

Tabio Group Modern Slavery Statement

Fiscal 2023

Tabio Co., Ltd. ('Tabio') and its affiliated companies ('Tabio Group') hereby announce this statement made pursuant to Section 54 of the Modern Slavery Act 2015 enacted in the United Kingdom. This statement is intended to prevent forced or compulsory labour under conditions of slavery and human trafficking within the Tabio Group's business operations, its supply chain and its franchise chain.

1. Business Outline and Supply Chain

Aiming to become the finest socks company in the world, the Tabio Group operates its flagship brand 'Kutsushitaya' and others such as 'Tabio' and 'TabioMEN'. Tabio manages stores and develops, produces and sells socks, particularly 'Made in JAPAN', as its socks are produced in factories in Japan. As of the end of February 2023, Tabio operates 155 stores and 86 franchise chain stores in Japan, 1 store in the United Kingdom, three stores in France and 28 stores in China.

For more information about our business, please visit the following link:

<https://tabio.com/jp/corporate/>

In principle, the socks sold by Tabio are produced domestically. However, a small percentage of our bundled products are planned and designed in Japan, produced in China and operated by a Japanese company. The overseas production ratio is very low by several percentage points.

2. Policies Concerning Prevention of Forced or Compulsory Labour and Human Trafficking

The Tabio Group has established the 'Tabio Human Rights Policy', which states that the Tabio Group applies zero tolerance to any forced or compulsory labour, human trafficking, child labour and others. The Tabio Group supports and respects the principles of the International Bill of Human Rights (the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights), the ILO Declaration on Fundamental Principles and Rights at Work (ILO Core Labour Standards), the Children's Rights and Business Principles and other international norms related to human rights. The Tabio Group is making every effort to carry out initiatives that conform to

the UN Guiding Principles on Business and Human Rights.

Tabio Human Rights Policy:

<https://tabio.com/jp/corporate/news/wp-content/uploads/2023/10/tabio231017.pdf>

3. Out Commitments to Human Rights Due Diligence

(1) Commitment to the Tabio Group directors and employees

In accordance with the Tabio Human Rights Policy, we manage internal training aimed at cultivating awareness and understanding of human rights principles. We aim to deepen our understanding of human rights, ensure that each employee recognises the risks in our business and foster those who can take action to eliminate these risks.

(2) Achieving a worker-friendly work environment and promoting work–life balance

The Tabio Group is committed to creating an environment where every employee can work comfortably and energetically by maintaining a clean and hygienic office space. We have established a dedicated department to oversee the mental health of our employees.

Furthermore, we promote the development of an environment aimed at creating diverse workstyles, including teleworking. We are also committed to excellence and continuous improvement to reduce overtime work. At Tabio, we strive to create a workplace environment where our directors and employees can work in good physical and mental health.

(3) Reinforcement of compliance

The Tabio Group has established the ‘Compliance Regulations’ encapsulated in the Compliance Handbook. Hard copies of this handbook are distributed to all employees upon joining to help clarify the rules to follow as a Tabio Group member. The Compliance Handbook is also uploaded to our company intranet as a reference when needed.

We will continue to strengthen our compliance through continuous notices regarding compliance and compliance training for directors and employees.

(4) Establishment of an in-house whistle-blowing system

The Tabio Group has established in-house whistle-blowing regulations and an internal hotline that allows all directors and employees to report or consult questionable matters and incidents. In addition to our internal hotline, we have also designated a lawyer as the reporting contact point for external reports to avert risk escalation and enable the early identification and resolution of issues. When a report is made, recipients of an informant’s report and the department in charge will work closely to investigate the facts and background with the utmost

consideration and protection of the whistle-blowers. Problems coming to light through whistle-blowing shall be addressed with corrective actions and recurrence prevention measures.

(5) Commitment to supply chain and franchise chain

The Tabio Group applies zero tolerance to any forced or compulsory labour, child labour or unfair low-wage labour. Moreover, we require our supply and franchise chains to adhere to the same content as the Tabio Human Rights Policy. We conduct surveys and hearings with our suppliers and franchise owners to ensure compliance. When potential risks of human rights violations are identified, we engage in individual discussions to address and rectify these issues collaboratively. Through these efforts, we will continue to take measures to prevent human trafficking in the supply chain and promote the construction of a sustainable supply chain.

4. Further Efforts

The Tabio Group will continue working towards instilling awareness of respect for human rights in its supply chain and franchise chain, in line with the Tabio Human Rights Policy. Through due diligence, we monitor and assess the efficacy of the Tabio Group, its suppliers and franchise chains while identifying and assessing potential risks. As to arising risks, we will promptly deal with them appropriately.

The Tabio Group will persist in its efforts to raise awareness about the importance of human rights by providing training and conducting surveys and hearings with suppliers and franchise owners.

This statement was approved by the Board of Directors of Tabio Co., Ltd. on 10 October, 2023.

10 October, 2023

Katsuhiro Ochi
Managing Director
Tabio Co., Ltd.