

SHOFU Group Statement Related to the UK Modern Slavery Act

SHOFU INC. (the “Company”) hereby releases this statement, in accordance with Article 54 of the Modern Slavery Act 2015 of the UK.

This statement discloses the policies and initiatives of the SHOFU Group (the “Group”) related to the prevention of modern slavery and human trafficking in fiscal 2023(April 1, 2023 to March 31, 2024).

1. Business Overview and Organization

The Company is a comprehensive manufacturer of dental materials and equipment that engages in the manufacture and sale of dental materials and equipment. We operate our businesses mainly in Japan; North, Central, and South America; Europe; and Asia and Oceania, and we supply materials and equipment used in dental treatment and techniques to dental professionals and dentistry educational institutions in Japan and overseas. As of March 31, 2024, we had 4 consolidated subsidiaries in Japan and 14 overseas, and a consolidated workforce of 1,369 employees (687in Japan and 682 overseas).

In the UK, ADVANCED HEALTHCARE LTD. engages in the businesses of researching and developing, manufacturing, and selling dental materials, and we also sell products indirectly through our German subsidiaries, SHOFU DENTAL GmbH and MERZ DENTAL GmbH.

For details of the Group and the Group’s businesses, please see the Company’s website.

<https://www.shofu.com/global/>

2. Policies Related to the Prevention of Slave Labor and Human Trafficking

In order to realize our corporate philosophy of “Contributing to dentistry through innovative business activities,” the Group considers it essential to respect the human rights of all people affected by its business activities, and has thus established the “SHOFU Group Human Rights Policy” in an effort to fulfill our corporate responsibility to respect human rights.

The “SHOFU Group Human Rights Policy” requires our business partners, suppliers, and other stakeholders to understand the policy and establishes a human rights due diligence mechanism to identify, prevent, and mitigate negative impacts on human rights, such as slave labor, in the Group’s business activities.

Also, under the “Shofu Group code of conduct,” which sets forth guidelines for Group

employees in Japan and overseas to behave in accordance with common ethical values, we pursue to uphold international human rights norms and respect the human rights of people throughout the supply chain in the Group's business activities.

3. Initiatives Related to the Prevention of Slave Labor and Human Trafficking

- The Group applies the "SHOFU Group Human Rights Policy" and the "Shofu Group code of conduct" to Group employees in Japan and overseas, and takes thorough measures to ensure compliance with this code regarding respect for human rights.
- In April 2024, we conducted training for its officers and all employees on our approach to respect for human rights.
- The Group has a whistle-blowing system in place, and in May 2024 we established a dedicated hotline for external parties to consult on and report human rights violations that would occur in our business activities, and developed a system to respond to such consultations and reports.
- We have also established the Ethics Committee chaired by the Chief Operating Officer to deliberate and determine measures to ensure compliance, including human rights issues, so that we can increase the effectiveness of compliance of the Group.

4. Future Initiatives

- We will provide training on respect for human rights to Group employees in Japan and overseas.
- Starting in the next fiscal year, we will work on respect for human rights, focusing on human rights due diligence to identify, prevent, and mitigate negative impacts on human rights in the Group's business activities.
- In accordance with the "SHOFU Group Human Rights Policy" and the "Shofu Group code of conduct," we will continue promoting initiatives to prevent human rights issues such as slave labor, human trafficking, child labor, and forced labor from occurring, across both the Group and our entire supply chain.

This statement was approved by the Board of Directors of the Company on September 5, 2024.

September 5, 2024

SHOFU INC.
President and Chief Operating Officer

Tetsuo Takami