



Modern Slavery Statement

Reporting Period 2025



Overview

This statement has been published in accordance with the requirements of the Modern Slavery Act 2015.

Advantage Finance Ltd (AFL) supports the objectives of the Modern Slavery Act (the 'Act') in raising awareness of modern slavery and human trafficking. As required, this statement sets out the steps taken by AFL to prevent the possibility of modern slavery and human trafficking occurring within its direct operations or supply chains.

In March 2021 the government launched the Modern Slavery Statement registry, designed to bring statements together in one place, making it easier to search for statements and scrutinise the action organisations are taking to identify and address modern slavery risks in their operations and supply chains. AFL signed up to this registry during 2021 and submitted the business' most recently published statement here as well as on our company website. AFL will commit to continuing to submit future statements to the Modern Slavery registry where requirements to do so dictate.

Reporting Period

All information and data provided below is based on a review of business operations reflective of the financial period February 2024 – January 2025.

Statement Index

1. Organisation Structure and Supply Chains
 2. Policies
 3. Risk
 4. Due Diligence
 5. Training
 6. Performance
-

1. Organisation Structure and Supply Chains

Advantage Finance Ltd (AFL) provide motor finance facilities for customers throughout the UK and are authorised by the Financial Conduct Authority (FCA), who are the financial regulator for consumer credit in the UK.

AFL are a subsidiary of S&U Plc, a FTSE listed firm established in 1938. All group operations are conducted wholly within the UK. AFL predominantly operates from a Head Office site in Grimsby, NE Lincolnshire. AFL currently have a staff force of appx 215 employees who are, in the main, based at the Grimsby site, with a small number of employees undertaking field-based operations. The headquarters of S&U Plc are based in Solihull, West Midlands.

Neither AFL, nor any other entities of the group operate in any areas generally considered to have a high risk of incidence of modern slavery and human trafficking.

For the purposes of the Act, AFL considers itself to be involved with two primary supply chains:

Neither AFL nor any entities of the group operate in any areas generally considered to have a high risk of incidence of modern slavery and human trafficking. For the purposes of the Act, AFL considers itself to be involved with two primary supply chains:

1. The supply chain involved in the acquisition of customers via Business Introducers (predominantly Brokerages) who intend to purchase motor finance related products.

2. The supply chains involved in the provision of professional services and office supplies (e.g. Stationary Suppliers, Recovery Agents, Auction Houses, Legal Services, Banks, Credit Reference Agencies and IT Services).

Advantage Finance are a Real Living Wage Employer, and hold separate, formal, Investors in People and Investors in Wellbeing accreditations.

All employees of Advantage Finance are employed on either a permanent or fixed term contract directly with us and are paid by BACS into a UK bank or building society account.

Although the firm does use recruitment agencies to help source our employees, all Right to Work checks, employment references and other pre-employment checks are completed and reviewed in-house by the HR department. The pre-employment process includes the provision of:

- The receipt of written references
- Credit reference checks
- DBS/Right to work in the UK checks
- The receipt of qualification certification

Individuals being recruited into a position of enhanced responsibility will additionally be considered for certification/approval by the regulator in line with the FCA's 'Senior Management and Certification Regime' (including fit and proper assessments).

Offers of employment are entirely conditional upon the satisfactory conclusion of the above checks.

During September 2024 we commenced a short-term contract with a company who provide workers on a temporary contract to assist with some operational tasks. These were vetted, approved and employed by the supplying company. Whilst Advantage Finance had no additional responsibilities for the onboarding of these workers, as the agency was deemed a supplier of people, we sought additional assurances in relation to appropriate practice during the onboarding process. This included obtaining a copy of the firms Modern Slavery statement, and confirmation that all employees are all based in (and have the right to) work in the UK.

Having assessed our organisation structure and supply chains, AFL have determined that any risk of a modern slavery related offence being committed internally by the firm is low.

2. Policies

AFL are committed to ensuring appropriate cultural awareness exists within the firm's workforce, that is representative of the firms desired attitudes in relation to

- The prevention of Modern Slavery and Human Trafficking, and
- The associated measures taken to ensure compliance with the Act.

The firm employs a wide range of policies and procedures to ensure compliance with multiple aspects of regulation. The firms Policy Management and Engagement Policy lays down the rules surrounding the development, administration and management of the firms Policy and Knowledge testing framework. This includes the requirement for all Policies and associated training and test modules to be reviewed considering any key business and/or regulatory updates, or in lieu of this, on a periodic cycle of no longer than 12 months.

The policy also details the procedure for non-compliance regarding both the development/review of company Policy and Knowledge material, and the requirements for employees to engage in the required testing to support the evidence of competency in their role.

The firm has developed its own internal 'Modern Slavery Policy'. The firm's Annual Statement and Policy continue to be reviewed and signed off by the Board of Directors, with both documents re-issued to all staff on a yearly 'read and confirm' basis. All policies are always fully accessible to employees via the firm's internal policy management system.

The table below identifies additional policies that are in place within the business to support day-to-day activities that complement compliance with the requirements of the Act.

Policy	Policy Owner
Equality and Diversity Policy	HR Director
Recruitment, Selection, and Certification Policy	HR Director
Board Recruitment and Induction Policy	Chief Executive Officer (CEO)
Whistleblowing Policy	Chief Risk Officer (CRO)
Modern Slavery Policy	Chief Sustainability Officer (CSO)
Anti-Bribery and Corruption Policy	Chief Risk Officer (CRO)
Risk Event Policy	Chief Risk Officer (CRO)
Risk Escalation Procedure	Chief Risk Officer (CRO)
Financial Crime Policies	Chief Credit Risk Officer (CCRO)

All policies have been reviewed during the reporting period.

3. Risk

Approach

Modern Slavery is listed as a standalone risk on the firms' risk register and has a designated Risk Owner who is responsible for ensuring the monitoring of all associated risk controls. Although AFL perceives the threat of Modern Slavery as low risk within our current market sector, the business accepts that risks are still apparent, no matter how small. Risk Owners continue to review associated risks aligned with the requirements of the Act on at least an annual basis (or sooner should changes be made to legislation, or should a risk event occur)

Key Risk Controls

In addition to the provision and oversight of policy control, the firm continually monitor the following risk controls:

Review of Home Office Updates and Changes to Legislation: Annual review of Home Office/legislative updates relating to our firms reporting requirements and obligation to comply.

Annual Business Introducer Review: Annual review of the firm's introducer base, to confirm that individual third parties can certify understanding of their obligations under (and continued compliance with) the Act.

Annual Internal Modern Slavery Compliance Review: Annual review of internal governance processes pertaining supply chains and HR processes to evidence compliant practices and highlight any business concerns, that are subsequently reported to/reviewed/signed off by the firms Board of Directors.

Training Reviews: Review of the delivery/completion of modular training for all employees pertaining awareness of Modern Slavery practice and legislation.

All risk controls were last reviewed by the formal risk owner in October 2024.

Assessment

At the current time, it is our opinion that neither AFL nor any entities of the group, operate in any areas generally considered to have a high risk of incidence of modern slavery and human trafficking.

In conjunction with AFL's duty to ensure compliance with the Act in our own organisation, we recognise that we must also be seen to have taken steps to mitigate the potential for offences to occur within our supply chains.

To this end, it is our policy that we will continue to:

- Ensure key business introducers are able to acknowledge their own obligations in accordance with the Act, and to provide a copy of their own Modern Slavery Statement where available
- Ask all other qualifying suppliers to acknowledge their own obligations in accordance with the Act, and to provide a copy of their own Modern Slavery Statement where available
- Identify and review associated risks in line with internal processes on an annual basis (or sooner in the event of changes to regulation)
- Implement appropriate systems and controls to mitigate identified risks

There were no risk events recorded in relation to Modern Slavery during the reporting period.

4. Due Diligence

Operational Practice

AFL is committed to the highest standards of equality, honesty, openness and accountability in line with our company policies and practices (including, and not limited to, all aforementioned policies within this statement itself).

All employees are encouraged to raise concerns relating to potential breaches of policy or regulation. Employees can raise a grievance in line with the firm's 'Grievance Procedure' should they so wish and furthermore have full access to the firm's 'Whistleblowing Policy'.

No concerns in relation to Modern Slavery have been raised within the review period.

Supply Chain – Business Introducers

Customers are introduced to AFL by licenced and regulated Credit Brokers (motor finance brokers and motor dealers) within the UK only. AFL will only engage with firms that are approved and regulated by the FCA.

A 'Key Business Introducer' is classified by the firm as an entity that supplies business leads to AFL for the purpose of conversion into a financial arrangement. As per the firm's policy, all Key Introducers wishing to deal with AFL must first go through a strict, risk based, internal set up process. This process includes the requirement for a Key Introducer to enter into a Business Relationship Agreement with the firm. By entering into this agreement, the Key Introducer is bound to comply with its terms and conditions.

The Relationship Agreement contains an attestation of awareness of/conformity to the requirements of the Act as set out below:

- Each party shall
 - Comply with applicable laws relating to anti-bribery and anti-corruption, including the Bribery Act 2010
 - Not engage in any activity, practice, or conduct which would constitute an offence under sections 1, 2, or 6 of the Bribery Act 2010 if such activity, practice, or conduct had been carried out in the UK.
 - Have and shall maintain in place throughout the term of this agreement, its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with relevant requirements, and will enforce them where appropriate to include – to the best of its knowledge – compliance by supplying dealers and all persons associated with them.
 - Promptly report to the other Party any request or demand for any undue financial or other advantage of any kind received by it in connection with the performance of this agreement; and
 - Upon request of the other Party or any other Regulator, certify to the other Party in writing signed by an Officer of it, compliance to the best of its knowledge with this clause by the supplying dealer and all persons associated with it, together with such supporting evidence of compliance as the other Party may request.

- Each Party shall also ensure that any person associated with it who is performing services in connection with this agreement does so only on the basis of a written contract which imposes on, and secures from such person, terms equivalent to those imposed on it within this section of the agreement (relevant terms). Each Party shall be responsible for the observance and performance by such persons of the relevant terms and shall be directly liable to the other Party for any breach by such persons of any relevant terms.
- Breach of this clause shall entitle the non-breaching Party to terminate this Agreement with immediate effect on notice.
- For the purpose of this clause, the meaning of adequate procedures and foreign public official and whether a person is associated with another person shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act), sections 6(5) and 6(6) of that Act, and section 8 respectively. For the purpose of this clause, a person associated with a Party includes any sub-contractor of that Party.
- The Broker agrees with the Lender that it shall, and that it shall, procure that's its employees, Officers, Agents, Sub-contractors, and, to the extent of its knowledge, any other person who performs services within the Brokers supply chain for that Broker in relation to this agreement:
 - Comply with applicable laws relating to Modern Slavery and Human Trafficking (Anti-Slavery requirements) including the Modern Slavery Act 2015;
 - Not take or knowingly permit, any action to be taken that would or might cause or lead the Lender to be in violation of any Anti-Slavery requirements; and
 - At the lenders request and cost, provide the Lender with any reasonable assistance to enable it to perform any activity required by any relevant Government or Agency for the purpose of complying with Anti-Slavery requirements.
- The Broker represents and warrants to the Lender that neither it or any known person in its supply chain to its knowledge uses – or has attempted to use – trafficked, bonded, child, or forced labour within its supply chain.

Following initial set up, Key Introducers are further required to re-certify their understanding of their obligations under (and continued compliance with) the Act as part of a formal 'Annual Business Introducer Audit'.

Part of the firms internal annual Modern Slavery Compliance Review requires spot checks to be undertaken to evidence that signed Business Relationship Agreements are held on file for Key Introducers.

Should the firm have ANY concern surrounding a suppliers understanding/compliance with the requirements of the Act, further assurances will be sought. Should an introducer fail to demonstrate compliance with the above processes, the Chief Commercial Officer will be required to review the status of the ongoing supplier relationship.

No concerns were identified throughout the course of the last review that concluded in December 2024.

Supply Chain – Professional Office Services and Suppliers

Those entities providing wider support to enable the operational requirements of AFL have been classified as Professional Service Suppliers. We have determined that the threshold for qualifying suppliers will be the indication of a £100k+ net spend (Ex VAT) on services from said supplier. These costs shall have occurred within the last 12 months from the commencement date of our internal Modern Slavery Compliance Review.

AFL have committed to a process within our annual internal Modern Slavery Compliance Review that enables the business to demonstrate that our 'core' suppliers have procedures in place to combat modern slavery – thus placing emphasis on suppliers to demonstrate their own compliance with the Act in ensuring appropriate practice is being adhered to further down the chain.

AFL believe this element of the supply chain is not considered to be associated with a high-risk sector in respect of modern slavery and human trafficking. AFL do, however, recognise that elements of some areas associated with the absolute origin of manufacture may originate from locations in Asia, Europe and North America (potential suppliers of a supplier to AFL). In these instances, AFL are only party to the final UK based supplier/distribution elements of these supply chains.

No concerns were identified throughout the course of the last review that concluded in October 2024.

HR and Recruitment Process

AFL ensures that all employees are thoroughly vetted prior to their respective employment. Having therefore assessed our employment arrangements and HR Policies; we have determined that any risk of modern slavery related offences being committed is low.

To minimise the risk of modern slavery or human trafficking occurring within the firm, AFL have ensured that a range of HR processes and procedures are in place.

Prior to employment, the HR team will collect evidence to demonstrate that the person being hired:

- Is who they claim to be
- Has the right to legally work in the UK (such as the provision of a valid passport)
- Has the right to undertake work in accordance with the position offered
- Has a valid UK driving licence (where use of a company vehicle is required)
- Has a valid UK bank or building society account

Furthermore, all prospective employees are required to declare any criminal convictions.

Evidence is collated using information provided by the applicant and, where applicable, the DVLA.

All AFL employees are paid by BACS into a UK bank or building society account. In 2023, AFL became a Real Living Wage employer and are therefore committed to paying employees at a rate that is commensurate with at least the minimum requirements of the scheme.

No concerns were identified throughout the course of the last review that concluded in October 2024.

Financial Crime

AFL remain committed to working with appropriate law enforcement and fraud prevention agencies to provide assistance, where required, in combating modern slavery. To this end, AFL continue to subscribe to the National Vehicle Crime Intelligence Service (NaVCIS), and remain active members of CIFAS, the UK's Fraud Prevention service.

The motivation for the perpetrators of modern slavery and trafficking is often financial profit. Under the Slavery and Trafficking Reparation Orders detailed within the Act, the importance of a swift and thorough financial investigation into those convicted of modern slavery offences is emphasised, with potential consequences including the seizure of funds and assets.

AFL acknowledges the importance of vigilance in financial crime, and the potential impact of modern slavery practices in this area, and as such have developed a robust Financial Crime policy with clear guidelines for all staff on how this can impact operational duties. High deposit limits are set in line with industry guidance, with any deposits exceeding limits referred to the Money Laundering Officer (MLRO) or Nominated Officer (NO) for review. The MLRO or NO will consider all cases and pass on information to the National Crime Agency (NCA) on cases if deemed necessary. Quality reviews in this area are carried out monthly by the firm's 1st line Quality Control Department.

All staff at AFL have a responsibility to be alert to Financial Crime and report any suspicions appropriately in line with the policies and procedures set out in the Financial Crime policy. All staff are required to undertake training and a test on this policy upon commencement of their employment, and re-test annually, or sooner should updated guidance be issued.

No concerns in relation to Modern Slavery have been raised to the firms MLRO within the review period.

5. Training and Awareness

The firm has developed its own internal Modern Slavery Awareness Training Module in conjunction with information provided by the Home Office via its Government web platform and training resource page.

This document is reviewed and updated (where necessary) on an annual basis alongside our Modern Slavery Policy and then distributed to all employees in the business with the most recent version of the firms Modern Slavery Statement.

Employees are required to confirm they have received and read all distributed documents; following this process, all employees are required to undertake a supporting Modern Slavery Awareness Test. Employees must attain a pre-determined/high percentage pass mark to demonstrate knowledge, competency and understanding of the subject matter.

Training is undertaken by all new employees at the commencement of their employment. Re-testing is scheduled at annual intervals for all staff at all levels of the business, irrespective of the position held, further demonstrating the firm's commitment to the development and maintenance of appropriate culture.

The firm's training module was last updated in October 2024.

Internal training records show that all employees have completed the required training within the last 12 months.

6. Key Performance Indicators

KPI	2021	2022	2023	2024
Number of Instances of Modern Slavery Identified within Business Operations or Supply Chains	0	0	0	0
Number of escalations/referrals in relation to Modern Slavery	0	0	0	0
Number of determined risk events in relation to Modern Slavery	0	0	0	0
Internal checks for Home Office Updates pertaining the Act completed within the last 12 months	Yes	Yes	Yes	Yes
Internal 'Modern Slavery Compliance Review' completed within last 12 months	Yes	Yes	Yes	Yes
Internal 'Modern Slavery Risks' reviewed within last 12 months	Yes	Yes	Yes	Yes
Internal review of 'Modern Slavery and associated Policy Reviews' completed within last 12 months	Yes	Yes	Yes	Yes
Internal 'Modern Slavery E-Learning Module' review completed within last 12 months	Yes	Yes	Yes	Yes
Percentage of required staff who have completed internal 'Modern Slavery E-Learning Module' within last 12 months	100%	100%	100%	100%
Submission of firms 'Annual Statement' within Home Office Modern Slavery Statement Registry completed	Yes	Yes	Yes	Yes
Publication of firms 'Annual Statement' added to AFL website	Yes	Yes	Yes	Yes

All key performance indicators demonstrate continued compliance within the requirements of the Act, with no concerns noted.

7. Our Plans for the Future

Operational Policy and Risk Management

To continue to meet the requirements of the Act, it is our intention that we will

- Review associated business risks and controls on the firm's risk register periodically
- Review our Modern Slavery policy on an annual basis (or sooner should regulation dictate)
- Review our Modern Slavery Statement on an annual basis and seek board approval for all Statements prior to publication
- Publish updates to our Modern Slavery Statement on our website
- Submit the updated Modern Slavery statement to the government's Modern Slavery Statement Registry on an annual basis
- Continue to promote positive relationships with appropriate law enforcement and fraud prevention agencies as a means of actively creating barriers to those who aim to profit from modern slavery and trafficking

Due Diligence

In order that we can continue to evidence compliance with associated supply chains in accordance with the Act, it is our intention that we will

- Commit to repeating our internal Modern Slavery Compliance Review on an annual basis, taking in to account any reviewed changes to associated benchmarks as denoted in the firms Modern Slavery Policy
- Review HR practice and policy regarding the onboarding of employees
- Obtain evidence from qualifying Professional Office Suppliers to demonstrate their awareness and application of the requirements of the Act
- Ensure that all Motor Suppliers Business Introducers enter into a signed business relationship agreement that seeks agreement to the points outlined in section 4 of this statement.

Training

In order that our employees can continue to demonstrate their understanding of company policy (and through it the requirements of the business to conform to the requirements of the Act), it is our intention that we will

- Review our Modern Slavery Awareness training module on an annual basis in line with our company policy (or sooner should regulation dictate)
- Ensure all new employees are subject to training requirements at the inception of their employment contract
- Ensure all existing employees are subject to annual retesting

Enhancements

In 2025, the firm intends to review its current procurement processes to identify if any further risk mitigation measures could to be taken to more widely support the requirements of compliance with the Act.

Declaration

This statement has been prepared for, approved by, and signed on behalf of wider the Board of Directors of Advantage Finance Ltd.

This statement was agreed by the executive Board of Directors on the 25th February 2025.

This statement will be subject to annual review in January 2026.



John Downing

Chief Sustainability Officer (CSO)

On behalf of the Board of Advantage Finance Ltd.