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Sumitomo Mitsui Finance and Leasing Co., Ltd.

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## **Sumitomo Mitsui Finance and Leasing Company, Limited**

### **Modern Slavery Statement**

#### **Financial year ending 31 March 2026**

##### **1. Introduction**

This Modern Slavery Statement has been prepared by Sumitomo Mitsui Finance and Leasing Company, Limited (“SMFL”) in accordance with Section 54 of the UK Modern Slavery Act 2015, and constitutes SMFL’s statement for the financial year ending 31 March 2026.

This statement describes SMFL’s actions to prevent modern slavery, including forced labour, and human trafficking, in SMFL’s operations and supply chains. This statement was prepared based on discussions with internal and external stakeholders, including legal experts, to respond to the legislative requirements.

##### **2. SMFL’s structure, operations, and supply chains**

###### **2.1 SMFL’s company structure**

SMFL is a global business headquartered in Japan, which engages in a wide range of financial functions. In 2007, Sumisho Lease Co., Ltd. and SMBC Leasing Co., Ltd. merged to become SMFL. SMFL’s shareholders are Sumitomo Mitsui Financial Group, Inc., and Sumitomo Corporation, each of which owns 50% of the shares of SMFL.

As of 31 March 2026, SMFL is conducting business at 33 domestic bases in 27 cities and at 4 overseas bases in 4 countries. Further information on the major group companies and major overseas bases of SMFL Group can be accessed at:

<https://www.smfl.co.jp/english/corporate/about/group/> and

<https://www.smfl.co.jp/english/corporate/about/worldwide/>

As of 31 March 2026, SMFL has 2,339 employees, most of which are engaged in office work, including management, clerical work, sales, and other duties.

###### **2.2 SMFL’s operations**

SMFL has been developing a wide range of business operations, for example, leasing business, investment and lending, and digital solutions business, around the world, including in the United Kingdom, Japan, other parts of Asia, Europe, and the United States of America. For overseas operations outside Japan, as part of our cross-border compliance and governance framework, we monitor and identify issues and challenges regarding the legal compliance and internal control systems of certain overseas entities, through measures

such as requiring reports from local entities when laws and regulations are amended and conducting ongoing monitoring of their compliance structures.

SMFL has been proceeding with business initiatives in the United Kingdom, including an investment in a local subsidiary of Sumitomo Mitsui Banking Corporation in 2022 and an investment in a fund for social infrastructure in 2023.

Additional information on the major business of SMFL can be found at:

<https://www.smfl.co.jp/english/service/>

### **2.3 SMFL's supply chains**

As mentioned above, SMFL has been developing a wide range of business, for example, leasing business, investment and lending, and digital solutions business, around the world, including in the United Kingdom, Japan, other parts of Asia, Europe, and the United States of America. As a result, SMFL has a variety of supply chains, which have differing characteristics.

In particular, in our leasing business, we handle almost all kinds of machinery and equipment to meet customer needs, and have approximately 21,000 suppliers for transactions such as leasing. As SMFL does not have any manufacturing capabilities, the extremely wide range of machinery and equipment we handle needs to be procured from third-party suppliers, such as manufacturers, dealers, and retailers. A notable feature of the leasing business is that customers generally designate the leased assets and the suppliers thereof, and SMFL does not have the power to determine the assets or suppliers in most cases.

### **3. Risks of modern slavery in SMFL's operations and supply chains**

Since most of the people who work in SMFL's operations are engaged in office work, including management, clerical work, sales, and other duties, and their work is carried out in accordance with legally established labour standards and safety regulations, there could be relatively greater risks of modern slavery, including forced labour, and human trafficking in SMFL's supply chains.

### **4. SMFL's actions to assess and address risks of modern slavery**

#### **4.1 SMFL's human rights policy**

As stated in the "SMFL Way", which was prepared to show SMFL's management philosophy and policies in a systematic manner, SMFL is "committed to contributing broadly to the sustainable growth of our customers and society." Underpinning this stance is Our Principle: "As a trusted and responsible corporate citizen committed to meeting and exceeding its customers' expectations, SMFL is committed to - at all times - acting in good faith and complying with all applicable laws."

In order to fulfil the commitments above, we have developed “SMFL Human Rights Policy” and are promoting initiatives under the policy to respect the human rights of all officers and employees of SMFL Group, as well as all persons directly or indirectly affected by our business activities. We commit to respecting human rights based on international standards, such as the “International Bill of Human Rights”, the “ILO Declaration on Fundamental Principles and Rights at Work”, the “United Nations Guiding Principles on Business and Human Rights”, as well as the Government of Japan’s “Guidelines on Respect for Human Rights in Responsible Supply Chains”. The “SMFL Human Rights Policy” applies to all officers and employees of SMFL Group.

In addition, SMFL encourages our manufacturers, suppliers, and business partners to accept, understand, and practice the policy, so that we can work together to fulfil our social responsibilities, including respect for human rights in the relevant value chain. Modern slavery, including forced labour, and human trafficking, are violations of human rights and prohibited by the “International Bill of Human Rights” and the “ILO Declaration on Fundamental Principles and Rights at Work”. SMFL is promoting initiatives to fulfil its responsibilities as a business enterprise, in accordance with the “United Nations Guiding Principles on Business and Human Rights” and other relevant documents.

Additional information on the SMFL Human Rights Policy can be found at:

<https://www.smfl.co.jp/english/corporate/about/human-rights-policy/>

#### **4.1.1 Policy for suppliers**

SMFL will fulfil its responsibility to respect human rights throughout its supply chains. When SMFL hires third-party vendors (excluding suppliers in leasing transactions; the same applies below) for outsourced work, we explain the “SMFL Group Sustainable Procurement Policy”, and confirm the third-party vendor's understanding of that policy before proceeding with contracts. In this manner, SMFL aims to build supply chains that take human rights into consideration in procurement activities. In addition, we verify whether our external vendors have established human rights policies and conduct screening for negative information relating to human rights. Furthermore, we engage in price negotiations with external vendors and maintain relevant records to facilitate the proper pass-through of labour costs in Japan, while taking due care to ensure that those vendors are not placed at a disadvantage.

The “SMFL Group Sustainable Procurement Policy” includes a statement requesting understanding and cooperation with efforts to respect human rights in all business activities, including supply chains. Additional information can be found at:

[https://www.smfl.co.jp/english/sustainability/assets/sustainable\\_procurement\\_policy\\_E.pdf](https://www.smfl.co.jp/english/sustainability/assets/sustainable_procurement_policy_E.pdf)

#### **4.1.2 Policy for employees**

Our “Compliance Policy”, which is our basic compliance policy, and was formulated as a basis upon which each and every SMFL employee will take a “compliance-first” approach, also clearly states that we respect human rights. This naturally includes the prohibition on modern slavery, including forced labour, and human trafficking.

In addition, SMFL strives to provide employees with a workplace free from forced labour, harassment, and human rights violations such as discrimination related to race, gender, sexual orientation, gender identity, religion, creed, nationality, disability, or family status. SMFL also strives to ensure that its recruitment and career progression processes are free from any such discrimination, and respects freedom of association and the right to collective bargaining.

#### **4.1.3 Policy on investment and lending**

SMFL has prepared a “Credit Policy” containing the most significant rules for its credit business, which obligates us to conduct negative checks for human rights violations by using our ESG checklist when considering investment opportunities and project finance transactions.

#### **4.2 Human Rights Due Diligence and Risk Management**

SMFL strives to identify and to prevent or mitigate any adverse impact on human rights through the application of human rights due diligence processes. More specifically, we conduct human rights screenings (checking for unfavourable information, which includes information related to modern slavery, including forced labour, and human trafficking) on debtors, business partners, and third-party vendors.

In addition, SMFL has established an internal whistleblowing system (“SMFL Alarm Line”) to prevent human rights violations, infringements of laws and regulations as well as SMFL’s internal rules and regulations, and to improve the governance of SMFL. In addition, in June 2023, we established a new third-party whistleblowing hotline (i.e., receipt of whistleblowing and relevant interview work are outsourced to a third-party vendor), called the “SMFL Hotline”, through which we endeavour to identify issues in our organization at an early stage. Persons who work at SMFL Group in its operations can use both systems to report human rights violations, such as modern slavery, including forced labour, and human trafficking. To protect whistleblowers, SMFL has a system to ensure that the names and contact information of whistleblowers is not disclosed to the company without the whistleblower’s consent, and proceeds carefully according to the system, while obtaining confirmation from whistleblowers.

Also, Sumitomo Mitsui Financial Group, Inc., one of our shareholders, participates in the Engagement and Remedy Platform operated and provided by the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER). We also utilize this platform to receive human rights-related complaints and concerns from a broad range of stakeholders. If a complaint is received, its receipt and handling status are reported to the Management Committee and the Board of Directors, and those matters are also reported to the Corporate Auditors.

SMFL will continue to cooperate with suppliers and customers and engage in dialogue and collaboration with the relevant stakeholders to fulfil our expected responsibility of respecting human rights. Details of our engagement with relevant stakeholders can be found at the link below:

<https://www.smfl.co.jp/english/sustainability/management/engagement/>

#### **5. Training for the effective implementation of human rights due diligence**

SMFL promotes appropriate awareness-raising activities for SMFL officers and employees so that the SMFL Human Rights Policy is understood and effectively implemented. In addition, our in-house Human Rights Awareness Promotion Committee has decided upon a basic policy for promoting human rights awareness, and has been conducting periodic training sessions on human rights for our officers and employees in order to improve our awareness of human rights.

#### **6. Approval**

This Statement was approved by the Board of Directors of Sumitomo Mitsui Finance and Leasing Company, Limited on 30/09/2026, and has been signed on behalf of the Board by Norihiko Nonaka, Representative Director, Chairman of the Board.



Norihiko Nonaka

Representative Director, Chairman of the Board

Sumitomo Mitsui Finance and Leasing Company, Limited

Date: 30/09/2026