

CREDIT OPINION

5 February 2026

Pre-Sale

Send Your Feedback

Closing date

[•] 2026

TABLE OF CONTENTS

Capital structure	1
Summary	1
Credit strengths	2
Credit challenges	3
Key characteristics	4
Asset description	6
Asset analysis	17
Securitisation structure description	22
Securitisation structure analysis	27
ESG considerations	30
Methodology and monitoring	31
Modeling assumptions	32

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**Driver UK Multi-Compartment S.A.,
Compartment Driver UK 11**

Pre-Sale – Volkswagen Financial Services (UK) Limited to issue auto lease transaction in the UK

Capital structure

Exhibit 1

Provisional (P) ratings

Series	Rating	Amount (million)	% of assets	Legal final maturity	Coupon	Subordination (1)	Reserve fund (2)	Total credit enhancement (3)
Class A	(P) Aaa (sf)	£[•]	75.20%	Sep-33	Sonia+[•]%	24.80%	1.22%	26.02%
Class B	(P) Aa3 (sf)	£[•]	8.80%	Sep-33	Sonia+[•]%	16.00%	1.22%	17.22%
Subordinated loan	NR	£[•]	10.00%		[•]%	6.00%	N/A	N/A
Total liabilities		£[•]	94.00%					
Over-collateralisation		£[•]	6.00%					
Total portfolio		£[•]	100.00%					

(1) At closing (includes over-collateralisation).

(2) As a percentage of total assets balance.

(3) No benefit attributed to excess spread.

Sources: Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus, Moody's Ratings

Summary

Driver UK Multi-Compartment S.A., Compartment Driver UK 11 is a cash securitisation of hire purchase (HP), personal contract purchase (PCP) and lease purchase (LP) receivables including the associated residual value (RV) cash flows. The receivables were originated in the UK by Volkswagen Financial Services (UK) Limited (VWFS UK), which also acts as the servicer. The issued series features a six-month revolving period.

The portfolio consists of 20,602 auto financing contracts extended to 20,566 prime borrowers. The pool balance as of 30 November 2025 is £500.0 million.

Our analysis focused, among other factors, on (1) an evaluation of the underlying portfolio of receivables; (2) historical performance on losses and recoveries from Q3 2002 to Q4 2025; (3) the credit enhancement provided by subordination and cash reserve; (4) the liquidity

This pre-sale report addresses the structure and characteristics of the proposed transaction based on the information provided to Moody's as of 5 February 2026. Investors should be aware that certain issues concerning this transaction have yet to be finalized. Upon conclusive review of all documents and legal information as well as any subsequent changes in information, Moody's will endeavor to change the ratings for this transaction from provisional to definitive. The definitive ratings may differ from the provisional ratings set forth in this report. Moody's will disseminate such definitive ratings through publication on ratings.moodys.com. This report does not constitute an offer to sell or a solicitation of an offer to buy any securities, and it may not be used or circulated in connection with any such offer or solicitation.

support available in the transaction by way of the cash fund and principal to pay interest; and (5) the legal and structural aspects of the transaction.

Credit strengths

- » **Granular portfolio composition:** The portfolio is highly granular, with the largest obligor accounting for only 0.06% of the pool and the top 20 obligors together representing 0.89%. It also benefits from broad geographical diversification across the UK. (See "Asset description - Assets as of the cut-off date - Pool characteristics")
- » **Extensive historical data provided:** We received extensive historical performance data for the portfolio. The gross and net loss series span a long observation period from Q3 2002 to Q4 2025, covering multiple economic cycles, including the 2009 UK recession. In addition, dynamic delinquency data has been provided from July 2002 through October 2025. (See "Asset description - Assets as of the cut-off date - Originator and servicer")
- » **Financial strength of Volkswagen Financial Services AG:** Volkswagen Financial Services AG (Baa1/P-2), the parent company of VWFS UK, serves as a strong institutional anchor for the transaction. VWFS UK acts as both originator and servicer, and the parent's solid credit profile reduces the risk of operational disruption, including potential interruptions in portfolio servicing over the life of the deal. In addition, VWFS UK brings extensive experience in originating and servicing auto loan and lease portfolios, further supporting the operational stability of the transaction. (See "Asset analysis - Additional asset analysis - Origination/servicing quality")
- » **Credit enhancement:** The transaction benefits from multiple layers of credit enhancement, including (i) subordination of the notes, (ii) a subordinated loan, (iii) initial over-collateralisation, and (iv) the build-up of further over-collateralisation during the revolving period. In addition, the reserve fund offers limited credit enhancement by providing liquidity for interest payments and senior fees throughout the life of the transaction. The reserve fund is only available to cover principal shortfalls at the end of the transaction. (See "Securitisation structure description - Detailed description of the structure - Components of credit enhancement")
- » **Securitisation experience:** Volkswagen Financial Services AG, the originator's parent company, has over 25 years of securitisation experience across multiple European jurisdictions. (See "Asset analysis - Additional asset analysis - Origination/servicing quality")

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Credit challenges

- » **Residual value (RV) risk:** Personal contract purchase (PCP) agreements include a final balloon payment and give obligors the option to return the vehicle at contract maturity instead of settling the full amount. The transaction is therefore exposed to residual value (RV) risk, reflecting potential losses arising from declines in used car market prices when returned vehicles are sold. PCP contracts account for 91.1% of the portfolio, with RV receivables representing 53%. This RV risk is mitigated by a guarantee from VWFS UK, which covers RV losses for as long as the guarantor remains in operation. (See "Securitisation structure analysis - Primary structural analysis - Residual value risk approach")
- » **High degree of linkage to VWFS UK:** VWFS UK acts as the servicer of the transaction, and no backup servicer or facilitator is appointed in advance of a servicer disruption event. Nevertheless, operational risk is considered limited given the size and financial strength of its parent, Volkswagen Financial Services AG (Baa1/P2), the liquidity available through the reserve fund, and the fact that the portfolio consists of a standard asset class. (See "Asset description - Assets as of the cut-off date - Originator and servicer")
- » **Commingling risk:** The servicer is permitted to commingle collections, including customer instalments and proceeds from vehicle disposals, with its own funds until these amounts are transferred to the issuer. As a result, portfolio cash flows are exposed to commingling risk and the possibility of loss in the event of a servicer insolvency. However, this risk is significantly mitigated by the structural protections in place and the financial strength of the servicer's parent, Volkswagen Financial Services AG. (See "Asset analysis - Primary asset analysis - Commingling risk")
- » **Revolving structure:** The transaction includes a six-months revolving period during which the issuer may acquire additional leases. While the incorporation of new portfolios during this phase may introduce added performance volatility, the replenishment criteria are designed to prevent any material deterioration in the pool's credit characteristics. (See "Securitisation structure analysis - Additional structural analysis - Revolving master structure")

Key characteristics

The exhibit below describes the main asset characteristics of the portfolio. WA and WAL stand for weighted average and weighted average life, respectively.

Exhibit 2

Asset characteristics

Seller/Originator:	Volkswagen Financial Services (UK) Limited (VWFS UK)
Servicer:	Volkswagen Financial Services (UK) Limited (VWFS UK)
Receivables:	Hire purchase, lease purchase and PCP receivables (including the related residual value cash flows) from predominantly individual obligors located in the UK
Total amount:	£500,007,315.7
Length of revolving period:	6 months
Number of contracts:	20,602
Number of obligors:	20,566
Contract amortisation type:	Hire purchase agreements: amortising PCP: amortising with final balloon installments and residual value cash flows LP: amortising with final balloon installments
Obligors concentration:	Top 1: 0.06%; Top 10: 0.50%; Top 15: 0.70%; Top 20: 0.89%
Type of obligors in %:	89.8% retail and 10.2% corporate
Status of vehicles:	53.0% new and 47.0% used
WA remaining term in years:	3.4
WA seasoning in months:	6.4
WAL of portfolio in years (excl. prepayments):	2.6
WA portfolio interest rate:	9.3%
Delinquency status:	No delinquent accounts
Cumulative net loss rate observed:	Whole book cumulative average vintage value between Q3 2002 - Q4 2025: 0.8%
Delinquencies:	Average monthly delinquencies between July 2002 - October 2025: 0.22% (60-90 days)
Cumulative net loss (modelled)	0.9%, lower than peer group in the EMEA auto ABS market
Aaa PCE (modelled):	7.5%, lower than peer group in the EMEA auto ABS market (implied coefficient of variation of 65.8%)
Aaa RV haircut:	38.5%, lower than peer group in the EMEA auto ABS market

Sources: Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus, Moody's Ratings

The exhibit below shows the counterparties associated with the transaction. N/A stands for those counterparties that do not apply to the transaction.

Exhibit 3

Securitisation structure characteristics

Transaction parties	At closing
Issuer:	Driver UK Multi-Compartment S.A., Compartment Driver UK 11
Back-up servicer:	N/A
Back-up servicer facilitator:	N/A
Cash manager:	Deutsche Bank AG, London Branch (A1(cr)/P-1(cr))
Back-up cash manager:	N/A
Back-up calculation/ computational agent:	N/A
Swap counterparty:	[•]
Issuer account bank:	Deutsche Bank AG, London Branch (A1(cr)/P-1(cr))
Collection account bank:	Deutsche Bank AG, London Branch (A1(cr)/P-1(cr))
Paying agent:	Deutsche Bank AG, London Branch (A1(cr)/P-1(cr))
Note trustee:	CSC Trustees GmbH
Corporate services provider:	Circumference FS (Luxembourg) S.A.
Arranger:	Lloyds Bank Corporate Markets plc (A1/P-1; A1(cr)/P-1(cr))
Joint Lead manager(s):	Mizuho Bank, Ltd (A1/P-1 deposit ratings; A1(cr)/P-1(cr)); Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH; Wells Fargo Securities International Limited
Liabilities, credit Enhancement and liquidity	
Annualised excess spread at closing:	[0.00]%
Credit enhancement/reserves:	Subordination of notes; Subordinated loan granted by VWFS UK; Minimum over-collateralization of 6.0% at closing increasing over the revolving period; Amortising reserve fund representing 1.45% of Class A and B notes
Form of liquidity:	Reserve fund; principal to pay interest mechanism
Number of interest payments covered by liquidity:	3.6 months
Interest payments:	Monthly in arrears on each payment date
Principal payments:	Pass-through on each payment date
Payment dates:	25th calendar day of each month First payment date: 27 April 2026
Hedging arrangements:	Fixed-floating interest rate swap

Sources: Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus, Moody's Ratings

Asset description

The securitised assets comprise monthly-paying hire purchase (HP), personal contract purchase (PCP) and lease purchase (LP) receivables, together with the associated residual value (RV) receivables, all originated by Volkswagen Financial Services (UK) Limited (VWFS UK). The majority of contracts were granted to retail obligors (89.8%), with the remaining 10.2% extended to corporate obligors in the UK.

Hire purchase (HP) agreements: Under hire purchase (HP) agreements, legal title to the vehicle remains with the lender until the borrower makes the final instalment, at which point ownership transfers to the purchaser. All HP contracts included in the pool are fully amortising and bear a fixed interest rate.

Personal contract purchase (PCP) agreements: Personal contract purchase (PCP) agreements are secured through retention of title in the financed vehicle and comprise a fixed-rate amortising instalment schedule combined with an optional final balloon payment. At maturity, the obligor may either settle the balloon amount and retain the vehicle or, alternatively, return the vehicle to VWFS UK instead of making the final payment, provided it is in acceptable condition and within the agreed mileage limits. In the case of a vehicle return, VWFS UK undertakes to sell the vehicle and transfer the net sale proceeds to the issuer.

Both HP and PCP agreements may be subject to voluntary termination, pursuant to the Consumer Credit Act (CCA).

Voluntary terminations: Under section 99 of the Consumer Credit Act (CCA), the lessee may terminate the underlying agreement and return the vehicle to the originator once they have paid at least half of the total amount payable (including any deposit). To exercise this right, the lessee must notify the originator and return the vehicle, at their own expense, to a location reasonably specified by the originator..

In such a case, the lessor is entitled to:

- » All arrears of payments due and damages incurred for any other breach of the contract by the lessee prior to such termination.
- » The amount (if any) by which one half of the total amount which would have been payable under the contract if it had run its course (including any deposit) exceeds the amounts already paid by the borrower and amounts due under the contract immediately before exercise by the lessee of its statutory right of termination.
- » Possession of the relevant vehicle subject to the contract being terminated.
- » Any other sums due but unpaid by the lessee under the lease contract.

Voluntary terminations transfer the residual value (RV) risk to the lessor, as the vehicle is returned and the lessor becomes exposed to fluctuations in its market resale value.

Lease purchase (LP) agreements: Under lease purchase (LP) agreements, legal title to the vehicle remains with the lender until the borrower makes the final instalment, at which point ownership transfers to the purchaser. All LP contracts included in the pool are fully amortising and bear a fixed interest rate but include a larger final 'balloon' rental payment due at the end of the contract term.

Assets as of the cut-off date

Data and information on the portfolio set out in this report is based on the pool as of 30 November 2025.

Pool characteristics

The discounted outstanding balance of the portfolio is £500.0 million, comprising 20,602 receivables. The pool is secured by a mix of new and used vehicles, with approximately 53.0% of contracts financing new cars and 47.0% financing used cars. Vehicle concentration is primarily in the Audi (32.6%) and Volkswagen (28.7%) brands. Portfolio cash flows consist of fixed-instalment payments over the life of the contracts and residual-value (RV) proceeds realised at contract maturity.

As is typical for UK auto-finance contracts, legal title to the vehicle remains with the lender until the obligor makes the final payment under the agreement. Further characteristics of the pool include:

- » The maximum contract term is 72 months.

- » 8.3% of the receivables are hire purchase (HP) agreements and 91.1% are personal contract purchase (PCP) agreements.
- » Certain contracts benefit from manufacturer or dealer subsidies. However, these subsidies are not securitised, and subsidised contracts are sold to the issuer at the same discount rate as non-subsidised contracts.
- » Prepayments are also permitted.

The exhibit below summarises additional information of the portfolio.

Exhibit 4

Additional information on asset characteristics

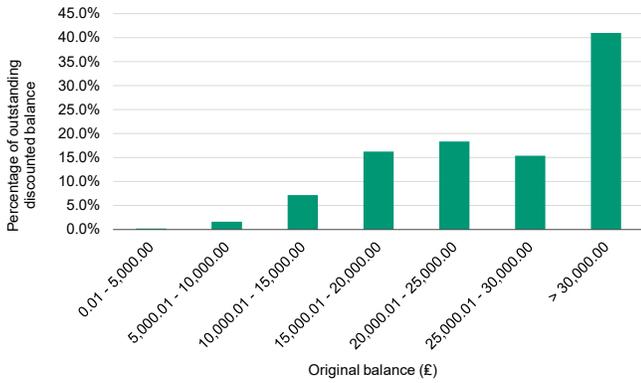
Average discounted outstanding balance	£24,269.8
Geographic concentration	
1st largest region	Scotland (15.6%)
2nd largest region	South East England (14.5%)
3rd largest region	North West England (12.7%)
Manufacturer distribution	
Largest manufacturer	Audi (32.6%)
2nd largest manufacturer	Volkswagen (28.7%)
3rd largest manufacturer	Porsche (10.7%)
Lessee concentration	
Top 1 lessee concentration	0.06%
Top 10 lessee concentration	0.50%
Top 15 lessee concentration	0.70%
Top 20 lessee concentration	0.89%

Source: VWFS UK

The exhibits below describe the portfolio breakdown by initial and outstanding balance.

Exhibit 5

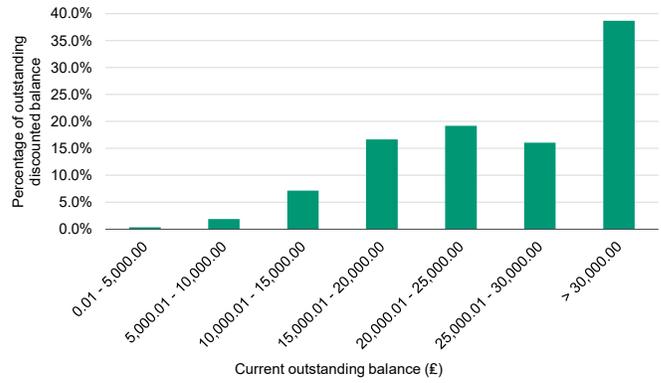
Portfolio breakdown by initial balance



Source: VWFS UK

Exhibit 6

Portfolio breakdown by outstanding balance

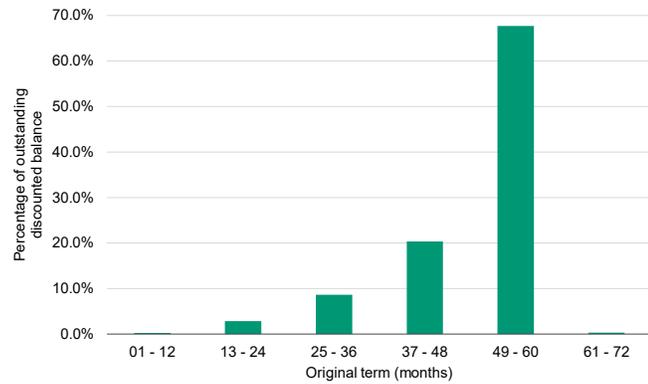


Source: VWFS UK

The exhibits below show the portfolio breakdown by original and remaining terms in months.

Exhibit 7

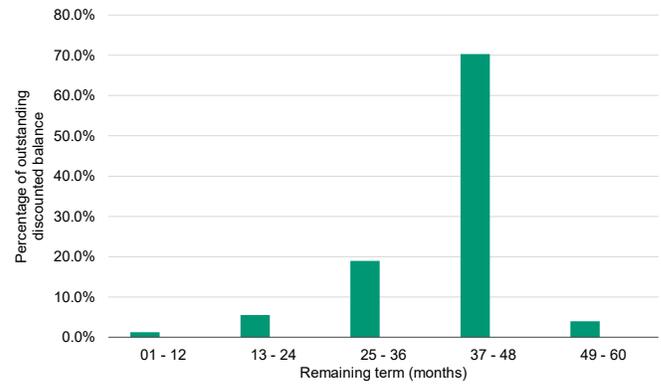
Portfolio breakdown by original terms in months



Source: VWFS UK

Exhibit 8

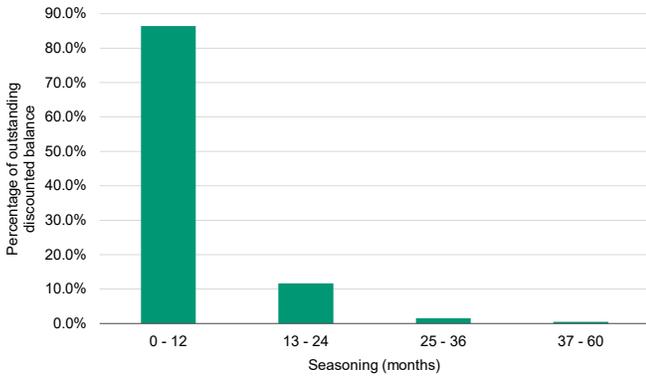
Portfolio breakdown by remaining terms in months



Source: VWFS UK

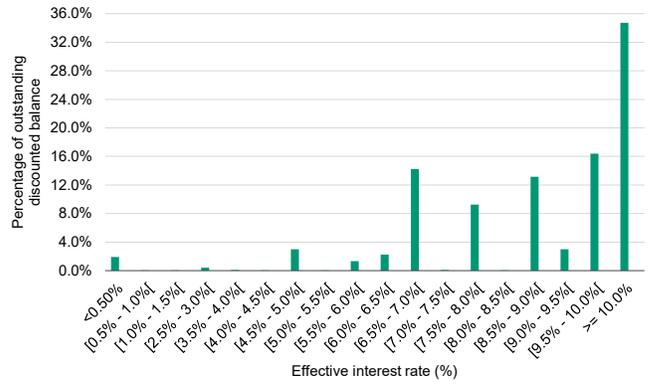
The exhibits below show the portfolio breakdown by seasoning in months and effective interest rate.

Exhibit 9
Portfolio breakdown by seasoning in months



Source: VWFS UK

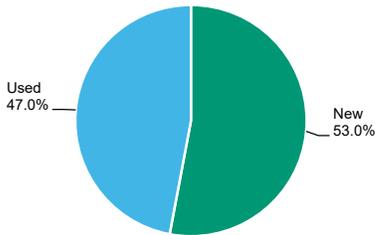
Exhibit 10
Portfolio breakdown by effective interest rate



Source: VWFS UK

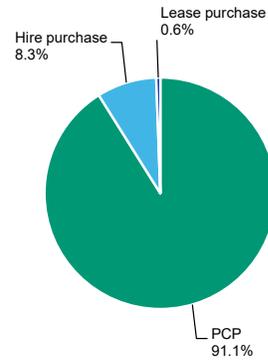
The exhibits below show the portfolio breakdown by vehicle and product type.

Exhibit 11
Portfolio breakdown by vehicle type



Source: VWFS UK

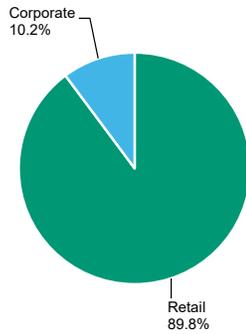
Exhibit 12
Portfolio breakdown by product type



Source: VWFS UK

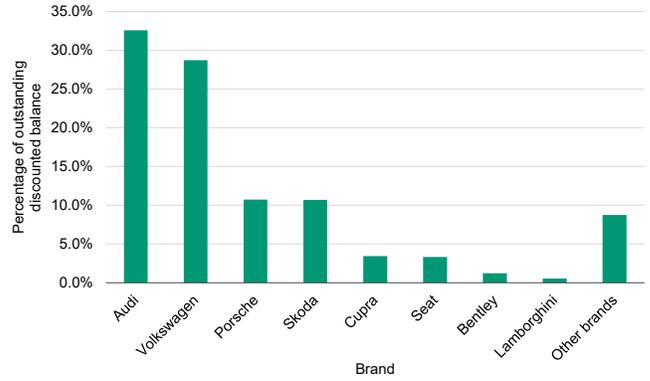
The exhibits below show the portfolio breakdown by borrower type and vehicle brand.

Exhibit 13
Portfolio breakdown by borrower type



Source: VWFS UK

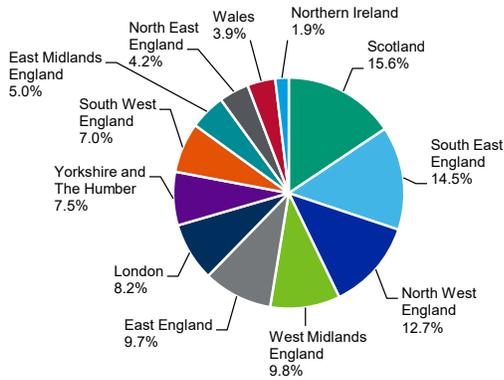
Exhibit 14
Portfolio breakdown by vehicle brand



Source: VWFS UK

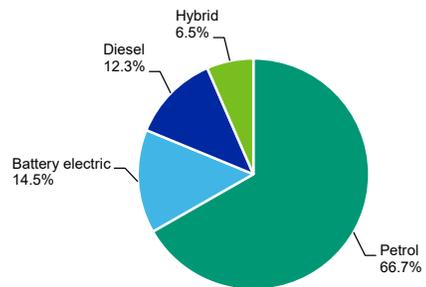
The exhibits below show the portfolio breakdown by region concentration and fuel type

Exhibit 15
Portfolio breakdown by region concentration



Source: VWFS UK

Exhibit 16
Portfolio breakdown by fuel type

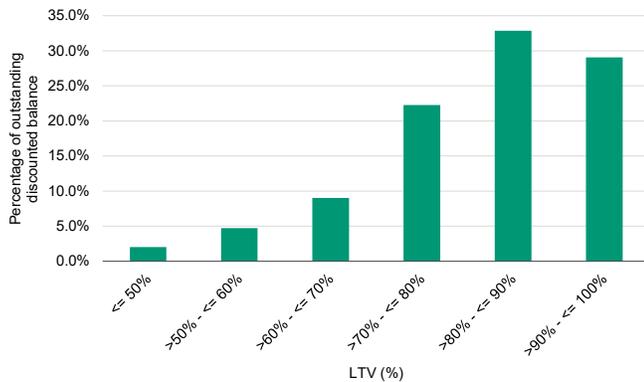


Source: VWFS UK

The exhibits below show the portfolio breakdown by loan to value and down payments.

Exhibit 17

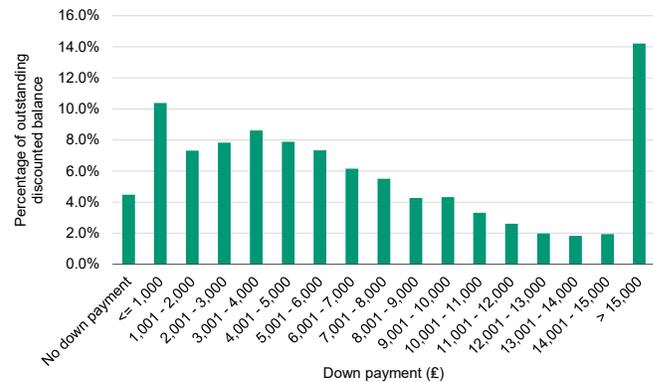
Portfolio breakdown by loan to value (LTV)



Source: VWFS UK

Exhibit 18

Portfolio breakdown by downpayment



Source: VWFS UK

Eligibility criteria

The key eligibility criteria are as follows:

- » The purchase of receivables must not cause the aggregate discounted receivables balance to exceed the following concentration limits:
 - Used vehicles – 60.0%;
 - PCP used contracts – 55.0%;
 - Under financing contracts for non-VW group brand vehicles – 10.0%.
- » None of the obligors are an affiliate of the seller;
- » Financing contracts must be entered into exclusively with obligors which, if they are corporate entities have their registered office in England, Scotland, Northern Ireland or Wales or, if they are individuals have their place of residence in England, Scotland, Northern Ireland or Wales;
- » No pending bankruptcy or insolvency proceedings are initiated against any of the obligors (according to the seller's records);
- » Purchased receivables are denominated and payable in Sterling;
- » No purchased receivable is overdue;
- » Financing contracts must be governed by the laws of England and Wales, Northern Ireland, or Scotland, depending on where the obligor is resident or incorporated;
- » Financing contracts constitute legal valid, binding and enforceable agreements with full recourse to the obligor;
- » The status and enforceability of the purchased receivables must not be impaired by warranty claims or any other rights of the obligor, even if such defences or rights were known or could have been known on the cut-off date;
- » The status and enforceability of the purchased receivables must not be impaired by set-off rights, and no obligor should maintain deposits on accounts with VWFS UK;
- » The seller must be able to dispose of the purchased receivables free of third-party rights, and to the best of the seller's knowledge, the receivables must not be in a condition that could adversely affect the enforceability of the assignment;
- » The seller is the legal and beneficial owner, free from any security interest, of the purchased receivables;

- » At least one instalment has been paid on each purchased receivable as of the relevant cut-off date;
- » Purchased receivables require substantially equal monthly payments within 72 months from origination;
- » Financing contracts may allow for a final balloon payment;
- » Financing contract terms require the obligor to pay all insurance, repair/maintenance, and taxes related to the vehicle;
- » The vehicle is not recorded by the servicer on the purchase date as having been (a) a total loss for insurance purposes or (b) stolen;
- » Purchase of receivables must not result in the aggregate discounted receivables balance from financing contracts with the same obligor exceeding 0.5% of the total aggregate discounted receivables balance;
- » Each purchased receivable must mature no earlier than 6 months and no later than 71 months after the cut-off date;
- » The obligor is not considered unlikely to pay or past due by more than 90 days on any material credit obligation to VWFS UK;
- » The obligor is not credit-impaired, meaning:
 - Has not been declared insolvent or undergone debt restructuring within three years prior to transfer of purchased receivables;
 - Was not on a public or other available credit registry with adverse history at origination;
 - Does not have a credit assessment or score indicating significantly higher payment risk compared to non-securitised receivables.

Originator and servicer

VWFS UK acts as the originator and servicer in Driver UK Multi-Compartment S.A., Compartment Driver UK 11.

VWFS UK originates hire purchase (HP), personal contract purchase (PCP) and lease purchase (LP) agreements directly for individuals and small businesses in the UK. These products are strictly financing arrangements and do not include any ancillary services such as maintenance, taxes, insurance, tyre management or vehicle repair.

The origination process is highly automated. A credit scoring system is used to assess borrower risk, incorporating (1) external credit bureau data, often from two bureaus, (2) internal payment behaviour for returning customers, (3) the borrower's debt history, and (4) fraud screening information. The underwriting process follows market standard practices..

VWFS UK has a collections management team of 40 employees. All team members are fully trained to Financial Conduct Authority (FCA) standards and operate with a focus on achieving fair and appropriate customer outcomes while safeguarding the business. Senior customer service and collections staff typically have at least two years' experience, alongside broader operational experience within VWFS UK.

Collections activities are managed centrally from an internal collections centre. The process relies predominantly on direct-debit payments and early stage arrears management is largely automated.

The exhibit below summarises the main characteristics of the originator or servicer in the transaction.

Exhibit 19

Originator profile, servicer profile and operating risks

Date of operations review:	Jan-26
Originator background:	
Rating:	NR
Financial institution group outlook for the banking sector (UK):	N/A
Ownership structure:	N/A
Asset size:	N/A
% of total book securitised:	N/A
Transaction as % of total book:	N/A
% of transaction retained:	N/A
Servicer background:	
Rating:	NR
Regulated by:	N/A
Total number of receivables serviced:	N/A
Number of staff:	N/A
Method of payment of lessees in the pool:	N/A
% of obligors with account at originator:	N/A
Distribution of payment dates:	N/A

Sources: VWFS UK, Moody's Ratings

The exhibit below summarises the originator practices.

Exhibit 20

Summary of originator practices

Originator practices	At closing
Sales and marketing practices	
Origination channels:	N/A
Origination volumes:	N/A
Role of dealer:	N/A
Underwriting procedures	
% of Loans automatically underwritten:	N/A
Source of credit history checks:	N/A
Income and expenses taken into affordability calculations:	N/A
Maximum loan size:	N/A
Minimum deposit required:	N/A
Quality controls and audits	
Operational audits of the underwriting processes (frequency and entity responsible):	N/A

Source: VWFS UK

The exhibit below summarises the servicer practices.

Exhibit 21

Summary of servicer practices

Servicer practices	At closing
Early arrears management	N/A
Entities involved in loan administration:	N/A
Early stage arrears practices:	N/A
Loss mitigation and asset management practices	N/A
Timing of transfer of a loan to late stage arrears:	N/A
Entities involved and practices:	N/A
Time from first default to litigation /sale:	N/A
Channel used to sell repossessed vehicles:	N/A
Average total recovery rate (after vehicle sale):	N/A
Quality control and audit	N/A
Responsibility of quality assurance:	N/A

Source: VWFS UK

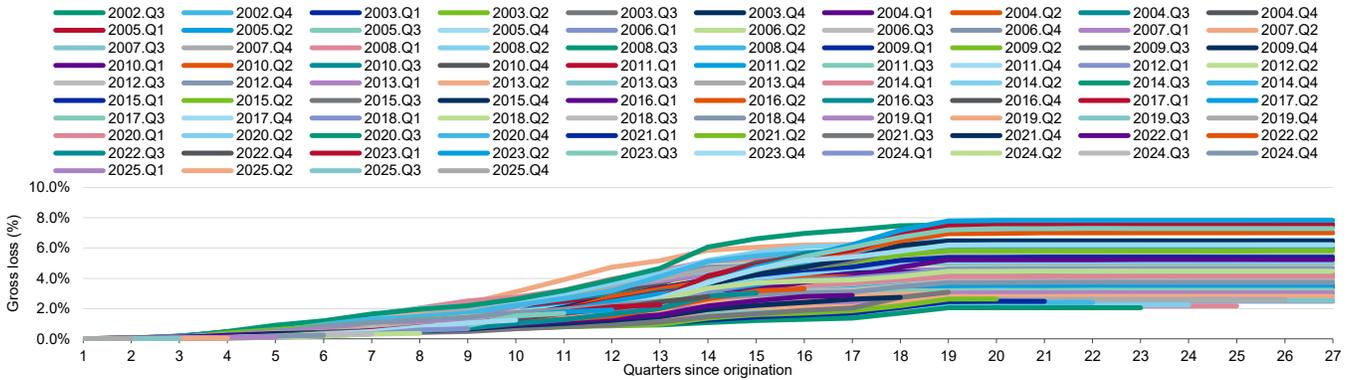
The originator provided comprehensive quarterly gross and net loss data covering the period from Q3 2002 to Q4 2025, segmented by (1) hostile versus voluntary terminations, (2) new versus used vehicles, (3) product type (PCP, HP, LP), and (4) matured versus settled contracts. In addition, delinquency data were supplied for the period from July 2002 to October 2025.

Based on our review, the depth and historical breadth of the dataset are adequate and consistent with transactions achieving high investment-grade ratings in comparable European auto ABS markets. The weighted-average original contractual term of the agreements is approximately 3.9 years, with a maximum tenor of six years.

The exhibits below show cumulative gross and net losses for the period Q3 - 2002 to Q4 - 2025, split by used and new cars.

Exhibit 22

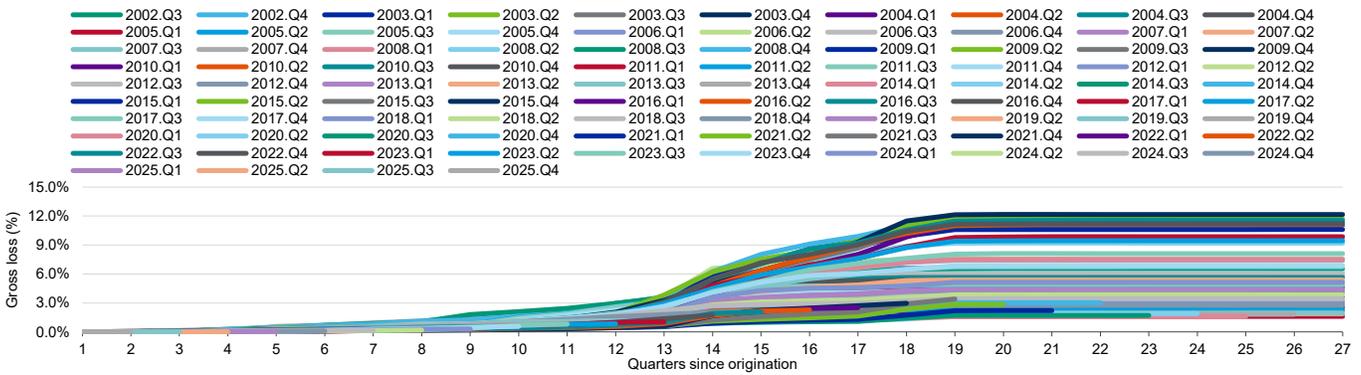
Vintage gross loss data of used cars of the total portfolio for the period Q3 - 2002 to Q4 - 2025



Source: VWFS UK

Exhibit 23

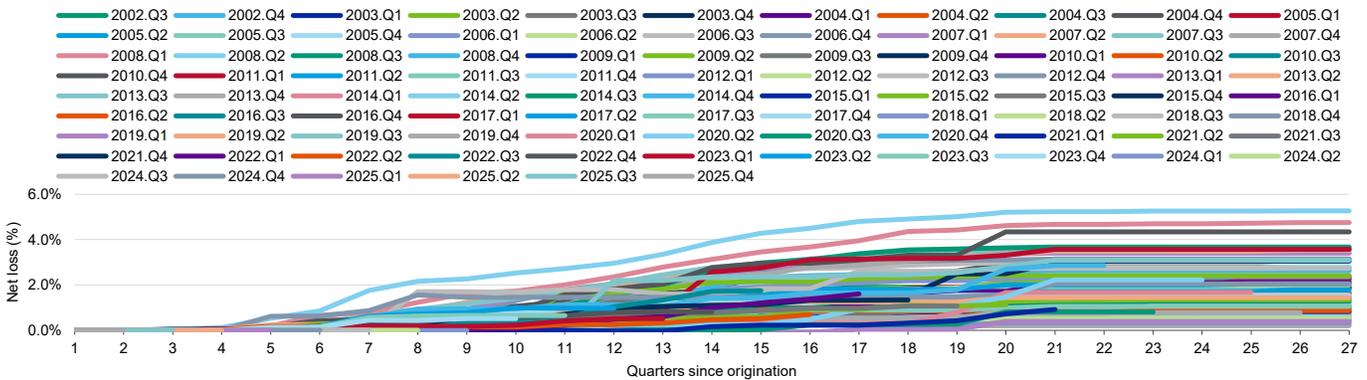
Vintage gross loss data for new cars of the total portfolio for the period Q3 - 2002 to Q4 - 2025



Source: VWFS UK

Exhibit 24

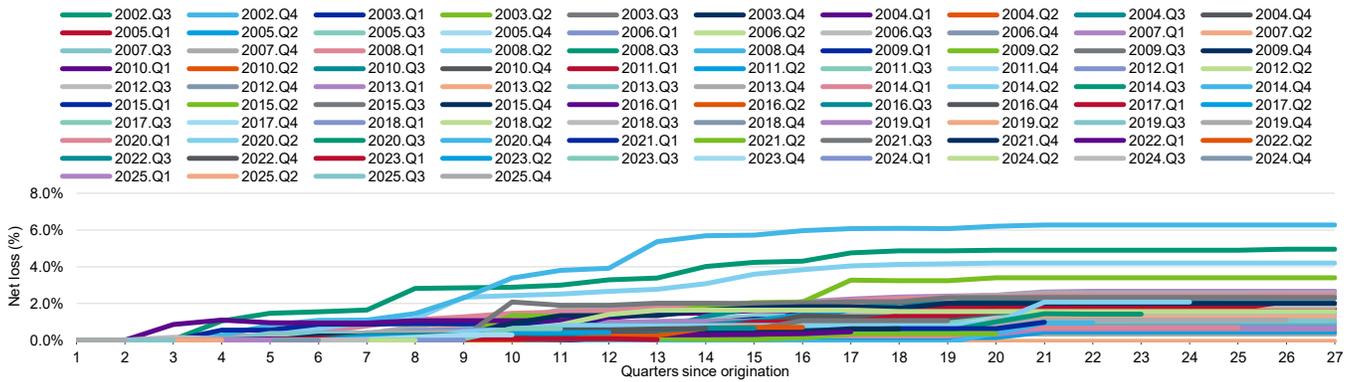
Vintage net loss data of used cars of the total portfolio for the period Q3 - 2002 to Q4 - 2025



Source: VWFS UK

Exhibit 25

Vintage net loss data for new cars of the total portfolio for the period Q3 - 2002 to Q4 - 2025



Source: VWFS UK

Revolving period and replenishment criteria

The structure incorporates an initial revolving period of up to six months, during which the seller may add further receivables to the pool on a monthly basis, subject to the transaction's eligibility and concentration limits. The revolving feature exposes noteholders to additional credit risk, as portfolio performance and credit characteristics may evolve during this period.

Asset analysis

Primary asset analysis

Our analysis of the credit quality of the assets includes an examination of the lease loss distribution of the pool, based on our assumptions and historical data. We apply a two-stage approach to modelling transactions with RV risk. In the first step, which is described in this section, we model the expected loss on the notes due to obligor defaults. In the second step, additional losses resulting from RV risk are modelled based on the RV haircuts applied at contract maturity. Clearly a contract that terminates before maturity owing to default is no longer exposed to RV risk. In order to avoid double counting, we determine the survivor index at each rating level. This is the proportion of contracts that do not terminate early. The RV exposure is then adjusted by this factor (See "Securitisation structure analysis - Primary structural analysis - Residual value risk approach") for details on the RV approach.

Obligors loss distribution

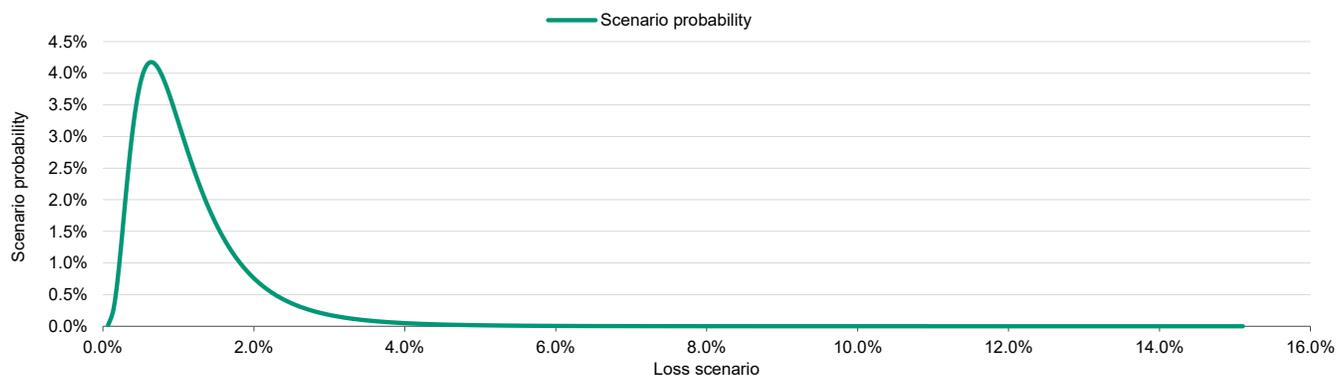
The first step in the analysis was to define a loss distribution of the pool of leases to be securitised. Because of the large number of leases, we used a continuous distribution to approximate the loss distribution: the lognormal distribution. The probability loss distribution associates a probability with each potential future loss scenario for the portfolio. This distribution has hence been applied to numerous loss scenarios on the asset side to derive the level of losses on the notes.

Two main parameters determine the shape of the loss distribution: the mean loss and the portfolio credit enhancement (PCE). The expected loss captures our expectations of performance considering the current economic outlook, while PCE captures the loss we expect the portfolio to suffer in the event of a severe recession scenario. We generally derive these parameters from the historical data; we may make adjustments based on further analytical elements such as performance trends, differences in portfolio composition or changes in servicing practices among others.

The exhibit below shows the log normal loss distribution of the portfolio.

Exhibit 26

Lease loss probability distribution



Source: Moody's Ratings

Derivation of lease loss rate expectation

The portfolio expected net loss of 0.9% is below the EMEA auto lease ABS average and is based on our assessment of the lifetime expectation for the pool, taking into account certain macroeconomic and pool-specific factors.

We primarily based our analysis on the historical cohort performance data that the originator provided for a portfolio that is representative of the portfolio. We also evaluated (1) other European market trends, (2) benchmark loan and lease transactions, and (3) other qualitative considerations.

Derivation of portfolio credit enhancement (PCE)

The PCE of 7.5% is lower than the EMEA auto lease ABS average. The PCE has been defined following the analysis of the data variability, as well as by benchmarking this portfolio with past and similar transactions. Factors that affect the potential variability of a pool's credit losses are (1) historical data variability; (2) quantity, quality and relevance of historical performance data; (3) originator quality;

(4) servicer quality; (5) certain pool characteristics, such as asset concentration; and (6) certain structural features, such as revolving periods.

Residual value risk

Residual value risk is a potential risk to the assets in the transaction. We address this risk by taking a haircut in dependence of the actual rating of the notes. (See "Securitisation structure analysis - Primary structural analysis - Residual value risk approach")

Commingling risk

VWFS UK, in its capacity as the servicer, will be entitled to commingle funds representing collections with its own funds during each monthly period in accordance with the following procedure:

- » If and as long as the monthly remittance condition is satisfied, VWFS UK will be entitled to commingle funds representing collections with its own funds during each monthly period and will be required to make a single transfer of such collections to the distribution account on the relevant payment date;
- » If the monthly remittance condition is not satisfied, VWFS UK shall for the first time advance the monthly collateral in respect of the month in which the monthly collateral start date falls to the distribution account; and
- » For any subsequent month in which the monthly remittance condition continues to not be satisfied, VWFS UK shall advance the monthly collateral to the distribution account on the relevant monthly collateral payment date falling in such month.

The monthly remittance condition is not met if:

- » Volkswagen Financial Services AG's long-term rating falls below Baa1;
- » In the chain of holdings between Volkswagen AG and the servicer either:
 - The profit and loss sharing agreement or letter of comfort ceases to exist;
 - Any company is not branded Volkswagen;
 - Volkswagen AG holds less than 75.0% of the servicer's shares.

Set-off risk

VWFS UK is a non-deposit taking institution.

Comparables

Prior transactions

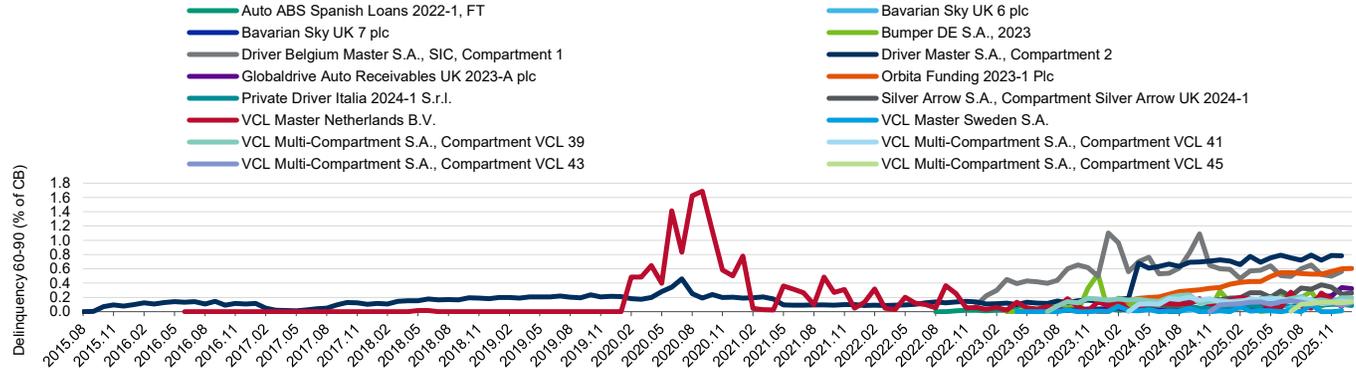
Precedent transaction performance

The performance of the originator's precedent transactions in this sector are within our expectations.

The exhibits below show the performance of precedent and similar transactions originated by subsidiaries of Volkswagen Group in Europe.

Exhibit 27

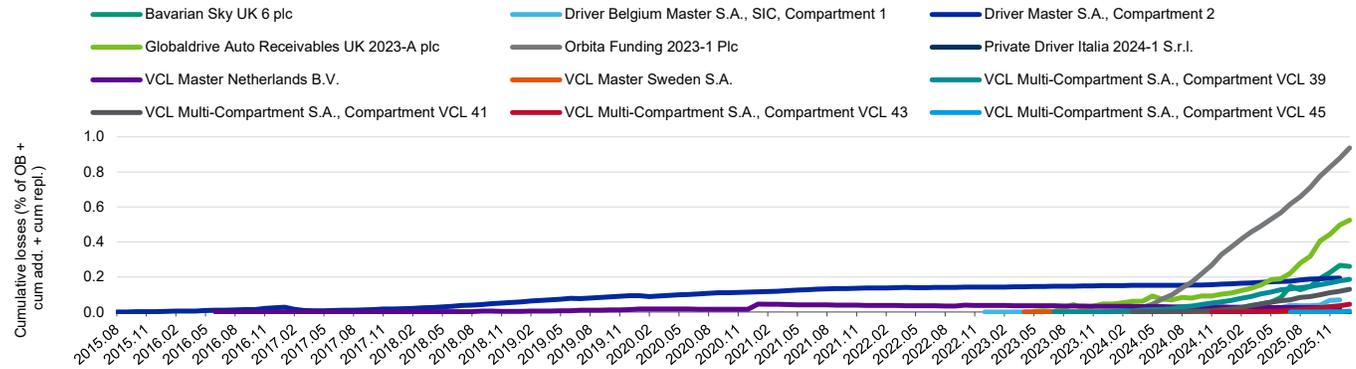
Precedent and similar transactions - delinquency 60-90 days



Sources: Moody's Ratings, periodic investor/servicer reports

Exhibit 28

Precedent and similar transactions - cumulative losses



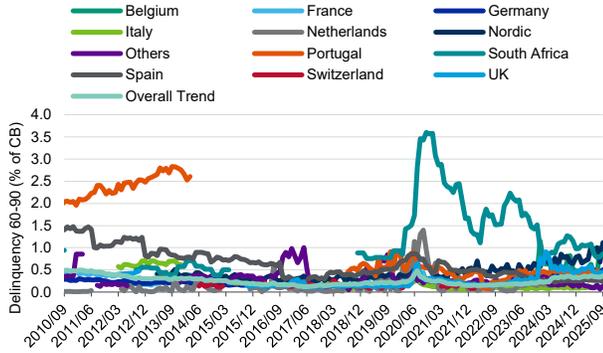
Sources: Moody's Ratings, periodic investor/servicer reports

Transactions of other seller/servicers

We have rated comparable transactions in the UK, Dutch and Swiss markets. Therefore, for benchmarking purposes, the charts below also include cumulative losses for such comparable transactions that we rate. Please note, however, that the performance shown can be affected by several factors, such as the seasoning of the loans/leases, the age of the transaction, pool-specific characteristics as well as the length of the revolving period.

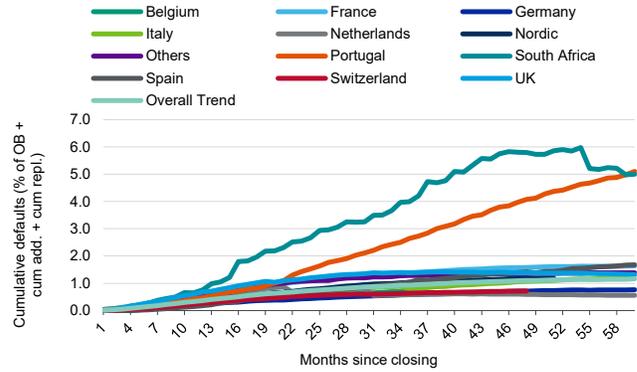
The exhibits below show the performance of comparable transactions among originators in Europe.

Exhibit 29
Auto loan and lease ABS - EMEA 60-90 days delinquency - trend by domicile



Sources: Moody's Ratings, periodic investor/servicer reports

Exhibit 30
Auto loan and lease ABS - EMEA defaults - seasoning by domicile



Sources: Moody's Ratings, periodic investor/servicer reports

The exhibit below shows a benchmark table including portfolio characteristics of comparable transactions in Europe.

Exhibit 31

Comparable transactions - asset characteristics

Deal name	Driver UK Multi-Compartment S.A., Compartment Driver UK 11	Driver UK Master S.A., Compartment 5	Bavarian Sky UK 7 plc	Pulse UK 2024 plc	Silver Arrow S.A., Compartment Silver Arrow UK 2024-1	Globaldrive Auto Receivables UK 2023-A plc
Country	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom
Closing date or rating review date (dd/mm/yyyy)	[*] 2026	25/03/2019	20/11/2025	26/11/2024	26/04/2024	24/04/2023
Currency of rated issuance	GBP	GBP	GBP	GBP	GBP	GBP
Rated notes volume (excluding NR and equity)	£[*]	£502,800,000.0	£348,000,000.0	£350,000,000.0	£412,500,000.0	£422,500,000.0
Originator/Service	Volkswagen Financial Services (UK) Limited	Volkswagen Financial Services (UK) Limited	BMW Financial Services (GB) Limited	Arval UK Limited	Mercedes-Benz Financial Services UK Limited	FCE Bank plc
Captive finance company?	Yes	Yes	Yes	No	Yes	Yes
Long-term rating	NR	NR	NR	NR	NR	Baa3
Short-term rating	NR	NR	NR	NR	NR	P-3
Securitised pool balance (total pool)	£500,007,315.7	£620,698,769.8	£400,008,965.4	£402,300,000.0	£529,999,288.1	£500,009,758.3
Average principal balance	£24,269.8	£18,864.5	£26,931.2	£6,055.5	£25,627.4	£15,078.2
WA loan to value (original LTV)	82.0%	N/A	88.1%	N/A	N/A	81.6%
Share of total pool >90% original LTV	29.1%	42.4%	48.4%	N/A	N/A	N/A
Auto loan receivables %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Auto lease receivables %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
RV receivables %	53.0%	46.7%	44.9%	0.0%	51.6%	51.8%
Portion of (fully) amortising contracts %	8.3%	7.6%	N/A	100.0%	14.8%	9.3%
Portion of bullet / balloon contracts %	91.7%	92.4%	100.0%	N/A	85.2%	90.7%
Portion of pure bullet / balloon payments %	N/A	N/A	0.0%	N/A	N/A	4.3%
Average size of balloon payment (as % of initial pool balance)	N/A	N/A	N/A	N/A	N/A	N/A
Method of payment - direct debit (minimum payment)	99.9%	99.9%	100.0%	100.0%	100.0%	99.9%
WA portfolio interest rate (Initial pool)	9.3%	6.3%	8.4%	8.0%	8.0%	2.0%
Minimum yield for additional portfolios p.a.	7.0%	N/A	7.5%	8.0%	N/A	8.0%
WAL of total pool initially (in years)	2.6	2.6	2.0	1.0	1.7	1.1
WA original term (in years)	3.9	3.9	4.0	3.5	4.0	3.1
WA seasoning (in years)	0.5	0.4	0.4	1.2	1.1	0.8
WA remaining term (in years)	3.4	3.5	3.5	2.2	2.8	2.3
No. of contracts	20,602	32,903	14,853	66,436	20,681	33,161
No. of obligors	20,566	32,793	N/A	53,938	19,912	32,660
Single obligor (group) concentration %	0.06%	0.05%	0.04%	1.72%	0.09%	0.06%
Top 5 obligor (group) concentration %	0.27%	0.22%	0.14%	3.70%	0.38%	0.23%
Top 10 obligor (group) concentration %	0.50%	0.38%	0.26%	5.17%	0.67%	0.38%
Top 20 obligor (group) concentration %	0.89%	0.66%	0.49%	7.14%	1.09%	0.56%
Private obligors %	10.2%	97.0%	100.0%	100.0%	85.1% (sole trader included as private customers)	85.2%
Retail obligors %	89.8%	N/A	N/A	N/A	N/A	N/A
Name largest manufacturer / brand	Audi	Audi	BMW	Hyundai	Mercedes-Benz PC	Ford
Name 2nd largest manufacturer / brand	Volkswagen	Volkswagen	MINI	Volkswagen	Mercedes-Benz LCV	N/A
Name 3rd largest manufacturer / brand	Porsche	Skoda	Others	Ford	Smart	N/A
Size % largest manufacturer / brand	32.6%	44.2%	60.2%	12.0%	90.3%	100.0%
Size % 2nd largest manufacturer / brand	28.7%	34.7%	22.7%	11.8%	9.6%	N/A
Size % 3rd largest manufacturer / brand	10.7%	10.3%	17.2%	9.6%	0.1%	N/A
New vehicles %	53.0%	60.4%	52.7%	100.0%	64.6%	99.7%
Name largest region	Scotland	South East	South East England	South East England	North West England	East of England
Name 2nd largest region	South East England	North West	North West England	North West England	London	South East England
Name 3rd largest region	North West England	Scotland	Scotland	East of England	South East England	North West England
Size % largest region	15.8%	21.6%	15.8%	15.8%	27.6%	14.9%
Size % 2nd largest region	14.5%	12.3%	13.8%	14.7%	11.9%	14.3%
Size % 3rd largest region	12.7%	10.7%	12.4%	12.2%	11.4%	12.8%

Sources: Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus, Moody's Ratings

Exhibit 32

Comparable transactions - asset assumptions

Deal Name	Driver UK Multi-Compartment S.A., Compartment Driver UK 11	Driver UK Master S.A., Compartment 5	Bavarian Sky UK 7 plc	Pulse UK 2024 plc	Silver Arrow S.A., Compartment Silver Arrow UK 2024-1	Globaldrive Auto Receivables UK 2023-A plc
Gross default / Net loss definition modelled	6 months	6 months	4 months	3 months	3 months	4 months
Data available for each subpool?	Yes	Yes	Yes	Yes	Yes	Yes
Period covered by vintage data (in years)	23.5	16.0	10.5	6.5	5.0	4.8
Type of default / loss distribution	Lognormal	Lognormal	Lognormal	Lognormal	Lognormal	Lognormal
Model running on defaults/losses	Losses	Losses	Defaults	Defaults	Defaults	Losses
Mean gross default/net loss rate - initial pool	0.9%	1.5%	2.0%	3.5%	2.5%	1.0%
Mean gross default/net loss rate - replenished pool	0.9%	1.5%	2.0%	3.5%	N/A	1.0%
Mean net loss rate (calculated or modelled)	0.9%	1.5%	0.9%	1.8%	1.1%	1.0%
CoV (implied)	65.8%	50.9%	67.2%	54.6%	60.7%	60.0%
Default timing curve	Sine (6-14-42)	Sine (6-15-46)	Sine (4-14-43)	Sine (3-10-31)	Sine(3-12-37)	Sine (4-10-30)
Mean recovery rate	N/A	N/A	55.0%	50.0%	55.0%	N/A
Recovery lag (in months)	N/A	N/A	5% after 3 months, 15% after 6 months, 20% after 12 months, 20% after 18 months, 20% after 24 months, 20% after 36 months	5% after 3 months, 15% after 6 months, 20% after 12 months, 20% after 18 months, 20% after 24 months, 20% after 36 months	WA recovery lag of 1.6 years	N/A
Portfolio credit enhancement (PCE)	7.5%	8.5%	7.5%	13.0%	8.5%	8.0%
PCE calibrated to	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
Conditional prepayment rate (CPR)	17.5% for first 18 months; 22.5% thereafter	15.0% first 18 months; 20.0% thereafter	15.0% for first 18 months; 20.0% thereafter	2.5% for first 18 months; 7.5% thereafter	15.0% for first 18 months; 20.0% thereafter	27.5% for first 18 months; 32.5% thereafter
Seasoning as modelled (in months)	WA seasoning of the pool	WA seasoning of the pool	N/A	N/A	N/A	N/A
Stressed fees modelled	1.0% floored at £150,000	1.0%	0.5% floored at £150,000	1.0%, with a floor of £250,000	0.1% floored at £150,000	1.0%, with a floor of £150,000
PDL definition	Defaults	Losses	Defaults	Defaults	Defaults	Losses
Assumed portfolio yield p.a. - initial pool	7.0%	5.2%	7.3%	8.0%	7.4%	8.0%
Assumed portfolio yield p.a. - additional pool	7.0%	5.2%	7.5%	8.0%	N/A	8.0%
Index rate assumed in 1st period	4.0%	1.0%	4.0%	5.0%	5.5%	4.5%
RV risk modelled?	Yes	Yes	Yes	No	Yes	Yes
RV Haircut (Aaa (sf))	38.5%	34.0%	40.0%	N/A	40.0%	44.5%

Sources: Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus, Moody's Ratings

Additional asset analysis

Originator/servicer quality

The main strengths of the servicer in this transaction are VWFS UK experience as an originator in the UK car financing market since 1994 and VWFS AG (parent) position as a market leader in its home market. In addition, VWFS AG is the captive originator of a leading European vehicle manufacturer.

Securitisation structure description

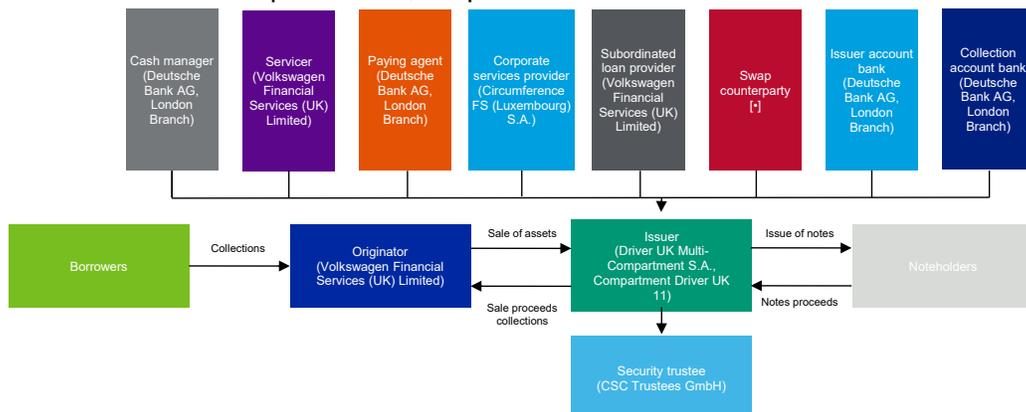
Driver UK Multi-Compartment S.A., Compartment Driver UK 11 is a revolving cash securitisation. Our review of the transaction's structural features considered the total credit enhancement available to the notes, including the capital structure subject to minimum over-collateralisation requirements that apply to further note issuance up to the programme's maximum size, as well as the target over-collateralisation levels. We also assessed the transaction triggers, the repurchase mechanism, under which additional over-collateralisation is generated through the ongoing purchase of new receivables and the allocation of collections as defined in the waterfall. Consistent with other Volkswagen-sponsored leasing transactions, the structure is designed such that the net excess spread at closing is calibrated to be close to zero.

The issuer is a special-purpose vehicle incorporated as a securitisation company under Luxembourg law. Interest on the notes is paid monthly.

Structural diagram

Below is a structural diagram for the transaction, illustrating the relationship between the issuer, Driver UK Multi-Compartment S.A., Compartment Driver UK 11 and the other transaction parties.

Exhibit 33

Structural diagram for Driver UK Multi-Compartment S.A., Compartment Driver UK 11

Source: *Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus*

Detailed description of the structure

The transaction features a senior–subordinated structure supported by a cash reserve fund. In addition, the notes issued by the issuer benefit from over-collateralisation, as the securitised asset pool exceeds the aggregate amount of funded liabilities.

Components of credit enhancement

Credit enhancement in the transaction is provided primarily through the subordination of the notes, a subordinated loan, and over-collateralisation. An additional layer of protection is offered by the cash reserve account.

Over-collateralisation

The transaction benefits from initial over-collateralisation of 6.0%, created by setting the portfolio purchase price below the net present value of the auto lease portfolio at closing. Specifically, the receivables are purchased at a 7.0% discount to the par value of the discounted receivable balance, which funds both the initial 6.0% over-collateralisation and the cash collateral account (approximately 1.2%).

Subsequently purchased assets, during the revolving period, will also be acquired at a 7.0% discount to the par value of the discounted receivable balance.

Build-up of credit enhancement

In addition, credit enhancement builds up over the life of the transaction.

(1) During the revolving period: Collections from repaid assets and amounts released to pay interest on the subordinated loan will be used to purchase new assets at an additional discount to the par value of the discounted receivable balance. This mechanism provides incremental over-collateralisation until the credit enhancement target levels (excluding the reserve fund) are reached.

(2) During the amortisation period: The redemption profile of the Class A and Class B notes is structured to further increase credit enhancement, ensuring that target levels (excluding the reserve fund) are achieved.

Allocation of payments/waterfall

On each payment date, the issuer's available funds (that is, instalments collections, vehicle realisation proceeds, interest accrued on distribution account, net swap receipts, minus the interest compensation amount plus the amounts necessary to cover shortfalls the issuer may suffer due to unscheduled prepayments) will be applied in the following simplified order of priority (pre-enforcement priority of payments):

1. Senior expenses;
2. Pay the swap counterparty for net swap or termination payments, unless they are in default or downgraded;
3. Class A notes interest and Class A notes interest shortfall from previous periods (if any);

4. Class B notes interest and Class B notes interest shortfall from previous periods (if any);
5. Cash collateral account until the specified level is reached;
6. Pay the Class A amortisation and accumulation amounts pro rata and pari passu, crediting the accumulation amount to the accumulation account during the revolving period for acquiring additional receivables;
7. Pay the Class B amortisation and accumulation amounts pro rata and pari passu, crediting the accumulation amount to the accumulation account during the revolving period for acquiring additional receivables;
8. Payments to the swap counterparty other than (2) above;
9. Pay the subordinated lender any accrued and unpaid interest on the subordinated loan, including any overdue interest;
10. Pay the subordinated lender the principal amounts until the subordinated loan's total principal is fully paid off;
11. All remaining to VWFS UK by way of a final success fee.

Allocation of payments/PDL-like mechanism: The definition of the notes required amortisation amount ensures that payments will be applied toward reducing losses of the period and previous periods.

Cash reserve

- » At closing the cash reserve is 1.45% of Class A and Class B notes.
- » Amortising to a floor of the lesser of (i) 1.00% of Classes A and B notes, and (ii) the aggregate nominal amount of the notes outstanding as of the end of the monthly period.
- » The cash reserve will be available for liquidity during the life of the transaction and available to cover defaults at the end of the transaction.
- » The reserve fund will be replenished after the interest payment of the Class A and Class B notes using the available funds in the cash flow waterfall

Performance triggers

The revolving period will stop and early amortisation will be triggered if any of the following applies:

- » The occurrence of a servicer replacement event;
- » The accumulation balance on two consecutive payment dates exceeds 15.0% of the discounted receivables balance after application of the relevant order of priority on such payment date;
- » On any payment date after three consecutive payment dates following the closing date, if the class A actual overcollateralisation percentage is below 24.55%;
- » VWFS UK ceases to be an affiliate of Volkswagen Financial Services AG, or any successor thereto;
- » The issuer does not secure a replacement swap agreement within 30 days of the swap agreement's termination, or the swap counterparty fails to post collateral;
- » An insolvency event occurs with respect to VWFS UK;
- » The occurrence of a foreclosure event; or
- » The cash collateral account has an amount less than the specified general cash collateral account balance for two consecutive payment dates.
- » The dynamic net loss ratio for three consecutive payment dates exceeds

- › 0.30% if the WA seasoning <= 12 months (inclusive)
 - › 0.75%, if the WA seasoning is between 12 months (exclusive) and 22 months (inclusive)
 - › 3.0%, if the WA seasoning is between 22 months (exclusive) and 34 months (inclusive))
 - › if the WA seasoning is greater than 34 months (exclusive)
- » The cumulative net loss ratio exceeds
 - › 0.80% if the WA seasoning <= 5 months
 - › 1.80%, if the WA seasoning is between 6 months (inclusive) and 11 months (inclusive)
 - › 4.0%, if the WA seasoning is greater than 12 months (inclusive)
 - » The late delinquency ratio exceeds 1.3% on payment date on or before 25 March 2027;
 - » Cash reserve fund is below target;
 - » Interest payment default on most senior class of notes;
 - » On any Payment Date the balance standing to the credit of the Interest Compensation Ledger is equal to zero.

Servicer related triggers

The appointment of the servicer is terminated if the following events occur:

- » Insolvency of the servicer;
- » The servicer fails to address a significant breach of a material term within 60 days, or 5 business days if unremediable, after receiving notice from the issuer;
- » Material written representation or warranty by the servicer proves incorrect and remains unremedied for 60 days, or 5 business days if unfixable, after issuer notice;
- » Failure to make payments due, if not remedied within five business days.

Other counterparty rating triggers

The issuer account bank will be replaced upon loss of the account bank's required rating of P-1 or A2.

Discounted principal balance

The issuer purchases all receivables at a discounted price, which is different from its nominal amount. The net present value (the discounted balance) of each receivable will be calculated as the contractual interest and principal payments discounted at the discount rate of 7.0%.

Excess spread

All assigned receivables will be purchased at a discount rate of 7.0%. The discount rate is sized in order to minimize net excess spread at closing, after deduction of the interest compensation rate.

Interest rate mismatch

At closing, the pool consists of 100.0% fixed-rate assets, whereas the notes are floating-rate liabilities. As a result, the issuer is subject to fixed-floating mismatch (that is, the risk that the interest rate on the notes will differ from the interest payable on this portion of the portfolio).

To mitigate the fixed-floating rate mismatch, the issuer has entered into a swap agreement.

Asset transfer/true sale/bankruptcy remoteness

The purchase of the asset portfolio is financed by the issuance of (1) Class A and B notes, and (2) a subordinated loan. The purchase is a true sale of the receivables under UK law, residual value receivables, vehicles and ancillary rights to the issuer for the benefit of the note holders.

Cash manager

[Deutsche Bank AG, London Branch](#) (A1(cr)/P-1(cr)) acts as the independent cash manager for the transaction. Its key responsibilities include executing payments in accordance with the priority of payments, drawing on the cash reserve and other available liquidity sources when needed, and performing the cash flow calculations on each monthly payment date. Potential termination events for the cash manager include insolvency and failures to perform its contractual duties that are not remedied within the specified grace period.

Lack of estimation language: The transaction documents do not include provisions allowing the cash manager to estimate payments to noteholders in the absence of the monthly servicer report. As a result, in the event of servicer disruption, the issuer may be able to rely only on the reserve fund as a source of liquidity until a substitute servicer is appointed. This risk is mitigated by: (i) the size and financial strength of the servicer's parent, Volkswagen Finance Europe B.V., and its ultimate parent, Volkswagen Financial Services AG; (ii) the adequately sized reserve fund, which is expected to cover at least 3.6 months of interest payments; and (iii) the standard nature of the auto lease portfolio, which reduces the likelihood of a prolonged servicer transition period.

There is no backup cash manager appointed at closing.

Replacement of the servicer

There is no backup servicer or backup servicer facilitator appointed at closing.

Securitisation structure analysis

Primary structural analysis

We base our primary analysis of the transaction structure on the loss distribution of the portfolio to derive our cash flow model.

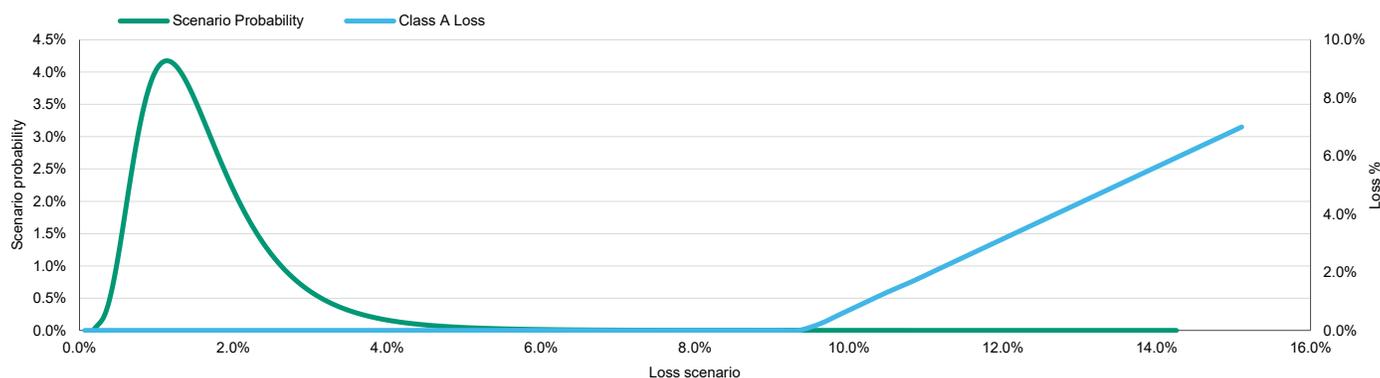
Tranching of the notes

We used a lognormal distribution to describe the loss distribution of the portfolio. We used this distribution in the cash flow model to ultimately derive the level of losses on the notes under each default scenario.

The chart below represents the loss distribution (green line) that we used in modelling lessee defaults.

Exhibit 34

Lease loss probability distribution, including tranche A losses



Source: Moody's Ratings

We considered the allocation to each of the parties within the transaction of the cash flow that the collateral generates, and the extent to which the structural features of the transaction might themselves provide additional credit protection to investors, or alternatively act as a further source of risk in addition to the intrinsic risk of the lease assets. For example, we analysed the strength of early amortisation triggers.

As a first step towards determining the theoretical rating of the notes, we used an expected-loss methodology that reflects the probability of default for the notes multiplied by the severity of the loss expected for the notes.

To allocate losses to the notes in accordance with their priority of payment and relative size, we used a cash-flow model (ABSROM) that reproduces most of the deal-specific characteristics.

We have already described above the main input parameters of the model. The result of weighting each severity of loss output (the result of inputting each default scenario into ABSROM) with the probability of occurrence, is both the expected loss for the notes as well as the expected average life.

We then compare both values to our idealised expected loss table. Under a second step, we calculated losses from residual value risk under an Aaa scenario and incorporated those losses into the quantitative analysis.

Timing of losses

We have tested different timings for the loss curve to assess the robustness of the ratings. In the base-case scenario, the timing of losses curve assumed is sinus, with the first loss occurring with a 6 month lag, a peak in month 14 and the last loss in month 42.

Loss definition

1. Any purchased receivable which has been written off as without value in accordance with the customary operating practices;
2. Any purchased receivable which has been "hostile terminated" in accordance with the customary operating practices;

3. Any PCP receivable in respect of which (1) the related obligor has elected to exercise its right to return the vehicle, and (2) the vehicle related to such PCP receivable has not been sold or otherwise disposed of for more than 91 days from the date on which such vehicle was returned.

Residual value risk approach

In the event that an obligor chooses to return the vehicle at the end of the contract in lieu of paying the final balloon payment, the transaction would be fully exposed to residual value (RV) risk. RV risk captures potential loss to the transaction if the proceeds from the sale of the vehicle are lower than the securitised balloon amount.

Following our two-step approach, we determine the RV risk credit enhancement (CE) for each rated class of notes. We define the RV risk CE of a class of notes as the additional CE only related to RV risk. This CE is in addition to CE needed to cover the remaining risks in the securitisation like lessee default risk. We apply the five steps below to estimate the RV haircuts and to calculate the RV risk CE (for more details see: [Moody's Global Approach to Rating Auto Loan- and Lease-Backed ABS](#), June 2025).

Step 1 - Baseline Aaa (sf) haircut for the market: The baseline Aaa (sf) RV haircut for the UK is currently 40.0%.

Step 2 - Determine adjustments to the Aaa (sf) baseline haircut: The assessment of the RV forecaster leads to a reduction of the Baseline Aaa (sf) haircut by 3.0% because of sophisticated RV setting and testing procedures, by another 3.0% because of multiple remarketing channels. However, the concentration in VW group of brands and concentration in RV maturity year leads to a penalty of 1.5% and 3.0%, respectively. This leads altogether to a transaction Aaa (sf) haircut of 38.5% for this portfolio.

Step 3 - Derive the Non-Aaa (sf) tranche haircuts: We determine haircuts applied to non-Aaa (sf) rated notes relative to the transaction Aaa (sf) haircut.

Step 4 - Incorporating forecast values and haircuts in the RV analysis: Based on the historically low variance between forecast and realised RV values, we assume a forecast market residual value (FMRV) of 100.0% of the contract residual value (CRV) in the RV CE calculation.

Taking into account the asset portfolio assumptions to calculate the lease contract survivor index and the maximum residual value exposure in the portfolio, we calculate a preliminary Aaa (sf) credit enhancement to cover RV risk of 13.3%.

Step 5 - Assessing buyback agreements: There are no deals buyback agreements. The originator has an option but not an obligation to repurchase the receivables, including the RV component. This option has limited value in our analysis, keeping the Aaa (sf) RV credit enhancement at 13.3%.

The exhibit below describes the required RV risk CE at the Aaa level.

Exhibit 35

Calculating RV risk CE at the Aaa Level

Baseline Aaa (sf) haircut (United Kingdom)	40.0%
Baseline Aaa(sf) haircut portfolio adjustments	38.5%
Ratio FMRV / CRV	100.0%
Maximum portfolio RV exposure	53.0%
Aaa (sf) portfolio survivor index	65.0%
Percentage of required Aaa (sf) RV CE accounting for dealer guarantees	13.3%
Aaa (sf) RV credit enhancement	13.3%

Source: Moody's Ratings

The analysis results in an RV CE of 13.3% for Aaa (sf) rated notes.

Exhibit 36

Comparable transactions - structural features

Deal name	Driver UK Multi-Compartment S.A., Compartment Driver UK 11	Driver UK Master S.A., Compartment 5	Bavarian Sky UK 7 plc	Pulse UK 2024 plc	Silver Arrow S.A., Compartment Silver Arrow UK 2024-1	Globaldrive Auto Receivables UK 2023-A plc
Revolving period (in years)	0.5	2.0	1.0	1.0	0.0	1.0
Size of credit RF (as % of rated notes)	1.5%	1.2%	1.2%	1.5%	1.1%	1.6%
RF amortisation floor (as % of initial total pool)	0.8%	0.6%	Non-amortising	0.1%	Non-amortising	Non-amortising
Set-off risk?	No	No	No	Yes	No	No
Set-off mitigant	N/A	N/A	Reserve funded upon rating trigger	Reserve funded upon rating trigger	N/A	N/A
Set-off amount	N/A	NA	N/A	NA	N/A	N/A
Commingling risk?	Yes	Yes	Yes	Yes	No	Yes
Commingling mitigant	Cash advances upon a downgrade of VWFS AG below Baa1	Ultimate parent rated Aa3/P-2	Declaration of trust, sweeping mechanism	Reserve funded upon rating trigger; declaration of trust	Parent rating, declaration of trust, sweeping mechanism	Declaration of trust, sweeping mechanism
Back-up servicer name	N/A	N/A	N/A	N/A	N/A	N/A
Back-up servicer facilitator	N/A	N/A	Wilmington Trust SP Services (London) Ltd	France Titrisation	Elavon Financial Services DAC, U.K. branch	Deutsche Trustee Company Limited
Swap in place?	Yes	Yes	Yes	Yes	Yes	Yes
Swap counterparty long-term rating	[*]	N/A	A1	Aa3	Aa3	A1
Swap counterparty short-term rating	[*]	N/A	P-1	P-1	P-1	P-1
Type of swap	Fixed floating	Fixed floating	Fixed floating	Fixed floating	Fixed floating	Fixed floating
Size of Aaa(sf) rated class	75.20%	72.5%	78.5%	87.0%	77.8%	0.0%
Aa(sf) rated class	8.80%	8.5%	0.0%	0.0%	0.0%	0.0%
A(sf) rated class	0.0%	0.0%	0.0%	0.0%	0.0%	84.5%
Baa(sf) rated class	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NR class	10.00%	11.0%	13.0%	13.0%	22.2%	15.5%
Initial over-collateralisation	6.0%	8.0%	N/A	N/A	N/A	0.0%
Reserve fund as % of initial total pool	1.2%	1.0%	1.2%	1.3%	0.9%	1.4%
Annualised net excess spread as modelled	0.0%	0.0%	2.3%	2.0%	3.2%	1.7%

Sources: Driver UK Multi-Compartment S.A., Compartment Driver UK 11 preliminary prospectus, Moody's Ratings

Additional structural analysis

Asset transfer, true sale and bankruptcy remoteness

We consider the purchase of the receivables to be an effective true sale under English law and the issuer to be a bankruptcy remote entity. Our assessment is based on the analysis of the transaction documentation and takes into account the legal opinion provided by the transaction counsel.

Cash reserve

The reserve fund is funded at closing at 1.45% of the Class A and Class B notes. It amortises to the lower of (a) 1.00% of the Class A and Class B notes and (b) the aggregate nominal amount of the notes outstanding at the end of the monthly period. The reserve fund is not available to cover principal losses prior to the earlier of (i) the legal final maturity date or (ii) the date on which the aggregate discounted receivables balance has been reduced to zero. In addition, prior to the legal final maturity date and unless credit enhancement triggers are breached or a servicer insolvency event occurs, reserve fund amortisation amounts are released to the sponsor and cannot be applied to cover payment shortfalls.

Commingling risk

The commingling risk on collections is mitigated by (1) the monthly sweep of collections to the issuer account, (2) cash advances upon a downgrade of VWFS AG below Baa1.

A portion of the portfolio purchased above par

A portion of the contracts in the initial pool carries an interest rate higher than the portfolio discount rate of 7.0%; these receivables are therefore purchased above par. In the event of prepayments on such contracts, where borrowers settle their obligations at par, the issuer receives less than the outstanding discounted balance, reflecting the difference between the contractual interest rate on the prepaid assets and the portfolio discount rate. The discount rate of 7.0% has been calibrated to absorb these potential interest shortfalls, up to an annual amount of 1.4% (the interest compensation rate)

Revolving structure

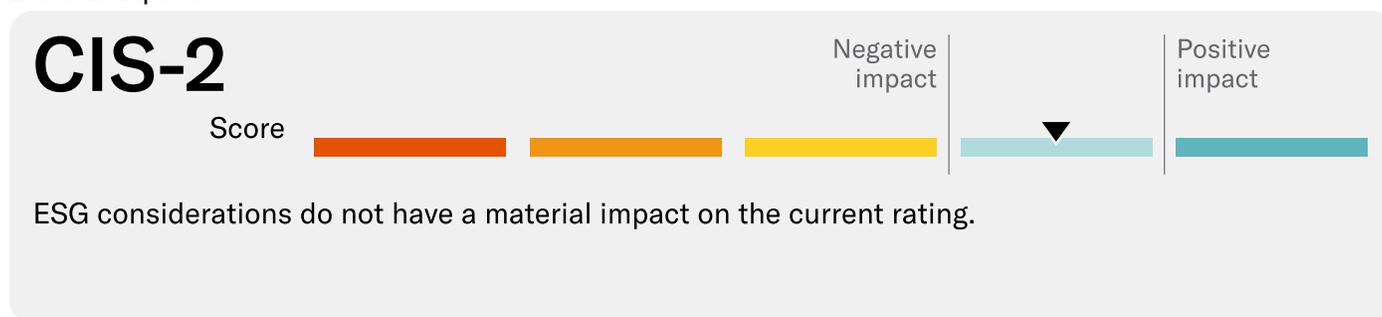
The transaction will be used to securitise assets on an ongoing basis and allows for flexibility which could change the credit enhancement levels.

ESG considerations

Driver UK Multi-Compartment S.A., Compartment Driver UK eleven's ESG credit impact score is CIS-2

Exhibit 37

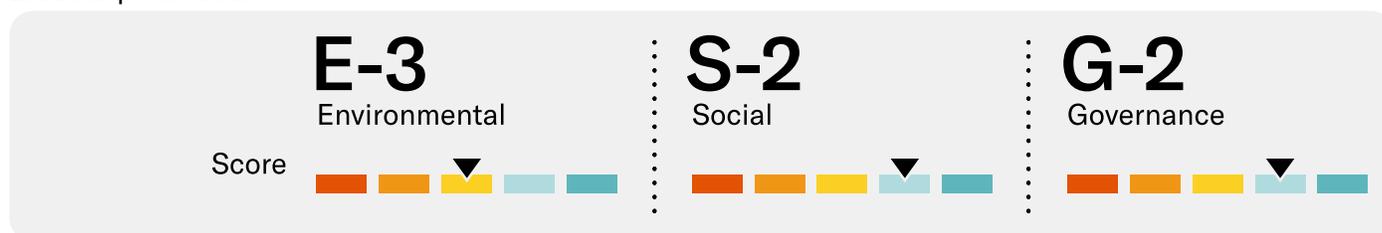
ESG credit impact score



Source: Moody's Ratings

The ESG CIS of **CIS-2** reflects a limited impact from environmental, social and governance factors on the rating. The reference security for the CIS is the transaction's senior outstanding rated security, and the rating would not be higher in the absence of ESG considerations.

Exhibit 38
ESG issuer profile scores



Source: Moody's Ratings

Environmental

The Environmental IPS of **E-3** reflects the transaction's exposure to carbon transition and waste and pollution risks. Vehicles are subject to carbon and air pollution regulations, and changes in emissions regulations can affect their residual or recovery value. Risks are mitigated, however, by the typical long lead times for changes in regulations and the short tenor of the assets of the transactions.

Social

The Social IPS of **S-2** reflects low exposure to social risks across all categories. Autos can be subject to risks from demographic and societal trends and customer relations in the form of technological changes or obsolescence, shifting demand patterns, changes in government policy, and the increasing popularity of alternative fuel vehicles, all of which can lead to volatility in recovery levels and residual values, but the short tenor of the assets mitigates the risks.

Governance

The Governance IPS of **G-2** reflects that the transaction is structured to mitigate governance concerns pursuant to the contractual terms outlined in the transaction documentation, which also defines roles and responsibilities of transaction parties. As with this transaction, we assign an IPS of **G-2** to most structured finance transactions, since they are by design less exposed to governance risks.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Methodology and monitoring

The principal methodology used in this rating was [Moody's Global Approach to Rating Auto Loan- and Lease-Backed ABS](#), published in June 2025.

We will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected, including checking all supporting ratings and reviewing periodic servicing reports. Any subsequent changes in the rating will be publicly announced and disseminated through Moody's Client Service Desk.

Data quality: The issuer will provide a finalised investor report and discuss it with us. This report will include all necessary information for us to monitor the transaction.

Data availability: VWFS UK will provide the investor report. Transaction documentation will set out a timeline for the investor report. VWFS UK will publish the priority of payment section on the interest payment date and will publish the completed report on each monthly payment date. The investor report will be published monthly. The frequency of the interest payment date is monthly. Investor reports will be publicly available on a website.

Modeling assumptions

Exhibit 39

Modeling assumptions

Expected Loss (initial portfolio/revolving portfolios):	0.9%
Default definition:	6 months
Aaa portfolio credit enhancement:	7.5%
Timing of defaults:	Sine (6-14-42) months
Recovery rate:	N/A
Recovery lag:	N/A
Conditional prepayment rate (CPR):	17.5% for first 18 months; 22.5% thereafter
Amortisation profile:	Scheduled amortisation
Portfolio yield (as modelled):	7.0%
Fees (as modelled):	1.0% floored at £150,000
PDL definition:	Defaults
Index rate:	4.0%
Set-off amount:	N/A

Source: Moody's Ratings

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REPORT NUMBER 1472245

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