

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 2022 (April 1, 2022 to March 31, 2023).

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, 2023, we had 4 consolidated subsidiaries in Japan and 14 overseas, and a consolidated workforce of 1,299 employees (663 in Japan and 636 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

The Group has established the “Shofu Group code of conduct” as guidelines for Group employees in Japan and overseas to comply with laws and regulations as well as internal rules and behave in accordance with common ethical values, including in relation to human rights issues.

In the Shofu Group code of conduct, in order to ensure respect for fundamental human rights, we have set forth the following principles: (1) to respect each other’s fundamental human rights and not to infringe on the fundamental human rights of others; (2) to recognize the diverse values of individuals and not to discriminate based on race, gender, age, background, place of birth, creed, physical reason, or any other irrational factor; (3) not to permit forced or involuntary labor or child labor; and (4) to comply with relevant laws and regulations and engage in procurement activities based on corporate ethics.

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

The Group applies the “Shofu Group code of conduct” to Group employees in Japan and overseas, and takes thorough measures to ensure compliance with this code, including respect for human rights.

In addition to measures to prevent violations of laws and regulations and fraud in the Group, we have a whistle-blowing system to identify risks early and address issues promptly, and have thus created a system that enables Group employees in Japan and overseas to report and discuss human rights issues.

Additionally, 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

When executing our businesses, the Group places importance on respect for the fundamental human rights of all people, and will continuously conduct education and awareness-raising activities related to respect for human rights. In addition, in accordance with the “Shofu Group code of conduct,” we will continue promoting initiatives to eradicate human rights issues such as slave labor, human trafficking, child labor, and forced labor, across both the Group and our entire supply chain.

This statement was approved by the Board of Directors of the Company on September 7, 2023.

September 7, 2023

SHOFU INC.
President and Chief Operating Officer
Tetsuo Takami

