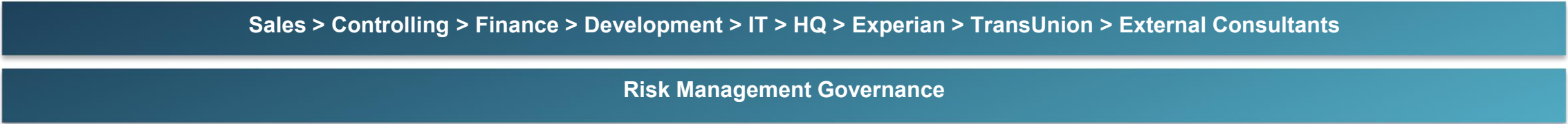
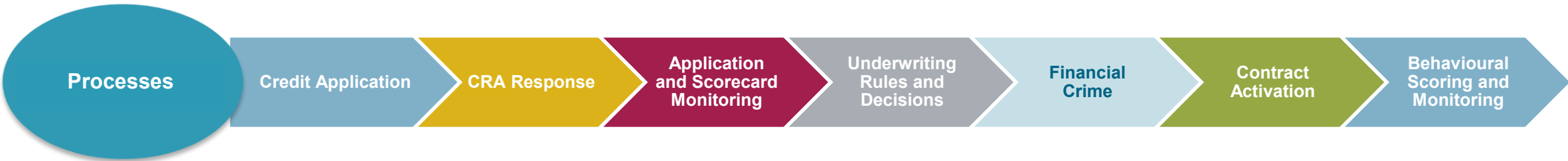
% change on year earlier



Source: Haver Analytics, ONS, 4most forecasts

4most
ANALYTICS CONSULTING

Volkswagen Financial Services (UK) Limited – Underwriting Summary



Section 4.2

Volkswagen Financial Services (UK) Ltd.

Customer Operations

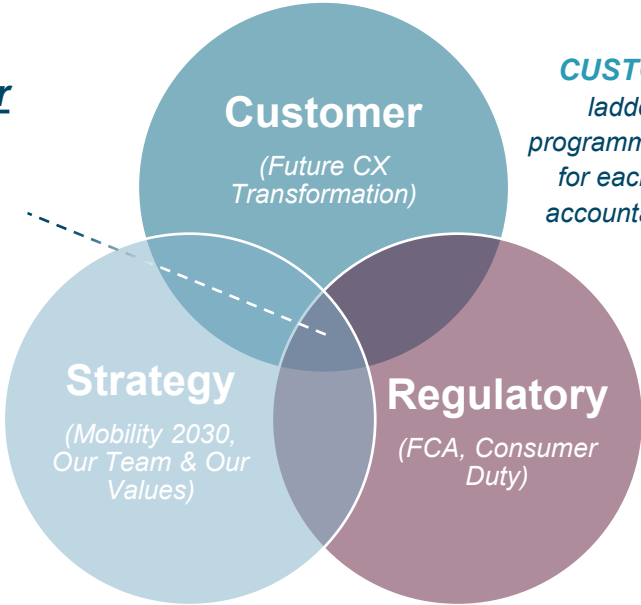


Customer Experience

Knowing our customers and using their feedback to prioritise change, along with improving products and processes is key to transforming our future customer experience; creating advocates which in turn influences loyalty.

The Customer Promise is the centre of our strategic and regulatory focuses

Customer Promise

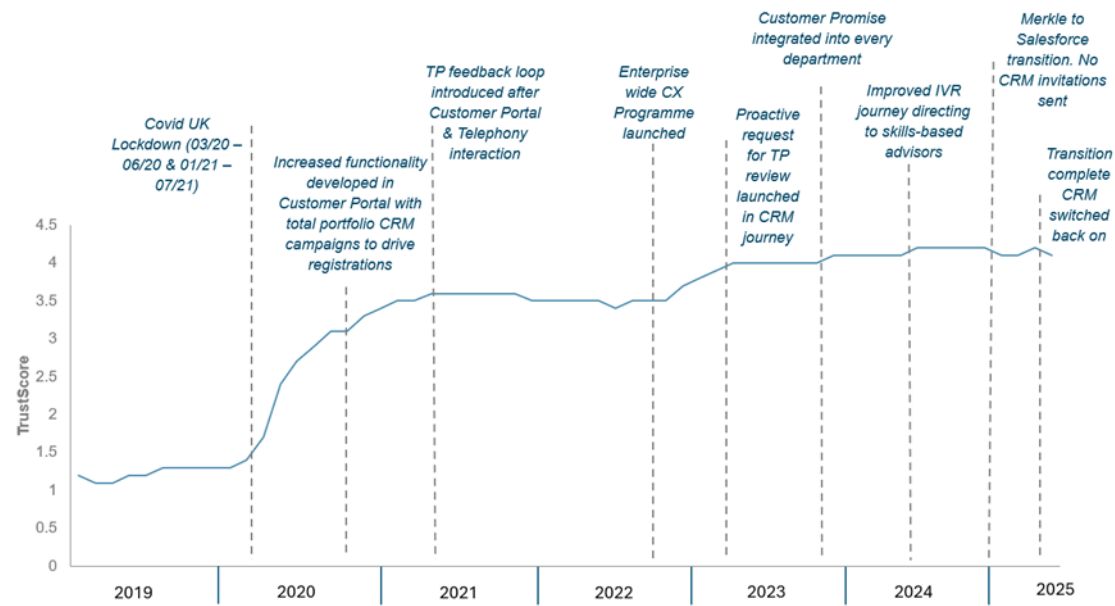


CUSTOMER - Messaging ladders down from the programme and brings to life CX for each individual; creating accountability enterprise wide

STRATEGY – Translates and provides context on “how” we tangibly deliver aligned to our local and HQ strategies

REGULATORY – Further supports Consumer Duty regulation; focussed on building culture and the right mind-set

Customer Experience focus has positively improved Trust Pilot scores over time






Trust pilot score is consistently above the benchmark.

A focus on delivering good Customer Outcomes

The Customer & Regulatory Programme has transitioned into BAU, where good customer outcomes remain a key area of focus, along with ensuring alignment to our regulatory expectations and providing customers with contact choice

The Customer & Regulatory Programme has delivered the following benefit to our customers

 Product and Services	 Customer Communications	 Process and Training
<ul style="list-style-type: none">• New flexible payment plan solution created• Removed fees relating to customer vehicle repossession• Implemented credit card masking software to ensure security of customer information• Added questions at point of sale to support affordability assessments	<ul style="list-style-type: none">• Increased opening hours• Simplified call flows• Enhanced letter communications• Proactive outbound call dialler implemented• Annual Statement enhancements• Created a Wellbeing Centre on our Customer Portal	<ul style="list-style-type: none">• Reporting improvements to credit reference agencies• Dashboard creation for process error reporting• Advisor customer handling training refresh• Customer outcomes testing team to ensure high standards• Refreshed QA framework

Self-serving on the customer portal



Since launch at the end of 2019, over **1.3m** customers have signed up. In 2024, we onboarded another **230k** new Customers and exceeded 1 million online actions and interactions within the year.



In 2024, **300k+** Customers requested a Settlement quote online, Customers downloaded more than **210k** documents and **120k+** made payments, changed their personal and financial details all online.

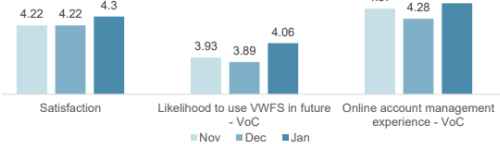


Customer satisfaction is improving with over **80%** of Portal customers surveyed resolving their query first time and satisfaction and experience scores regularly trending over **4 out of 5** month by month.

% Queries Resolved (Total)
01/01/25 to 31/01/25: Query resolved



Trended score by question



In 2024 our Renewals Matchmaker, Online Refinance request and Contract Extension tools supported keeping our Customers with us with **1,800** new contract activations and a **6,500** Leasing contract extensions.

Operating Model in Customer Operations

Our model focuses on creating great employee experience; where all colleagues are engaged, skilled, rewarded and deliver great customer outcome through the promises we make.

5 key principles to improve our customer interactions, remain relevant and promote loyalty:



Process Simplification and Automation – automation of process wherever possible, increasing efficiency, reducing costs and eliminating the opportunity for errors.



Digital First – Putting control in the hands of the customer by providing digital tools for them to purchase and manage their products and services in a way that is convenient to them.



Building Loyalty – reduced frictions throughout every aspect of the customer journey to deliver an experience that promotes loyalty.



Skilled Teams – support all of our customer facing teams with the information that they need to provide an enhanced, integrated and aligned omni-channel customer experience.



Optimised structure – an operating model that is focused on delivering good customer outcomes with true design thinking at the heart of all development activity.

Our employee experience is key to our success. We are focused on engagement and tools to support colleagues



Build Engagement & Career Development

Providing opportunity for career progression based on individuals' skills; rewarding and recognising efforts. This has improved the customer experience and helped reduce attrition.



Our QA Model and Measures

We have evolved our QA model to focus on Customer Outcomes and have created a dedicated Customer Outcomes Testing Team to review end to end Customer Journeys.



Speech analytics

Providing a better base level for Quality Assurance (QA) by 'listening' to all customer interactions; generating a more valuable QA output.



Real Time Analysis

Monitor in moment agent performance, that will inform training focuses and create more multi-skilled people for future flexible teams.

Customer Operations, Collections and Recoveries

Our teams provide our customers support throughout their period of financial difficulty ensuring the right outcome for their individual circumstance. In parallel we are continually reviewing our partners to ensure we are delivering good customer outcomes.



Customer Centricity and Regulatory Compliance

Regulatory assurance and delivering good customer outcomes



Confidently in control

- Implementation of internal quality controls to detect and prevent customer harm
- Mandatory regulated training, including monitoring
- Strong customer centric approach to complaint management and robust root cause analysis of complaint drivers



Regulatory compliance

- Continuous development of policies, processes, training and behaviours, including colleague comms of responsibilities
- Proactive horizon scanning to pre-empt regulatory change
- Gap analyses completed as routine to transfer learnings and drive actions to close any gaps
- Dedicated resource for identification and resolution of risks and issues



Best Practice

- Clear strategy embedded into teams through objectives; focusing on driving good outcomes, compliance and rigor
- Proactive review of customer satisfaction
- Creation of Centres of Excellence- an operating model that is focused on delivering good customer outcomes by providing specialist, trained support



Driving good customer outcomes whilst protecting the business

- Robust & proactive processes (i.e. pre-arrears, affordability assessments etc.) with strict adherence to regulation
- Planning discipline to maximise efficiency
- Multi-channel contact methods
- Supplier management governance



Treating all customers fairly

- Introduction of enterprise-wide end to end Customer Journey reviews to find and fix pain points within our processes
- Enhanced procedures to support Vulnerable Customers followed by refresher training and embedment activities
- Customer Outcomes focussed QA model is now embedded and results have significantly improved

Section 4.3

Volkswagen Financial Services (UK) Ltd.

Residual Value Management and Remarketing



Volkswagen Financial Services (UK) Limited – Residual Values

Residual Value Setting Forum

“Our Residual Value Setting Forum brings together expertise from across the business to ensure values are robust and appropriate.”

- The VWFS (UK) Residual Value Setting Forum consists of stakeholders from across the business
- The Forum sits once per month to ratify a rotating cycle of RV reviews and discuss the current state of the market
- Includes brand involvement from key Audi, Bentley, Lamborghini, Porsche, CUPRA, SEAT, Skoda, and VW personnel
- Quarterly standalone RV Setting Forum meetings for Non-VW Group reviews
- Asset Risk Management provides the analysis for review and ratification
- Standing items are discussed and included in Residual Value Setting Forum minutes, these include emerging risks and market updates

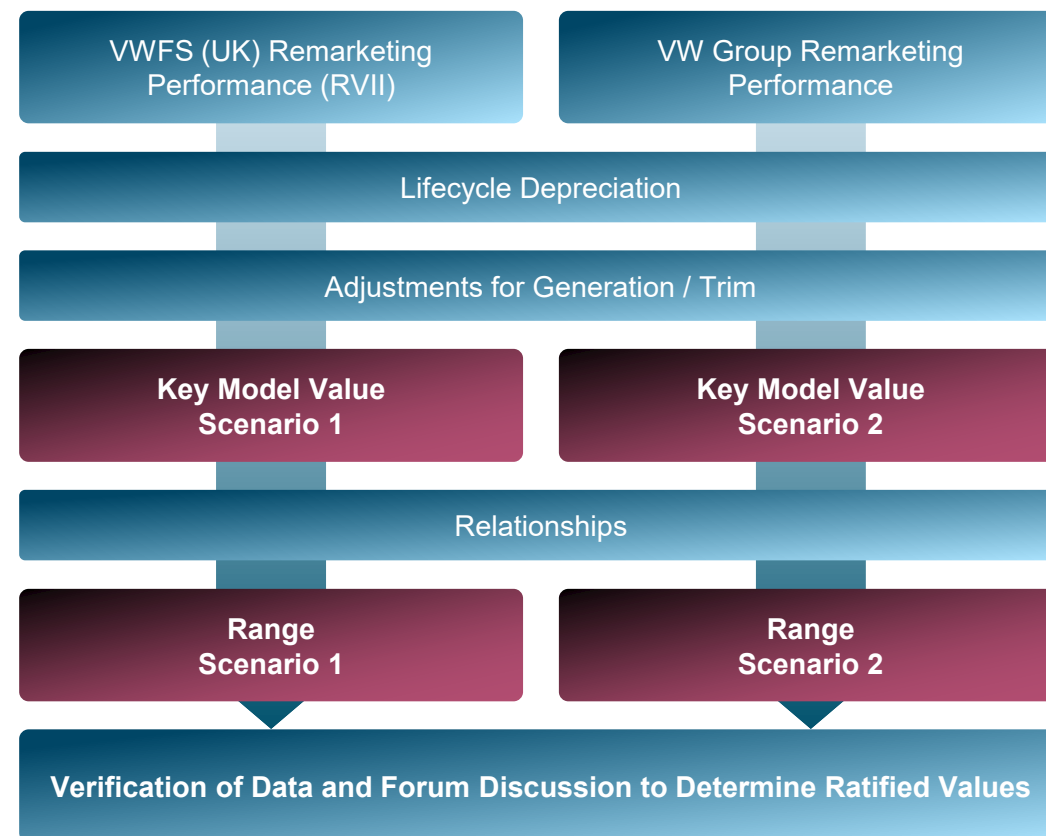


Volkswagen Financial Services (UK) Limited – Residual Values

Residual Value Setting Methodology

“The VWFS (UK) residual value setting process utilises a core method based on real trade data, combined with multiple methods of verification.”

- The VWFS (UK) RV setting process is an analytical, data driven process.
- Remarketing performance data from both VWFS (UK) and VW Group are used to develop ‘starting point’ values for a key model.
- Lifecycle depreciation based on historic experience is then added alongside other necessary adjustments for trim changes or generation.
- ‘Relationships’ based on historical data are then used to build from the key model across the range, using experience-based opinion where no data is available.
- The RV Setting Forum then discusses the data, using additional data to verify the decision.



Volkswagen Financial Services (UK) Limited – Residual Values

Residual Value Monitoring

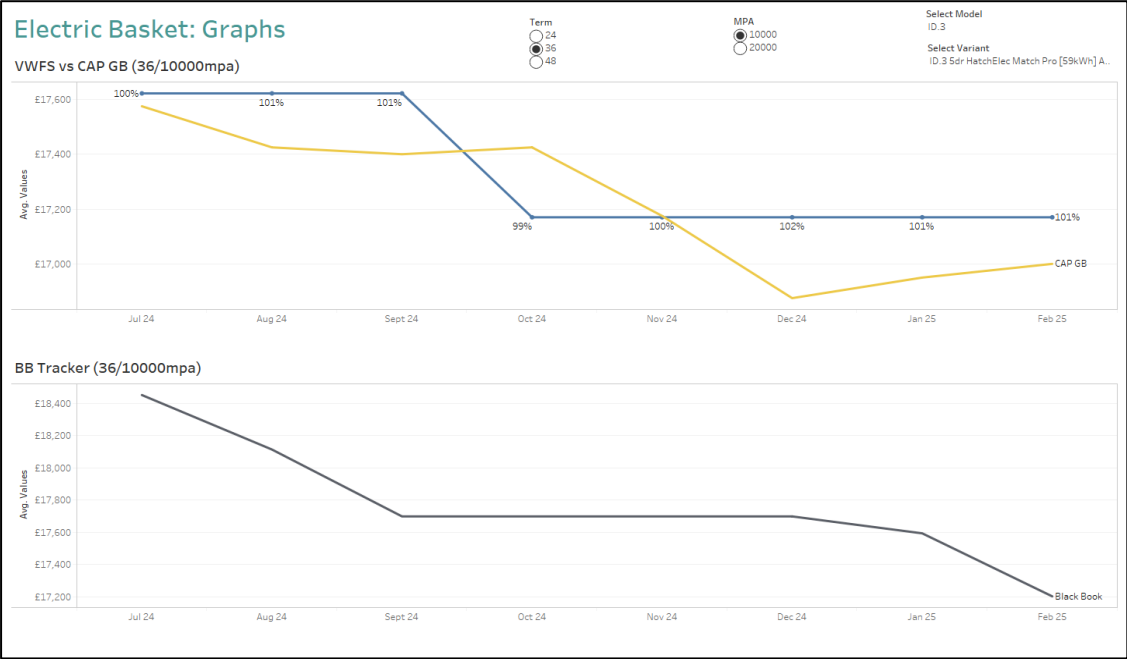
“A robust monitoring process constantly ensures that our residual values reflect our risk appetite whilst protecting the future profitability of returning used vehicle stock.”

VWFS (UK) RVs are monitored using a basket of key vehicles covering all VW Group model ranges and including data on CAP trade and forecast valuations (Black and Gold Book) as shown in the chart on the right.

Newly proposed RV positions are trended and compared to CAP Gold Book forecasts, and the previously ratified RV as well as CAP Black Book market values for preceding model year variants.

BEV vehicle ranges are reviewed at 10kpa miles and are subject to more frequent review cycles as a growing technology within our portfolio. The methodology used for BEV’s is based on market value data which exists in sufficient quantity to determine a risk based residual value.

For all vehicle types, the start point of the RV setting process is the current market value position of a key vehicle within the range, with our remarketing performance reflecting the range’s experience in the market. Lifecycle calculations and new model premiums adjust the current value to provide a forecast RV, which is based on real-world data driven experience.



CAP ID	ID3 - Using ID3 Data from 1link and Brand	Proposed RV	Current RV	Change	List	% List	CAP GB Jan 25	Prop % CAP GB	Current RV % CAP GB
C106959	ID.3 5dr HatchElec Match Pure [52kWh] Auto 170ps (2023-)	£14,739	£15,170	-£431	£31,300	47%	£16,350	90%	93%
C106985	ID.3 5dr HatchElec Match Pure [52kWh][Pn/Rf] Auto 170ps (2023-)	£15,239	£15,670	-£431	£32,095	47%	£16,675	91%	94%
C106996	ID.3 5dr HatchElec Match Pure [52kWh][Cmft Pk] Auto 170ps (2023-)	£15,689	£16,120	-£431	£33,625	47%	£17,125	92%	94%
C105976	ID.3 5dr HatchElec Pro [59kWh] Auto 204ps (2023-)	£15,839	£16,270	-£431	£36,610	43%	£16,375	97%	99%
C103024	ID.3 5dr HatchElec Pro [58kWh] Auto 204ps (2023-)	£15,839	£16,270	-£431	£36,550	43%			
C103027	ID.3 5dr HatchElec Pro [58kWh][Dap] Auto 204ps (2023-)	£16,139	£16,570	-£431	£37,725	43%			
C105983	ID.3 5dr HatchElec Pro [59kWh][DAP] Auto 204ps (2023-)	£16,139	£16,570	-£431	£37,785	43%	£16,875	96%	98%
C106997	ID.3 5dr HatchElec Match Pure [52kWh][Pn/Rf][Cmft Pk] Auto 170ps (2023-)	£16,189	£16,620	-£431	£34,420	47%	£17,425	93%	95%
C105978	ID.3 5dr HatchElec Pro [59kWh][Pn/Rf][Ext Pk] Auto 204ps (2023-)	£17,439	£17,870	-£431	£39,130	45%	£17,150	102%	104%
C105979	ID.3 5dr HatchElec Pro [59kWh][Pn/Rf][DAP][Ext Pk] Auto 204ps (2023-)	£17,739	£18,170	-£431	£40,305	44%	£17,650	101%	103%
C105984	ID.3 5dr HatchElec Match Pro [59kWh] Auto 204ps (2023-)	£16,739	£17,170	-£431	£35,740	47%	£16,950	99%	101%

* Reduction in January 2025 review went live in April 2025

Volkswagen Financial Services (UK) Limited – Portfolio and Market Monitoring

Residual Values

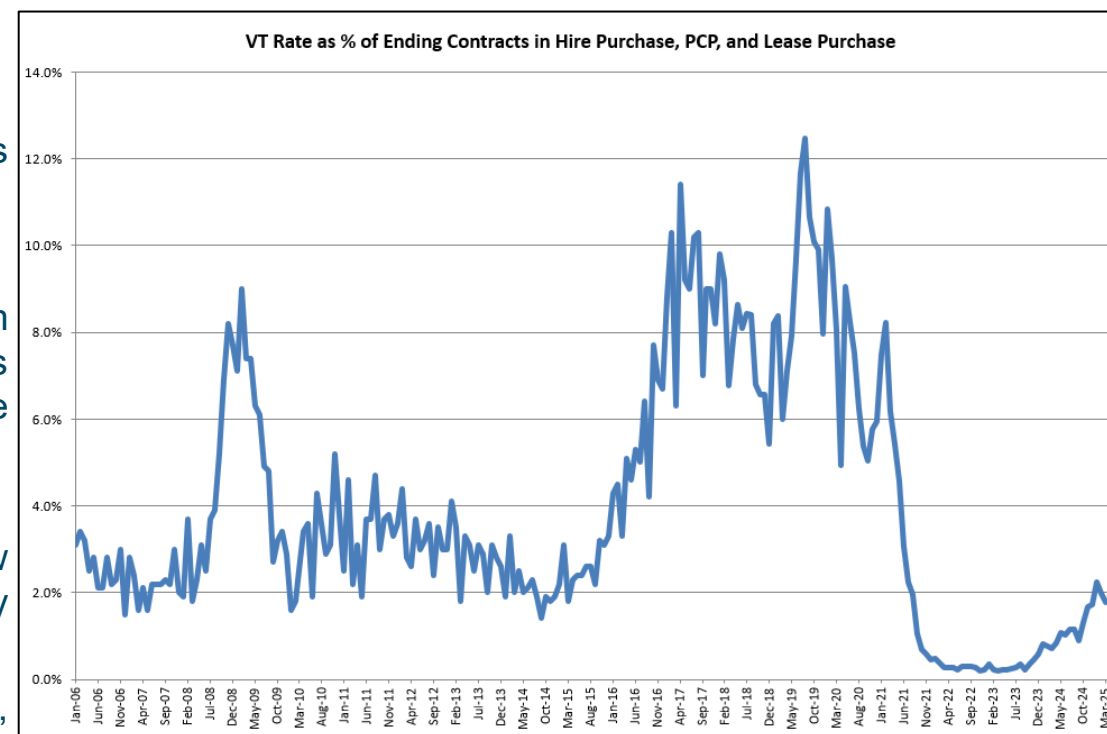
“The performance of live agreements and the market in general is monitored on a continual basis to ensure that any developing risks are identified early and appropriate action taken.”

Various areas of portfolio and market performance are monitored on an ongoing basis. Some major focus areas are:

- The return rates and forecast equity of vehicles on PCP agreements.
- Remarketing performance is reviewed daily and we adjust our prices based on current demand and incoming supply.
- The volume of Voluntary Terminations (VTs) on our portfolio.
- Battery Electric Vehicles used market values are monitored both from an RV setting and Provision requirement perspective. BEV ranges are on quarterly review cycles due to their nascent nature in the market.

Both PCP and VT returns have remained at very low levels over the last few years as the used car market has retained it's strength due to historic supply constraints.

As some form of normality returns, it is expected that used values will erode, along with overall equity positions, which should mean that both VT and PCP volumes will increase. There is no current expectation for a sudden, dramatic increase but instead a gradual increase as used vehicle supply works its way back into the industry.



Volkswagen Financial Services (UK) Limited – Portfolio and Market Monitoring

Used Car Market

“The Used Car Market has seen continued strength in response to the New Car Market’s contraction”

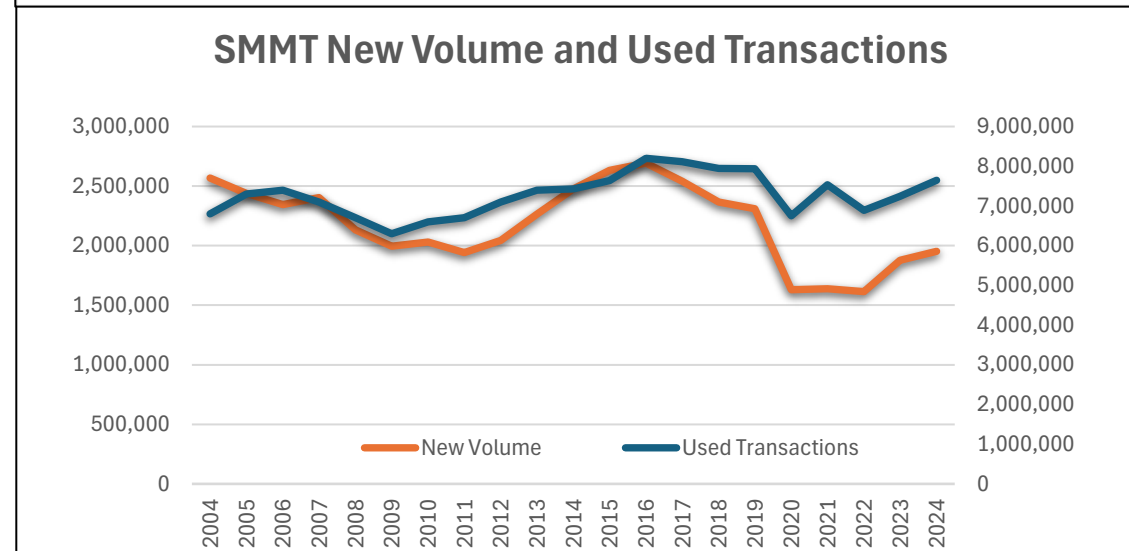
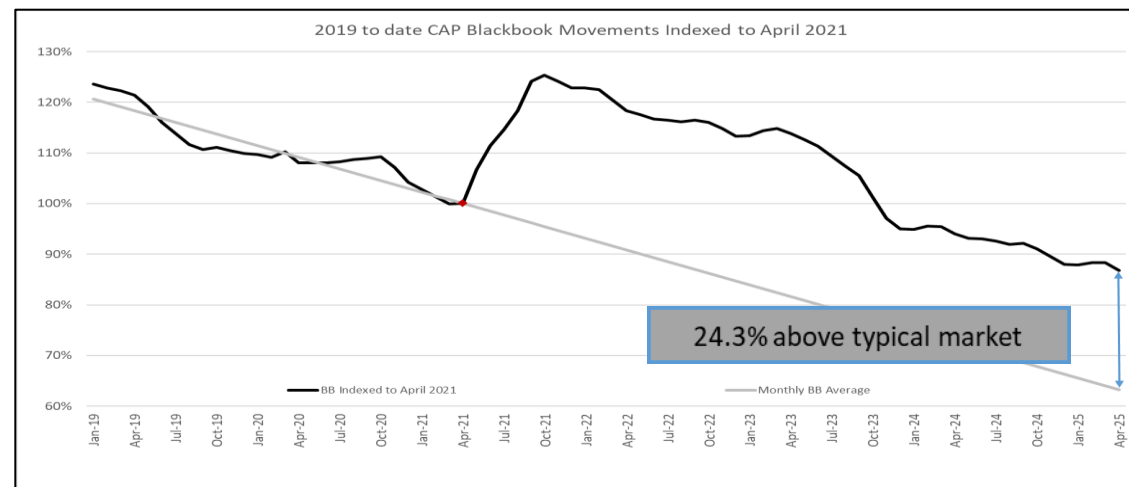
The graph to the right is a representation of the strength in the used car market over recent years. It shows the above trend performance seen across the industry and is not limited to certain brands or model lines.

Many factors have contributed to this strength, among which are:

- COVID disruption at factories since 2020 creating a backlog of new car orders
- Semi-conductor shortages worldwide mean new car production could not be scaled up to cover excess demand

Due to the above, nearly new cars became more attractive to customers who couldn’t obtain a new car immediately, VWFS average remarketing values have risen from £14,588 in January 2021 to £18,629 in January 2025 (mix is a factor here but illustrates the changes observed).

Despite the strength in the used market in the last 3 years, this over performance in values is tied to short supply, supply has now increased, albeit at higher list prices, used values have returned to a long term trend lifecycle relativity. VWFS mitigated this return to a long term trend position by applying a reduction to the remarketing result of 50% for RV setting, thus limiting our exposure to the then over performance. We have since returned to our normal RV setting approach where 100% of the remarketing change is reflected in our forecast position, as the continued strength in the used market needed to be reflected in our forecast position.

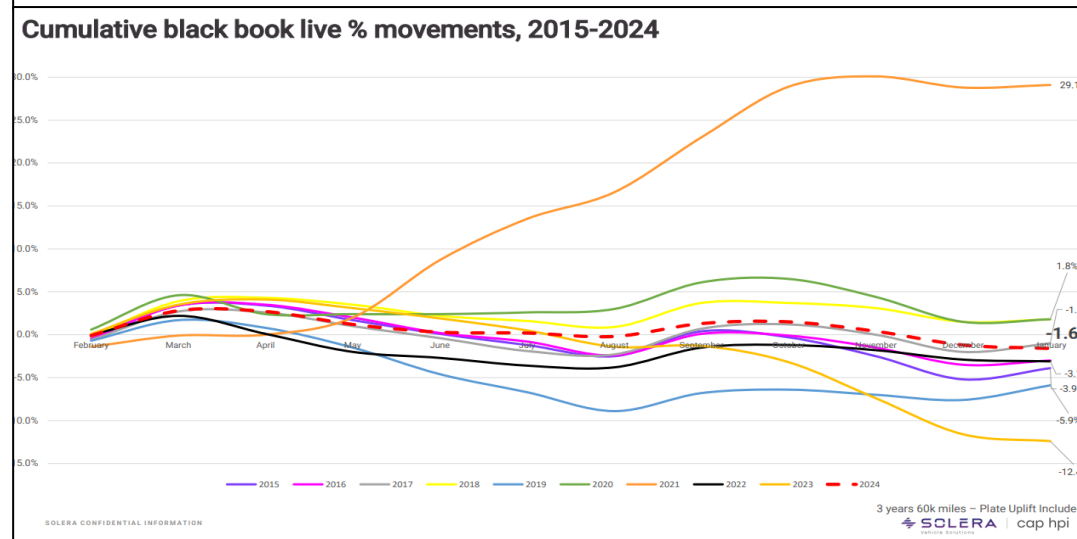
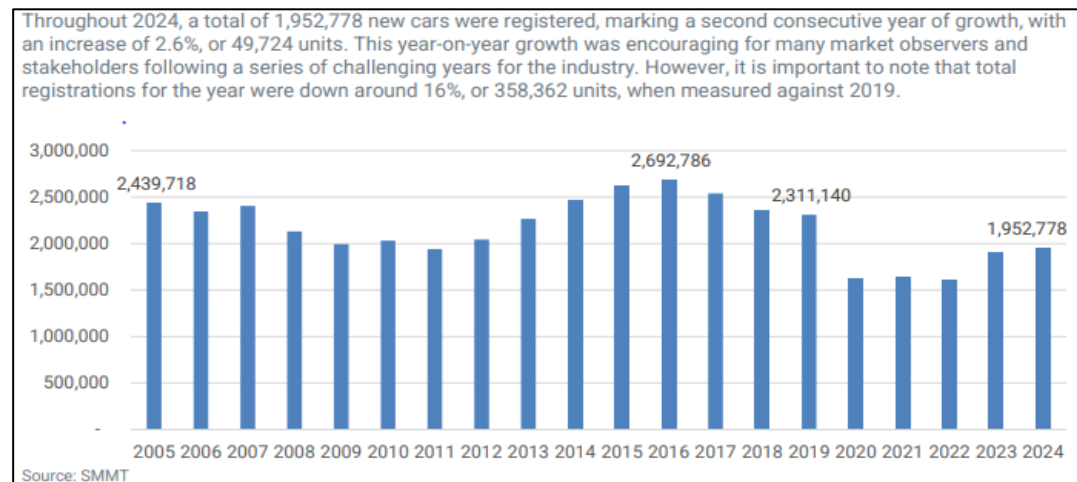


Volkswagen Financial Services (UK) Limited – Portfolio and Market Monitoring

Future Outlook

“Emerging technologies and mobility solutions considered to ensure our approach is fit for future and aligned to Mobility2030.”

- The rate of change within the automotive industry has never been as fundamental and far-reaching as now.
- The emergence of BEV technology and its transition to ubiquity is the biggest single shift in vehicle usage since the invention of the internal combustion engine.
- BEV values are likely to soften as volume increases in the market, this is understood and expected as the normalisation of BEV technology grows.
- This creates both opportunity and risk. VWFS is well placed to ensure that we take advantage of the opportunity yet manage and mitigate any risk.
- The decline in Diesel volume sold new has already created increased values in the used market where demand remains high even with fuel pricing favouring Petrol as a cost per litre. This is likely to continue and as we move closer to 2030, it is expected that used Diesel values will increase more relative to Petrol as buyers snap up the last of the Diesels available. Petrol vehicle values are also expected to remain strong as we move closer to 2030.
- As VWFS takes its place as providing the key to mobility for the whole VW Group as part of Mobility2030, our inherent risk management methodologies and expertise within the business provides a firm foundation for continued success.



Volkswagen Financial Services (UK) Limited – Remarketing

Remarketing Strategy

“A successful new business strategy requires an equally sophisticated remarketing programme to handle the maturing portfolio.”

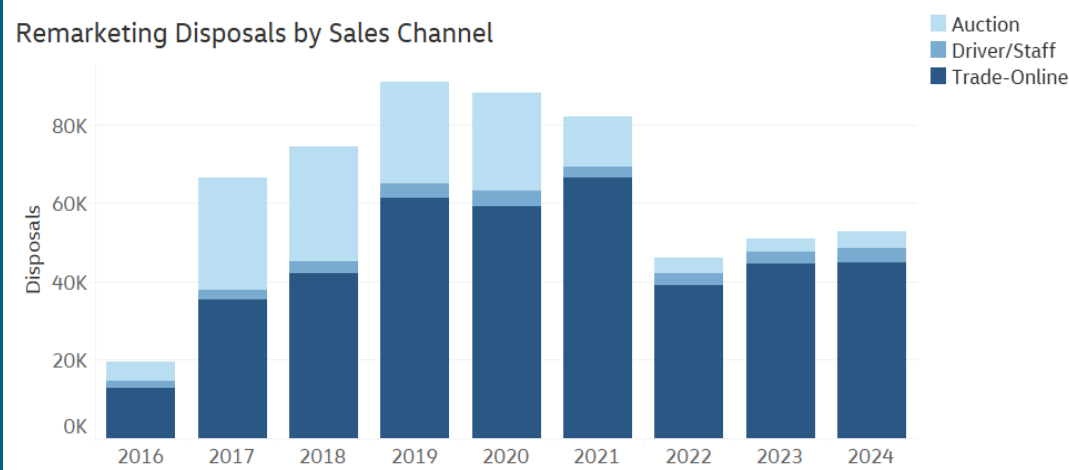
The protection of Residual Values for both new contracts and the existing PCP portfolio is paramount to the Remarketing strategy and our main objective is to achieve the best possible selling price for every vehicle.

We achieve this by having a large active buyer base, dynamic pricing model and multiple online and auction suppliers that can handle a diverse product mix and fluctuating volumes.

All VWFS stock is centrally de-fleeted and tactically refurbished where possible to maximise values and desirability. Since the introduction of the Tactical Refurbishment Programme in 2018/19 and it's gradual refinement/upscaling, Remarketing have reported a positive impact of values achieved and the quality of stock being offered.

We aim for 90% of our stock to be sold online minimising movements of vehicles and the associated costs including environmental impact.

Remarketing Disposals by Sales Channel



Remarketing disposals has seen a marginal year on year growth since 2022 with average values remaining steady at circa £18k per unit.

Disposals in 2025 are forecast to reach 53k.

Volkswagen Financial Services (UK) Limited – Remarketing

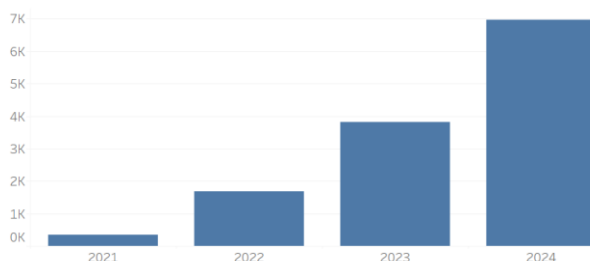
Remarketing Strategy

“A successful new business strategy requires an equally sophisticated remarketing programme to handle the maturing portfolio.”

Battery Electric Vehicle Performance

Battery electric vehicles have been returning to Remarketing in low volumes since 2021, however, it wasn't until 2024 that BEV volumes exceeded 7k units and accounted for 13% of all VWFS Remarketing disposals.

Remarketing Battery Electric Vehicle Returns



As more used BEV's returned to the market in 2024 we started to see BEV values normalise and demand for our BEV stock improve. In 2024 the VWG network purchased 73% of all BEV vehicles vs 56% for Petrol/Diesel.

Of the 5.1k BEV's bought by the network, 2k vehicles returned to the VWFS used car portfolio as 2nd cycle finance cases along with additional aftersales opportunities.

Transition to BEV

Over the past 4 years VWFS Remarketing and our suppliers have focussed on ensuring that our de-fleet and Remarketing operation is fit for the future and able to accommodate high volume BEV returns.

Existing activity:

- BEV charging capabilities expanded at our de-fleet facility.
- BEV's included in the tactical refurbishment programme.
- BEV specific tactical UC campaigns built to include vehicles purchased on the Priority Purchase platform.
- Battery capacity testing trial undertaken.

Ongoing/planned activity:

- Recruitment of master technicians trained to maintain and repair BEV's.
- Explore alternative large scale charging solutions.
- Focus on engaging with BEV buyers outside of the VWG network
- Optimising AI technology for battery inspections.
- Battery Competency Centre approved (or partnership with) to handle BEV aftercare.

Section 5

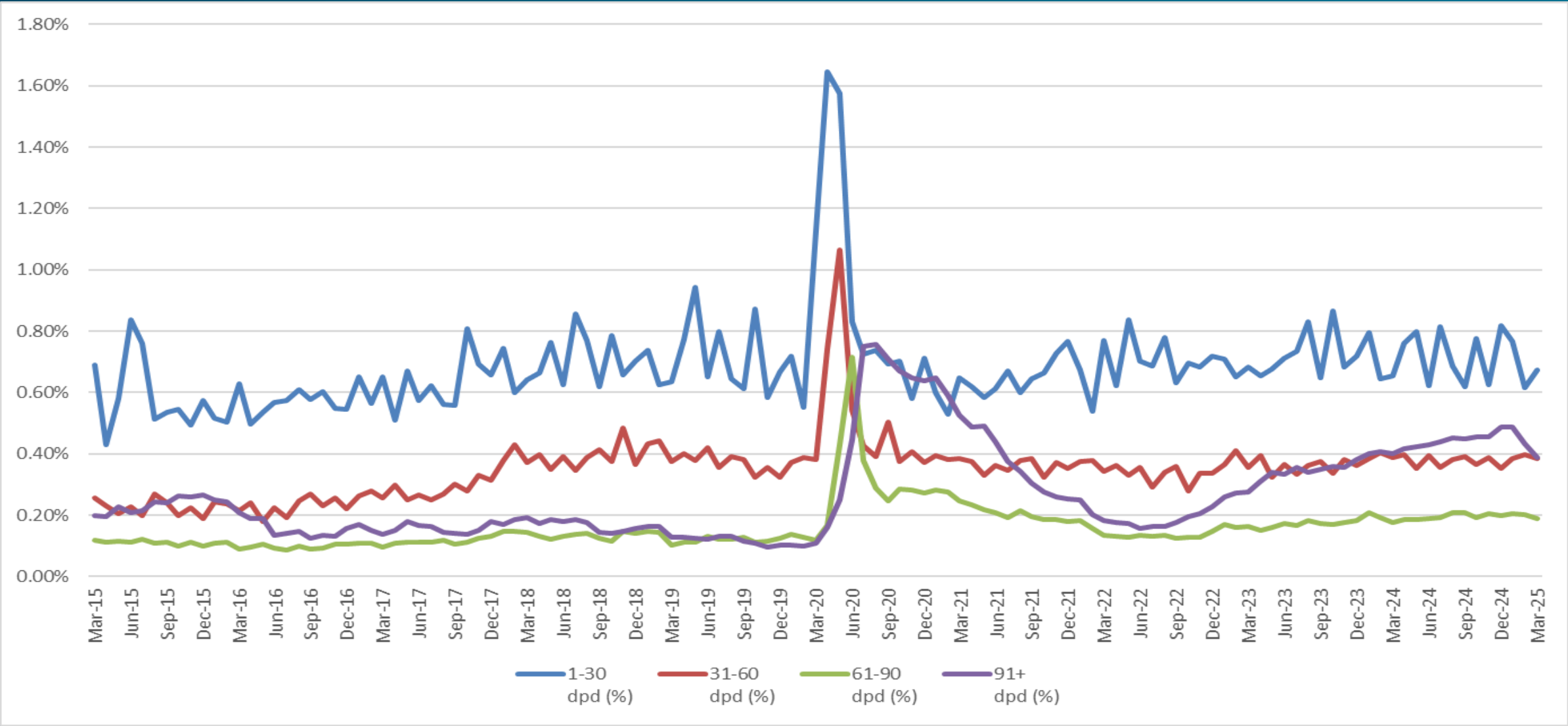
Volkswagen Financial Services (UK) Ltd.

Historical Performance Data



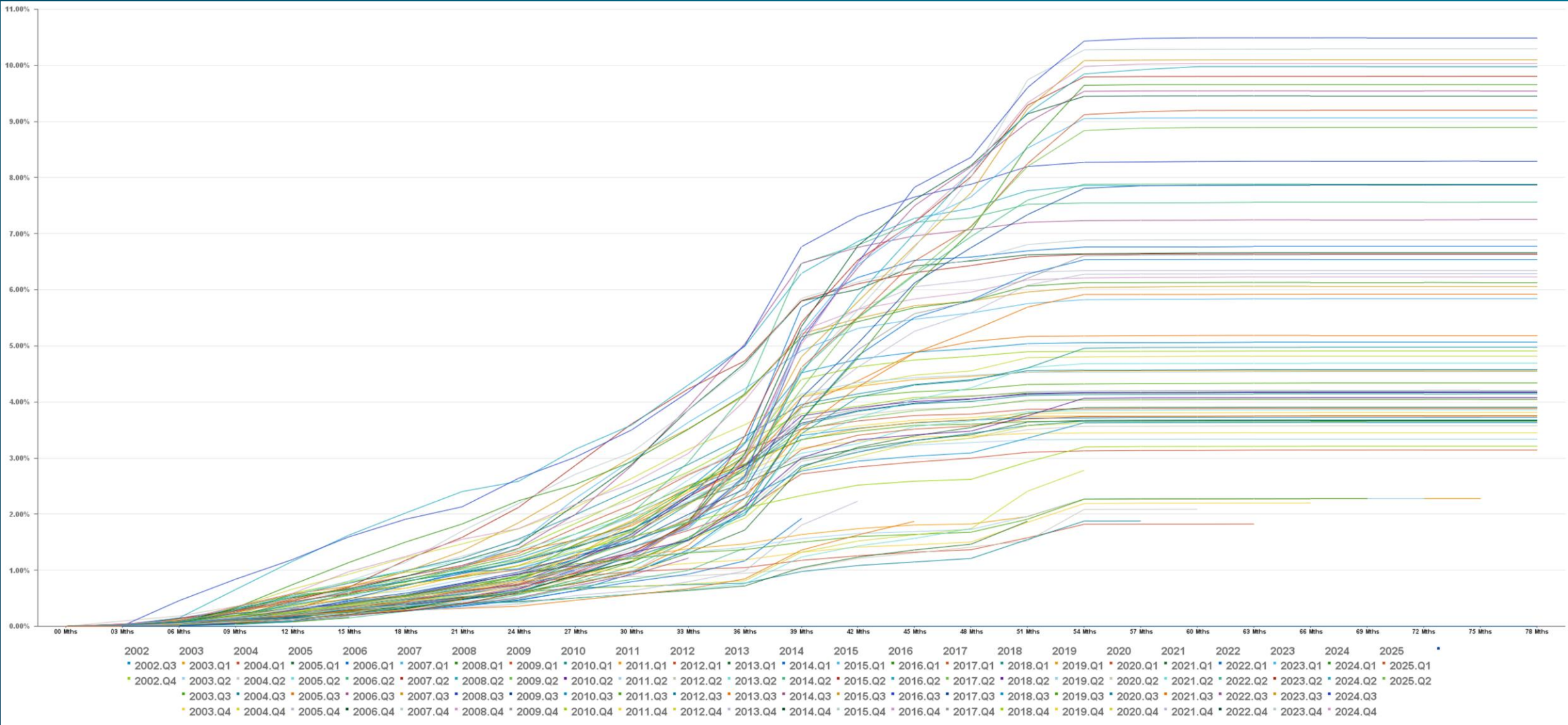
Dynamic Delinquencies – 03.2015 – 03.2025

HP, PCP, LP



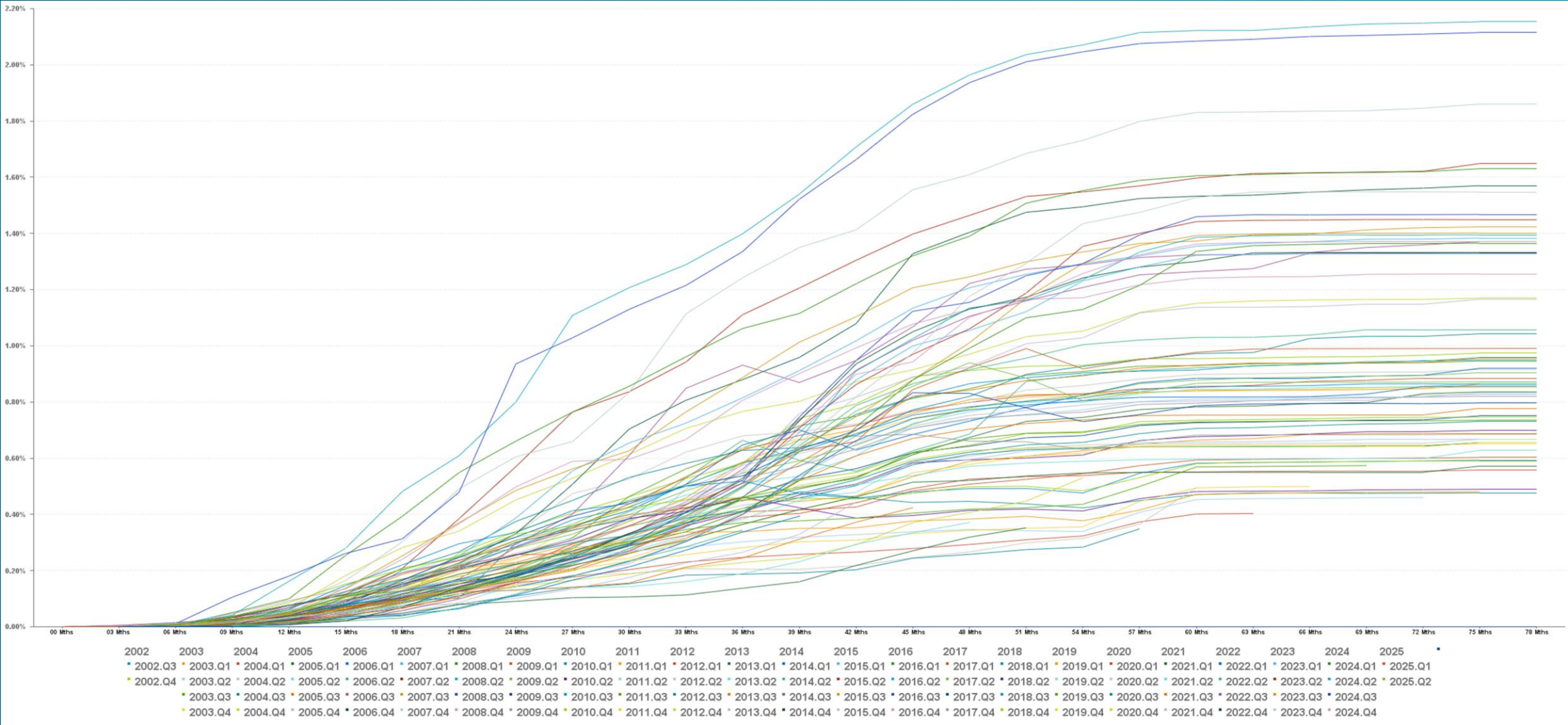
Vintage Loss Curves – Gross Loss – Q3.2002 – Q2.2025

HP, PCP, LP

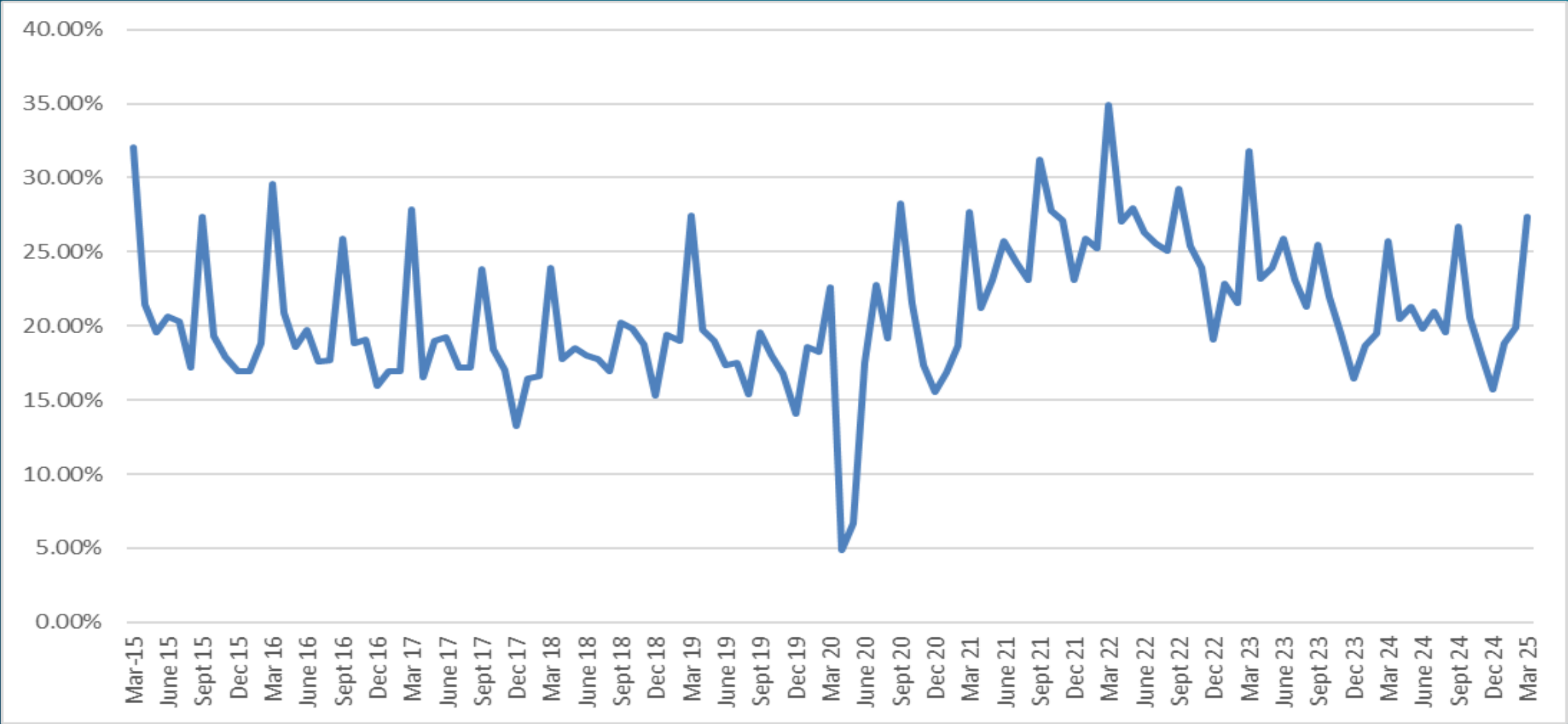


Vintage Loss Curves – Net Loss – Q3.2002 – Q2.2025

HP, PCP, LP



Annualised Prepayment Rates – 03.2015 – 03.2025

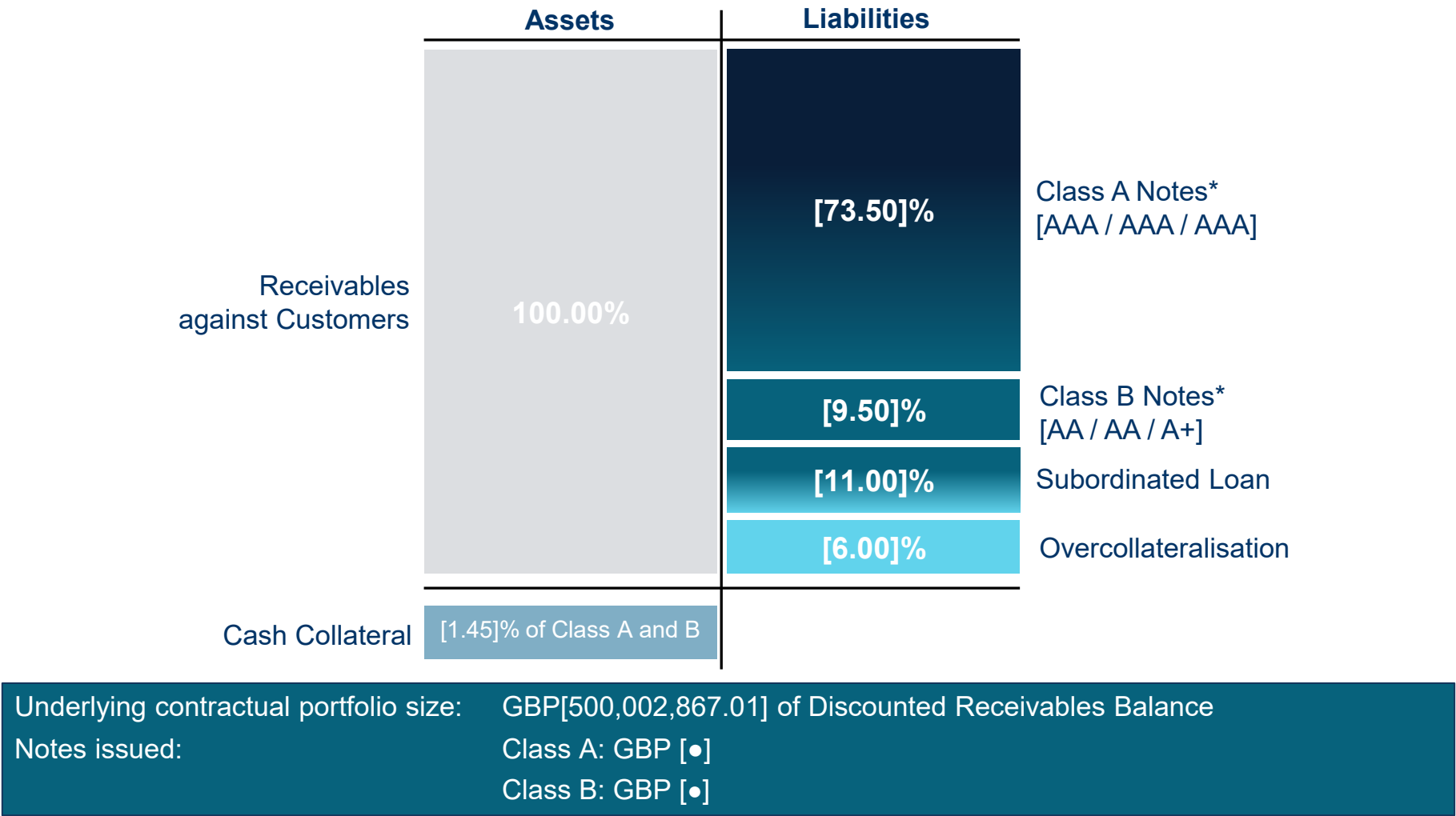


Section 6

Transaction Details and Structure

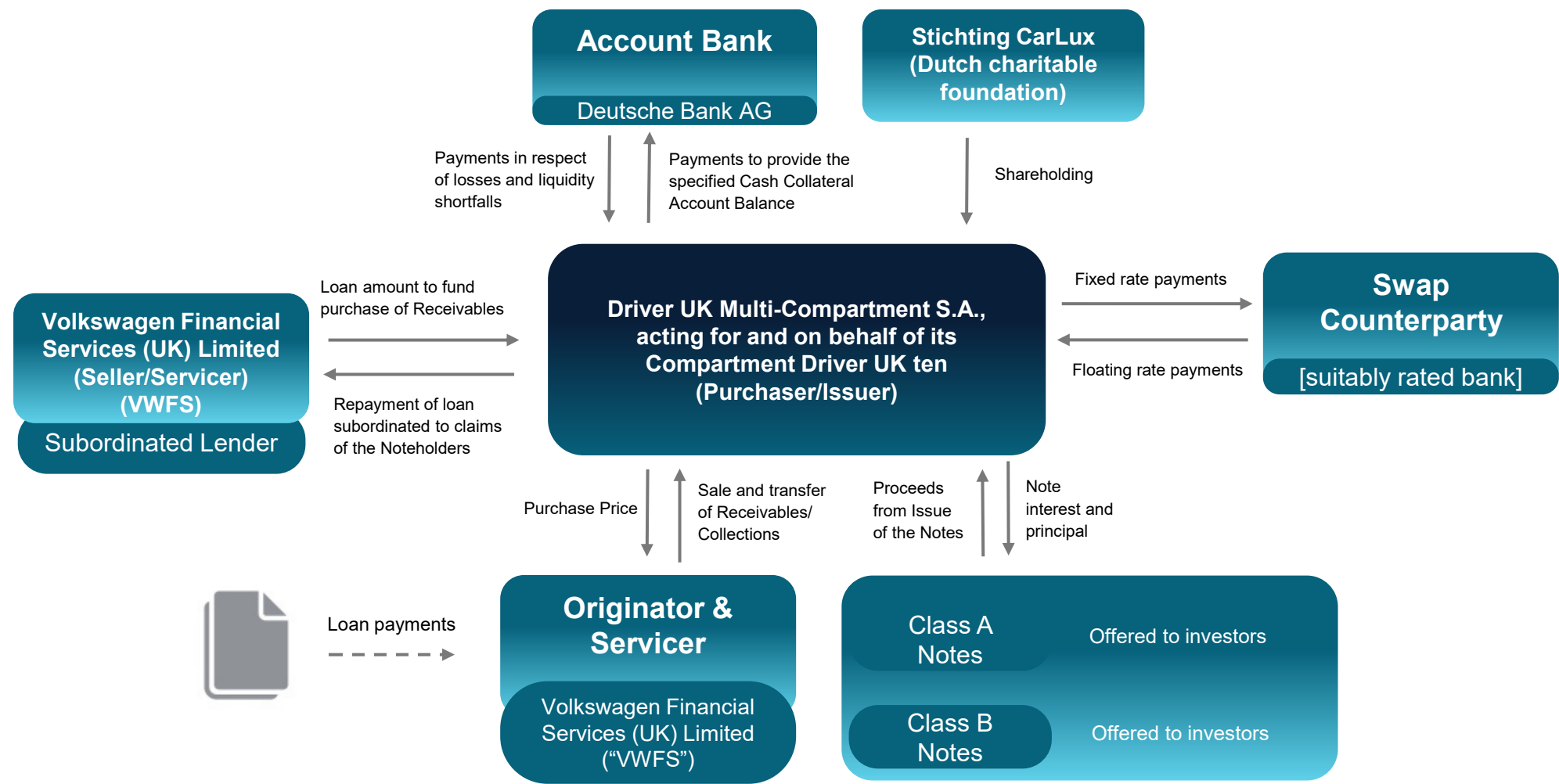


Summary of the Driver UK ten Transaction



* Structured finance rating -(sf)- applied by DBRS / S&P / KBRA
Source: Driver UK ten Preliminary Prospectus

Structure Overview



Source: Driver UK ten Preliminary Prospectus

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Revolving Period

The transaction will have a revolving period of 6 months, subject to no Early Amortisation Event occurring

- **Early Amortisation Event means either:**

- Servicer Replacement or Foreclosure Event
- The Accumulation Balance on two consecutive Payment Dates exceeds [15]% of the Discounted Receivables Balance
- On the Payment Date following [3] consecutive Payment Dates, the Class A Actual Overcollateralisation Percentage is lower than [26.25]%
- VWFS ceases to be an affiliate of the Parent or any successor
- The Seller fails to perform its obligations of Repurchase and Payment for Non-existent Receivables defined under Receivable Purchase Agreement
- the Issuer fails to enter into a replacement Swap Agreement within 30 calendar days following the termination of a Swap Agreement or the respective Swap Counterparty fails to post collateral under the Swap Agreement
- Any Credit Enhancement Increase Condition is in effect (see slide 66)

- **Key concentration limits during the Revolving Period**

- Used vehicles – [60]%
- PCP used – [55]%
- Non-VW group brand vehicles – [10]%
- Single obligor – [0.5]%

- **Prior to the effect of a Credit Enhancement Increase Condition**

- During the Revolving Period the Class A Targeted Overcollateralisation Percentage shall be [31.10]% and the Class B Targeted Overcollateralisation Percentage shall be [20.30]%
- After the Revolving Period the Class A Targeted Overcollateralisation Percentage shall be [33.10]% and the Class B Targeted Overcollateralisation Percentage shall be [22.30]%

Amortisation Mechanism

The transaction will first amortise sequentially by redeeming Class A Notes exclusively

- After the Class A target OC of [33.10]% is reached (after the revolving period), the OC will be kept constant and amortisation of the Class B Notes begins
- Once the Class B target OC of [22.30]% is reached (after the revolving period), the OC will be kept constant and the Class A Notes and the Class B Notes will amortise on a pro-rata basis
- When both target OCs are reached, any excess will be paid to a) the subordinated lender and b) to VWFS in accordance with the waterfall
- To protect investors in case the performance of the pool deteriorates, dynamic net loss / cumulative net loss / late delinquency triggers are in place. If these are breached, pro-rata amortisation ceases and the transaction reverts to sequential amortisation (the trigger events are detailed on the following page “Credit Enhancement Events”)

Enforcement Event

- To protect investors should an Enforcement Event occur, the post-enforcement waterfall is in place and the Notes amortise sequentially
- Interest and Principal is paid on Class A Notes until the Class A Notes fully amortise, followed by Interest and Principal on Class B Notes

Source: Driver UK ten Preliminary Prospectus

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Credit Enhancement Events

The following triggers protect the investors, by modifying the repayment of the Class A Notes and the Class B Notes

Credit Enhancement Increase Condition is in effect if:

Trigger	Condition	Trigger level
Dynamic Net Loss Ratio	WA Seasoning <=12 months	[0.30]%
	12m < WA Seasoning <= 22m	[0.75]%
	22m < WA Seasoning <= 34m	[2.00]%
Cumulative Net Loss	Months 1-5 (inclusive)	[0.8]%
	Months 6-11 (inclusive)	[1.8]%
	Month 12 onwards	[4.0]%
Late Delinquency (180 DPD)	On any Payment Date until October 2026	[1.3]%

- If the Credit Enhancement Increase Condition is in effect, the following target OCs apply with the effect that amortisation is on a sequential basis:
 - Class A Target OC of 100%; and
 - Class B Target OC of 100%.

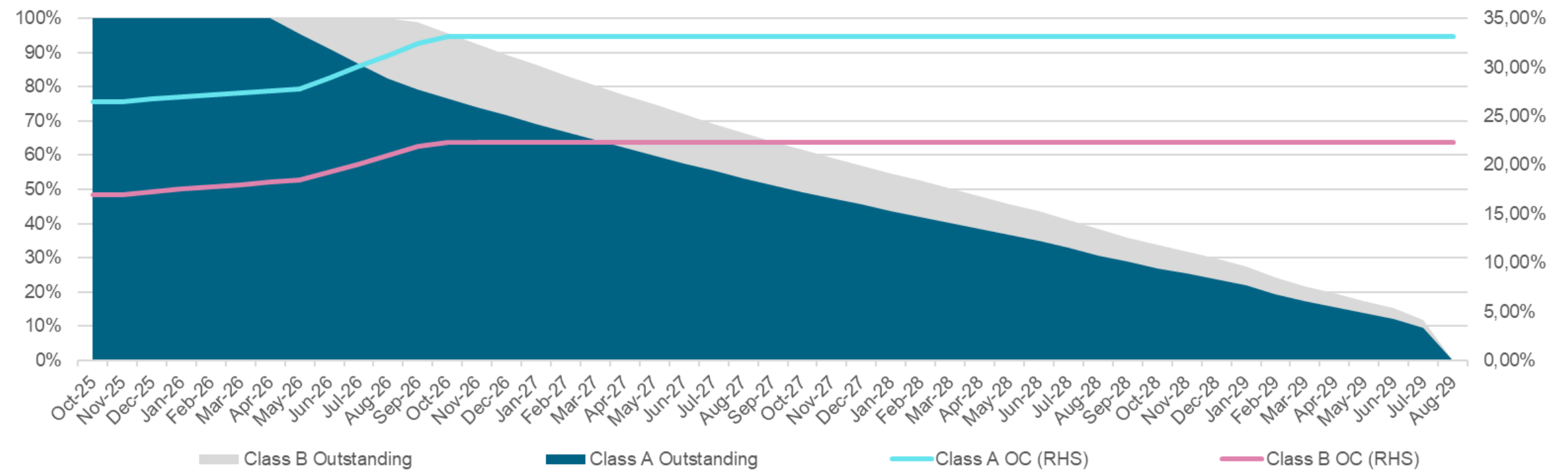
Source: Driver UK ten Preliminary Prospectus

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Transaction Structure

Expected Overcollateralisation of the Notes (*)



* No Losses; 20.00% CPR; Clean-Up Call at 10.00% (for further assumptions, please refer to the Driver UK ten Preliminary Prospectus)

Waterfall (simplified)

Source of Proceeds	Use of Proceeds
<div>Available Distribution Amount</div> <div>Collections for the calendar month immediately prior to each Payment Date</div> <div>Payments from the Cash Collateral Account⁽¹⁾</div> <div>Net Swap Receipts under the Swap Agreements</div> <div>Transfers from the Accumulation Account to the Distribution Account</div> <div>Interest earned on the Distribution Account and the Accumulation Account</div> <div>Interest Compensation Shortfall Redemption Amount plus Interest Compensation Ledger Release Amount (subject to a CE Increase Condition)</div> <div>Buffer Top-Up Amount less</div> <div>Buffer Release Amount to be paid to VWFS, provided that no Credit Enhancement Increase Condition is in effect</div>	<div>1) Taxes, Security Trustee Fees, Administration Fees, Data Protection Trustee Fees, Rating Agency Fees, Servicer Fees</div> <div>2) Net Swap Payments</div> <div>3) Interest and overdue interest on the Class A Notes</div> <div>4) Interest and overdue interest on the Class B Notes</div> <div>5) Cash Collateral Account until it has reached its Specified Balance</div> <div>6) During the Revolving Period to the Accumulation Account Thereafter Principal on the Class A Notes until Class A Notes reach Targeted Class A Note Balance</div> <div>7) During the Revolving Period to the Accumulation Account Thereafter Principal on the Class B Notes until Class B Notes reach Targeted Class B Note Balance</div> <div>8) Swap Subordinated Amounts</div> <div>9) Interest and overdue interest on the Subordinated Loan</div> <div>10) Principal on the Subordinated Loan</div> <div>11) Excess Balance to VWFS</div>

(1) On each Payment Date following the occurrence of a Foreclosure Event, the General Cash Collateral Amount shall be applied in accordance with clause 21.5 (Order of Priority) of the Trust Agreement.

Source: Driver UK ten Preliminary Prospectus

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Legal Structure

- Driver UK Multi-Compartment S.A., acting on behalf of its Compartment Driver UK ten, is a securitisation company within the meaning of the Luxembourg law of 22 March 2004 on securitisation (“Luxembourg Securitisation Law”), incorporated under the form of a public limited liability company.
- The exclusive purpose of the Driver UK Multi-Compartment S.A is to enter into one or more securitisation transactions, each via a separate compartment within the meaning of the Luxembourg Securitisation Law. The Notes will be funding the tenth securitisation transaction of the Issuer.
- Compartment Driver UK ten of the Driver UK Multi-Compartment S.A relating to the Transaction and the issue of the Notes will be created by a decision of the board of directors of Driver UK Multi-Compartment S.A.
- The Notes will be contractual obligations of the Issuer solely in respect of its Compartment Driver UK ten. No third party guarantees the fulfilment of the obligations of the Issuer acting for and on behalf of its Compartment Driver UK ten under the Notes. Consequently, the Noteholders have no rights of recourse against such third parties.
- The Issuer will purchase eligible loan receivables from VWFS.
- Stichting CarLux, a foundation duly incorporated and validly existing under the Dutch Law, owns all of the issued shares of the issuer. The Foundation does not have shareholders and would distribute any profits received from the Issuer to charitable organisations.

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Risk Mitigation Mechanisms

Commingling Risk

- As long as VWFS remains the Servicer of the transaction and the Monthly Remittance Condition is satisfied, VWFS is required to transfer the monthly collections to the SPV account in a single payment to be made on the following Payment Date
- VWFS will fund the expected monthly collections in advance if the Monthly Remittance Condition is no longer satisfied. The Monthly Remittance Condition will not be satisfied if:
 - a) Either Volkswagen Financial Services AG (A) (i) no longer has a short-term rating for unsecured and un-guaranteed debt of at least "A-2" from S&P or a long-term rating for unsecured and unguaranteed debt of at least "BBB" from S&P, or (ii) where Volkswagen Financial Services AG, is not the subject of an S&P short-term rating, a long-term rating for unsecured and unguaranteed debt of at least "BBB+" from S&P, or (iii) S&P notifies the Issuer and/or the Servicer that VWFS is no longer deemed eligible under the applicable rating criteria by S&P or (B) the profit and loss sharing agreement (Gewinnabführungsvertrag) between Volkswagen AG and Volkswagen Financial Services AG, ceases to be in effect; or
 - b) For so long as the Class A Notes or the Class B Notes are rated by KBRA (irrespective of whether they are rated by S&P at such time), the S&P required ratings set out in paragraph (a) above are not satisfied; or
 - c) Volkswagen AG no longer has a long-term rating for unsecured and unguaranteed debt of at least "BBB(high)" from DBRS or if a public rating from DBRS is not available, Volkswagen AG receives notification from DBRS that DBRS has determined Volkswagen AG's capacity for timely payment of financial commitments would no longer equal a long-term rating for unsecured and unguaranteed debt of at least "BBB(high)" from DBRS.

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Cash Collateral Account

- **General Cash Collateral Account [1.45]% of the Notes balance**

- The initial General Cash Collateral Account will be £[●] and will be funded on the Issue Date
- After the Issue Date, the General Cash Collateral Account will be replenished up to the Specified General Cash Collateral Account Balance, which is equal to the greater of (a) [1.45]% of the aggregate nominal amount of the Notes outstanding as at the end of the Monthly Period and, (b) the lesser of (i) [1.0]% of the initial nominal amount of the Notes, and (ii) the aggregate nominal amount of the Notes outstanding as of the end of the Monthly Period
- The General Cash Collateral Amount provides liquidity enhancement to ensure timely payment of interest and senior expenses, and credit enhancement by covering losses at the earlier of (i) the legal final maturity, and (ii) when the aggregate discounted receivables balance is zero
- On each Payment Date following the occurrence of an Enforcement Event, the General Cash Collateral Amount and the balance standing to the credit of the Interest Compensation Ledger and the Retained Profit Ledger shall be applied in accordance with the Trust Agreement

- **Interest Compensation Available Amount**

- The Issuer will be compensated for interest shortfalls suffered as a result of Early Settlement of Purchased Receivables (in particular for Purchased Receivables purchased above par). Any such interest shortfall is calculated on each Payment Date (the "Interest Compensation Required Amount")
- On each Payment Date, an amount (the "Interest Compensation Required Amount") will be transferred to the Available Distribution Amount
- Such Interest Compensation Required Amount will be funded (a) first via an amount equal to [1.3]% divided by 12 (a portion of the Discount Rate) of the Future Discounted Receivables Balance (the "Interest Compensation Available Amount") and (b) second to the extent the calculated Interest Compensation Available Amount is insufficient to cover any Interest Compensation Required Amount ("Interest Compensation Interim Amount"), then an amount equal to the negative difference shall be classified as the "Interest Compensation Shortfall Amount". If the Interest Compensation Interim Amount is positive then such positive amount shall be classified as "Interest Compensation Surplus Amount" which may be released to VWFS or the Issuer
- If an Interest Compensation Shortfall Amount exists, a drawing from the Interest Compensation Ledger shall be made to clear this, until the balance of the Interest Compensation Ledger is equal to zero and such amount shall be classified as "Interest Compensation Shortfall Redemption Amount"
- VWFS shall initially fund the Interest Compensation Ledger with an amount of £[4.0]m. The Interest Compensation Ledger will be available to pay the Interest Compensation Shortfall Redemption Amount on any Payment Date
- If there is an Interest Compensation Surplus Amount, it could be used towards meeting the Buffer Top-Up Shortfall Amount as Buffer Top-Up Amount

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Swap Agreement

Swap Procedure

- At closing, two interest rate swaps will be in place between Driver UK ten and a suitably rated bank as Swap Counterparty, switching the fixed rate from the loan receivables into floating rate payments
- The swaps cover the interest payments due on the Class A Notes and Class B Notes through two separate fixed / floating interest rate swaps, thus hedging the floating interest rate risk on the applicable Class of Notes
- Both swaps are fully balance guaranteed and therefore cover interest rate risks due to prepayments
- In case the Swap Counterparty's ratings would be downgraded below the minimum required ratings (standard downgrade language), the Swap Counterparty will either:
 - have its obligations guaranteed by a suitably rated party;
 - be required to provide collateral; or
 - be replaced.

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Discount Rate

Discount Rate

- Any Loan Receivable is discounted by applying the same discount rate at closing, which equals:
 - Estimated weighted average fixed rate* under the Swap Agreements (assuming a theoretical swap agreement for the Subordinated Loan); plus
 - [1.00]% Servicing Fee; plus
 - [0.03]% for Senior Expenses; plus
 - [1.30]% for the Interest Compensation Rate.

Source: Driver UK ten Preliminary Prospectus

*The fixed swap rate includes the margin of the notes over SONIA, to be determined on pricing date

Weighted Average Life of the Notes (*)

Scenarios

Prepayment Rate	Class A Notes			Class B Notes		
	Weighted Average Life (in years)	First Principal Payment in Month	Expected Maturity	Weighted Average Life (in years)	First Principal Payment in Month	Expected Maturity
0%	2.66	May-2026	Sep-2029	3.08	Mar-2027	Sep-2029
10%	2.37	May-2026	Aug-2029	2.76	Nov-2026	Aug-2029
20%	2.13	May-2026	Aug-2029	2.48	Sep-2026	Aug-2029
30%	1.89	May-2026	Jun-2029	2.20	Aug-2026	Jun-2029
40%	1.68	May-2026	Feb-2029	1.93	Jul-2026	Feb-2029

Source: Driver UK ten Preliminary Prospectus

* No Losses; Clean-up Call at 10.00% (for further assumptions refer to Prospectus)

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Thank you!

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