

MODERN SLAVERY STATEMENT

2023

Structure, business and supply chain

VFS Financial Services is a Scottish registered company operating in the United Kingdom. VFS Financial Services is a single site enterprise with its business premises in Warwick, England, with in excess of 98 employees. VFS Financial Services Limited is a provider of financial solutions to customers of the Volvo Group.

VFS Financial Services Limited is a member of the Volvo Group. The Volvo Group is a publicly held company headquartered in Gothenburg, Sweden. The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines and also provides complete financing solutions. In 2023, the Volvo Group's sales amounted to about SEK 553 billion. The Volvo Group sells its products under the Volvo, Volvo Penta, Rokbak, Renault Trucks, Prevost, Nova Bus, Mack and Arqus brands. We also partner in alliances and joint ventures in SDLG, Milence, Eicher, Dongfeng and cellcentric. By offering products and services under different brands, we address many different customer and market segments around the world.

The Volvo Group employs 104,000 people worldwide, has production facilities in 18 countries and its products are sold in almost 190 markets. The major production facilities are located in Australia, China, Belgium, Brazil, France, Germany, India, Mexico, Poland, Russia, South Africa, Sweden, the United Kingdom and the United States.

The Volvo Group depends on global and regional supply chains to deliver components, parts and complete services and systems. Approximately 12,000 suppliers support the Volvo Group's serial production and in total the Group's supply network is made up of more

than 50,000 suppliers globally. In 2023, the Volvo Group made purchases of goods and services totalling SEK 374 billion. Purchases were made from suppliers in EMEA (49%), Americas (25%), and Asia-Pacific (26%). The supply chain is complex and there are in general several tiers of suppliers between the manufacturing entities and the supplier of raw material.

Human Rights Governance

The Volvo Group is committed to respecting internationally recognized human rights. Negative human rights impacts may potentially materialize not only within our own organization, but also through our business relationships and in the value chain. We also seek to address adverse human rights impacts with which the Volvo Group is involved. We are continuing to strengthen and align our human rights work with the following international frameworks:

- UN International Bill of Human Rights
- ILO's fundamental conventions
- UN Global Compact
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Children's Rights and Business Principles.

This is an ongoing journey and the Volvo Group has adopted a risk based approach where we prioritize and focus on the areas where we consider that we have the highest risks for adverse human rights impacts. We also recognize that a core tenet of many of these frameworks is tracking and monitoring performance to drive continuous improvement

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and using our experiences as a source of continuous learning.

The Volvo Group launched a standalone Human Rights Policy in 2021. This policy sets the common threshold for our commitment to respect human rights and applies to all Volvo Group entities, employees and others working at our sites. The Human Rights Policy is complemented by the Volvo Group's Code of Conduct, the Volvo Group Human Rights Program and specific policies, directives and guidelines developed by our Truck Divisions and Business Areas in several human rights related areas. These include health and safety, responsible purchasing through our Supply Partner Code of Conduct, human resources, responsible sales, and whistleblowing. The Volvo Group's human rights governance follows our allocation of business accountability and includes several cross functional governance forums across the company. At Group level, the strategic direction on human rights is overseen by the Volvo Group Human Rights Board composed of relevant members of the Executive Board. Implementation of the Human Rights agenda is supported by a cross functional reference group and a working group with members from relevant Group Functions, Truck Divisions and Business Areas.

In 2022, the Volvo Group Executive Board adopted a Groupwide Human Rights Program. The Volvo Group Human Rights Program describes how we implement our commitment to respect human rights as set out in our Human Rights Policy. The purpose of the Human Rights Program is to ensure that Volvo Group can systematically identify, mitigate and address human rights risks and ensure continuous improvement in our processes. The

program provides further clarity on the Volvo Group's ambition on human rights, applicable standards, salient human rights risks, human rights due diligence strategy, and human rights governance across various levels of the Volvo Group. In the process of implementing the Human Rights Program, we initiated during late 2023 a groupwide Human Rights Risk and Maturity Assessment Project with the objectives to enable us (i) to deepen our understanding of our human rights risks across Volvo Group's value chain, (ii) to better understand the maturity of our existing management systems to perform human rights due diligence, and (iii) to prepare the setup and continuous integration of a robust, systematic, and coherent approach to the identification and management of human rights risks and impacts across the Volvo Group. The project will run continuously also during 2024.

Policies including statements relating to modern slavery

Volvo Group Code of Conduct

Non-tolerance of forced labor and child labor has been part of the Volvo Group Code of Conduct since 2003. The Code of Conduct applies to everyone who works on Volvo Group's behalf, including full- and part-time employees, consultants, temporary staff, and senior management. The current version of the Volvo Group Code of Conduct states that we do not tolerate any forms of modern slavery. Practices that constitute forced labor, including debt bondage, human trafficking, and other forms of modern slavery, are not accepted in any part of the Volvo Group. The Code of Conduct includes examples of modern slavery related practices such as confiscation of identity papers or passports, withholding of

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wages, not conferring an official employment status, subjecting someone to physical and sexual violence, debt bondage, imposing excessive recruitment fees, and restricting people's freedom of movement. The Volvo Group Code of Conduct is publicly available on Volvogroup.com.

Volvo Group Human Rights Policy

The Volvo Group's sustainability ambitions are divided into the three areas of climate, resources, and people. Human rights risks may be associated with our activities and business relationships in all three of these areas. In 2021, the Volvo Group launched a standalone Human Rights Policy. The policy sets the common threshold for the Volvo Group's commitment to respect human rights and applies to all Volvo Group entities, employees and others working at our sites. The Human Rights Policy describes the Volvo Group's ten salient human rights risks across the three areas of sustainability ambitions. Modern slavery and children's rights are included in our list of salient human rights risks. The policy states that the Volvo Group do not tolerate any forms of modern slavery and child labor in our own operations and our supply chain. The Volvo Group Human Rights Policy is publicly available on Volvogroup.com.

Supply Partner Code of Conduct

Since 1996, our Responsible Purchasing Program has consistently increased supplier requirements on environmental performance, business ethics and human rights. Since 2019, suppliers are required to commit contractually to comply with the Supply Partner Code of Conduct. In 2023, we updated and strengthened our Supply Partner Code of Conduct with firmer requirements and targets

including more due diligence requirements on our direct suppliers to cover further tiers in the supply chain. The Supply Partner Code of Conduct states that the Volvo Group does not tolerate any forms of modern slavery or forced labour, including but not limited to forced, bonded or compulsory labour and human trafficking. Consequently, Supply Partners, including their recruitment agencies, shall not engage in or tolerate restrictions of movement, recruitment fees, confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, debt bondage, violence or any other kind of exploitation or abuse. Supply Partners shall have adequate policies, risk awareness, risk assessment and due-diligence processes in place to prevent modern slavery and forced labour throughout their supply network, including remediation plans addressing situations if modern slavery or forced labour is detected. Supply Partners are also encouraged to engage constructively with relevant stakeholders such as non-governmental organisations and industry associations to build awareness and proactively work towards preventing modern slavery and forced labour.

The Supply Partner Code of Conduct also states that, to achieve full effectiveness of the Supply Partner Code of Conduct, Supply Partners must ensure that all requirements are lived by in their own operations, and that their full value chain complies to the same standards. The Volvo Group also expect all our Supply Partners to integrate, share and promote the expectations of the Volvo Group Supply Partner Code of Conduct internally and throughout their entire supply network.

It is further stated that the Volvo Group requires every Supply Partner to perform due

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diligence in the areas covered by the Supply Partner Code of Conduct and/or applicable laws and regulations, including for the purpose of investigating and evaluating the integrity, quality, suitability, and credibility of all its potential business partners. Supply Partner's due diligence efforts shall be in accordance with international standards such as the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights. Supply Partners shall include impacts of its own operations and its supply network with a focus on where it has the highest risks of doing harm, and appropriate to company size and circumstances.

The Supply Partner Code of Conduct is implemented through self-assessments and supplier audits as part of our Responsible Purchasing Program (see below). The Supply Partner Code of Conduct is publicly available at Volvogroup.com.

Risk assessment, due diligence, and effectiveness

Modern slavery, including forced labour and human trafficking, may materialize not only in our own organization and operations, but also through our business relationships and in other parts of our value chain. Modern slavery related risks in our operations are assessed, e.g. within the framework of human rights reviews, while these risks in our supply chain are assessed through our Responsible Purchasing Program (see below). In these reviews and assessments, we prioritize the countries and purchase segments where we believe that we have the highest risks for adverse human rights impacts, using data from credible third-party service providers on

modern slavery risks in different countries. We noted increased risks in for example certain countries in Africa and Asia, the Middle East and South America, and elevated risks are identified for vulnerable groups in the supply chain, such as migrant workers.

One of the Volvo Group's primary focus during 2023 has been to continuously ensure the health, safety and well-being of our colleagues and external stakeholders such as suppliers and customers. We have continued with our human rights due diligence activities including follow-ups of previous activities as further detailed below.

Own Operations - Human Rights reviews

At a Group level, one tool used by the Volvo Group when it comes to implementing human rights due diligence across our organization is country by country human rights reviews covering all operations, employees, and other personnel at our sites in the reviewed country. These reviews are conducted using a methodology developed in accordance with internationally recognized practices and includes the following main elements:

- Desktop analyses based on internal data such as workforce data, local policies, internal expert interviews, employee survey responses and collective bargaining agreement, and external sources such as country human rights reports and human and labor rights laws.
- Self-assessments by country management teams and local human resources departments.
- Onsite visits with country management and human resources, and local internal subject matter experts, employees, and third-party

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personnel onsite. If appropriate also including external expert organizations.

- Corrective actions and follow-up after each review with agreed action plans and accountability within the local management and communication to relevant members of the Executive Board.

Human rights reviews are often overlapping with several other internal processes, such as those related to non-discrimination, health and safety, employee relations, quality and environmental management. Findings from reviews within the respective areas can highlight improvement areas in other processes, including human rights work.

Reviews in own operations have been performed in India (2017), South Africa (2018), and Mexico (2019). This type of review activities had to be paused in 2020 and 2021 due to the covid19 pandemic. Following a revision of the process and methodology we restarted the review processes in 2022, and performed reviews in United Arab Emirates and Algeria during 2023. Human rights reviews as a due diligence tool, and a country prioritizing plan, is to be included for analysis in the Human Rights Risk and Maturity Project mentioned above.

No adverse findings relating to modern slavery were identified in connection with the human rights reviews.

Suppliers – Responsible Purchasing Program

Volvo Group supply partners play an integral role in realizing our sustainability strategy across the full value chain. Our supply base is built up by more than 50,000 tier one supply partners, of which approximately 12,000

deliver goods and services to support the Volvo Group's serial production. Working with a global supply network presents a range of impacts, risks, and opportunities. Beyond the Group's direct supply partners, we also see opportunity for collective purchasing impact to influence the sustainability transformation throughout our extended supply network. To ensure that our supply partners adhere to the Volvo Group expectations and values, we implement due diligence procedures through our Supply Partner Code of Conduct and our own risk assessments, incorporating international standards such as the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights.

The Volvo Group Supply Partner Code of Conduct is the policy and platform for our collaboration with supply partners in building sustainable supply networks. It is based on the Volvo Group's sustainability ambitions in the areas of people, resources, climate, and business ethics and compliance. Updated in 2023, it outlines how we do business in the Volvo Group and our mandatory sustainability requirements in each area. It also includes expectations to guide supply partners as they evolve to further advance sustainable performance and impact in the areas covered by the Code of Conduct. The foundation of the Volvo Group Responsible Purchasing program is our supply partner due diligence activities based on commitment, assessment, action and reporting including various due diligence activities in relation to our suppliers (see below).

Sustainability assessments focus primarily on tier one supply partners and are conducted through supply partners' self-assessments as

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well as targeted in-depth onsite audits. We prioritize audits based on sustainability risks by country, commodities, processes, or work areas. The risk assessment is based on external tools, bringing a comprehensive view of risks related to human and labor rights, environmental and business ethics across the globe. As a complement, risks can be flagged during any type of supplier audit, training, or visit as well as via Volvo Group's grievance mechanism. The Volvo Group carries out most audits and reviews with internal resources. Procurement staff and specialized auditors share responsibility for ensuring that proper actions are taken to resolve identified gaps. Supply Partners and external stakeholders are encouraged to promptly report concerns of misconduct, violations of the law, and other unethical behaviors via a Volvo Group grievance mechanism.

Self-Assessments: The Volvo Group uses a standardized questionnaire for the automotive industry focused on sustainability in the supply network. The Self-Assessment Questionnaire (SAQ), developed through the DRIVE Sustainability Automotive Partnership, considers sustainability performance within human rights and working conditions, as well as environmental and responsible supply chain management. Potential supply partners are invited to conduct the SAQ, and the result is used in the supply partner selection process. For a selected partner, the self-assessment result will lead to a corrective action plan if the supply partner falls below a risk threshold or if a selection of questions is not fulfilled. To drive continuous improvement, the rating is valid for three years, and thereafter a new assessment is required. The requirements for self-assessment approval are increasing to ensure continuous improvement of due diligence

practices. Following an update of the self-assessment in 2022, which includes more stringent demands in line with changing requirements, 2,020 sustainability self-assessments were performed in 2023. From a total Volvo Group direct material spend perspective, 93% of all supply partners have conducted the assessment. Of those conducting the assessment, 90% had a recorded approved rating. In high-risk areas, the corresponding result was 89% completion, out of which 86% had a recorded approved rating.

Sustainability Audits: In the sourcing phase, we conduct additional risk analysis of potential supply partners of direct materials in high-risk countries through onsite audits. We audit potential indirect material supply partners located in high-risk countries with a contract value that exceeds a predefined threshold. The responsibility for improvements and corrective actions always lies with the potential supply partners. Noncompliance cases are managed by the responsible buyer, together with the auditor, until resolved. Auditing of existing supply partners follows the same procedures. Overall, the sustainability assessment of supply partners focuses on developing a sustainable supply base and establishing a strong partnership. The results are used in the sourcing decisions, and violations of the requirements are expected to be resolved in a timely manner if the long-term partnership is to remain. Those who fail to address critical issues risk not being awarded a contract or having their contracts terminated. As part of the due diligence program, the Volvo Group also invests in capacity building in the form of training. For broad implementation, this is done in collaboration with DRIVE Sustainability. In 2023, special focus was set on

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China and Brazil. In 2023, 221 audits were carried out, with 119 deviations found. The most common deviations were found within the areas of management commitment, working hours, supply chain management, and environmental management. In the area of management commitment, deviations related mainly to supply partners having codes of conduct that do not adequately address risk areas. In the area of working hours, the findings were related to excessive working hours for employees. Within the area of supply chain management, deviations were found when supply partners either did not set adequate social, environmental, or business requirements for their supply network or did not cascade their requirements pro-actively with their suppliers. In the area of environmental management, the deviations related mainly to management of hazardous waste as well as the lack of a documented environmental management system. The findings from the audits are communicated to the supply partners, who are expected to set up and implement a corrective action plan in a timely manner. Such corrective actions are then monitored by the buyer responsible in cooperation with the auditor. No adverse findings relating to modern slavery were identified in connection with these audits.

Sustainable Minerals Program: As part of the Supply Network Due Diligence program, the Volvo Group has a specific focus on a range of selected minerals and materials. The Sustainable Minerals Program is built on the five steps framework of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas, as well as on the tools of the Responsible Minerals Initiative (RMI). The focus minerals of the Sustainable Minerals

Program are tin, tantalum, tungsten, gold (3TG), and cobalt. These materials are part of our global supply chain and used in many components. We are continuously reviewing for additional critical raw materials and minerals to be in scope for the program. As part of this work, the Volvo Group is a member of RMI. In 2023, 1,043 tier one supply partners were identified and included in the Volvo Group's Sustainable Minerals Program. With this as a base, 925 of them were identified as relevant for 3TG minerals, and 802 for cobalt. Most of the invited companies already collaborate, and all have been assessed on the parameters of (a) strength of their human rights due diligence programs and (b) association with smelters or refiners of concern in their supply network. As a result, 345 smelters or refiners (SORs) were identified to be included in the Volvo Group's supply network. Approximately 59% of them have been certified "conformant", 65 % for 3TG and 37 % for cobalt respectively, by the Responsible Minerals Assurance Process (RMAP), on behalf of the global organization RMI. The Volvo Group finances the RMAP and cofunds independent third-party audits of SORs due diligence practices through a partnership with RMI. For 2023, the RMI audit program was adjusted and enhanced. Due to the war between Russia and Ukraine and the subsequent European and UK sanctions against Russia, all RMAP audits in Russia have been paused and all Russian smelters have automatically been rated as nonconformant compared to previous years. In addition, RMI has for the first time started to conduct audits of cobalt smelters or refiners. The ambition of the Volvo Group's Sustainable Minerals Program is to drive full transparency by 2025, when all supply partners in scope are to be

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compliant with our Responsible Purchasing standards and requirements.

Supply chain further upstream

Considering common supply network challenges in the Group's sector, we have identified some areas important to address in addition to the above to support supply partners in securing sustainable supply networks. This is especially relevant for certain minerals associated with elevated risks related to child labor, forced labor, and other human rights.

Outsourced processes

In addition to our owned manufacturing operations, the Volvo Group collaborates with private business partners to assemble trucks and build bus bodies on our chassis in line with customer-specific requirements. Some of these partners are located in countries with elevated human rights risks. Ongoing activities to secure that business partners operate in line with Group requirements include e.g., to implement social and environmental requirements in contractual agreements, requirements on self-assessments, onsite reviews and training initiatives. In several markets we also source services such as security, facilities management, and catering supporting our operations. While we have a transparent view of the day-to-day work environment of the people performing these services, we have identified potential risks related to fair employment and living conditions in some markets. Based on our assessments, these risks have become more relevant for some workers with limited awareness of basic labor and human rights, in combination with markets with higher risks related to adequate wages. Migrant workers have been identified as such a

vulnerable group also at risk of different types of bonded labor and arbitrary recruitment fees. When we source activities from external partners in relation to outsourced processes, we aim to further assess employment terms and recruitment practices for value chain workers.

Training and capacity building

Training and raising awareness for our colleagues and relevant business partners is a key element of our human rights work and an area where it is recognized that continued improvement is needed.

All employees with access to computers are required to complete a Volvo Group Code of Conduct e-learning each year and for employees in the production environment or without access to computers, managers are required to lead mandatory Volvo Group Code of Conduct training sessions. In 2023, the Volvo Group Code of Conduct e-learning included a focused module on Modern Slavery for all employees. By year-end, close to 60,000 employees had completed the training.

In addition to the Group's overall Code of Conduct training, many parts of the organization have held human rights awareness and update sessions during the year. In total, some 2,000 individuals, many of which in sales areas and market management, have been trained in such human rights, including specific sessions directed to the AB Volvo Board of Directors, the Executive Board, and Business Areas and Truck Divisions management teams. In late 2023, a new introductory online training focusing on business and human rights and including modern slavery aspects was also made available in twelve languages to all Volvo Group

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employees and consultants. These overall human rights awareness initiatives complement other specific training on related topics such as diversity and inclusion, health and safety, non-discrimination and anti-harassment, equal pay and living wage, responsible purchasing, and responsible sales.

Volvo has an e-learning program for all Volvo Group staff working with suppliers, outlining the concept of responsible purchasing. As part of the supply chain due diligence program, the Volvo Group also invests in capacity building in the form of supplier training. For broad implementation, this is done in collaboration with DRIVE Sustainability. In 2023, special focus was set on China and Brazil.

Grievance mechanisms

The Volvo Group offers various channels to internal and external stakeholders to report on potential ethical concerns or violations of the Volvo Group policies, including our whistleblower process, the “Volvo Whistle”, which is publicly available on [Volvogroup.com](https://www.volvogroup.com). Our internal and external stakeholders are also made aware of the “Volvo Whistle” through for example our Code of Conduct, included as part of compliance and human rights trainings, articles on our intranet, and in our Annual and Sustainability Report. The Volvo Group does not tolerate any retaliation against whistleblowers raising concerns in good faith. In 2021, an updated Whistleblowing and Investigations Policy was published to emphasize Volvo Group’s commitment of non-retaliation and whistleblower protection, including confidentiality, right to anonymity, and other key aspects of proper handling of the reported concerns. No issues relating to modern slavery

were reported through the Volvo Whistle since it was launched in 2017.

Partnerships

During 2023, the Volvo Group continued to be a member of and collaborate in several industry collaborations for sustainable supply networks.

DRIVE Sustainability is a network of 16 leading automotive companies working toward enhancing sustainability throughout the automotive industry by leveraging a common voice and by engaging with our supply chain partners, stakeholders, and related sectors on impactful activities. The Volvo Group is active in several working groups within the initiative to leverage a circular and sustainable automotive value chain.

RMI is a collaborative platform addressing responsible mineral sourcing issues in global supply networks. The Volvo Group is working with RMI with the aim of ensuring responsible and sustainable sourcing of tin, tantalum, tungsten and gold (sometimes referred to as conflict minerals), as well as cobalt. Through RMI, participants develop and gain access to tools and resources to ensure regulatory compliance and support responsible sourcing of minerals from conflict-affected and high-risk areas.

The Global Battery Alliance is a public-private collaboration platform under the umbrella of the World Economic Forum. The vision is to create a circular and sustainable battery value chain set on ten guiding principles covering issues from the circular recovery of battery materials and ensuring transparency of greenhouse gas emissions and their

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progressive reduction, to eliminating child and forced labor.

The Volvo Group is involved in CSR Europe's Responsible Trucking Initiative, which aims to improve employment and working conditions for truck drivers in the road transport sector across Europe. The initiative has released social guidelines for common expectations towards suppliers and subcontractors on human rights, working conditions and business ethics.

The statement is made in accordance with Section 54 (1) of the UK Modern Slavery Act 2015. The statement has been approved by the Board of Directors of VFS Financial Services Limited and applies for the period January 1, 2023 to December 31, 2023.

Signed



TABITHA BRACE

Director

June 2024