

Nintendo Australia Pty Limited  
(ABN 43 060 566 083)

## **MODERN SLAVERY STATEMENT**

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1 April 2023 – 31 March 2024 (FY 24)

**[26 September 2024]**

## Foreword from the Managing Director

Nintendo Australia Pty Limited (**NAL**) is part of the global Nintendo group, a developer, manufacturer and seller of entertainment products since 1889. NAL is committed to Nintendo's ultimate goal of "Putting Smiles on the Faces of Everyone Nintendo Touches". As part of our commitment, we understand that our consumers' trust depends on conducting business in a socially and environmentally responsible, sustainable and legally compliant manner. Advancing sustainable conduct throughout our supply chain is critical to our business. Not only does it improve the working environments for those employed at production sites, but it also leads to worker retention and enhanced productivity. We believe this is the foundation for producing high-quality products, ensuring environmental factors are considered, and, ultimately, leading to improved consumer satisfaction.

NAL continues to acknowledge that modern slavery and human trafficking are complex global problems which require an effective response.

This is our fifth modern slavery statement (**Statement**) made under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) and outlines how we have been assessing and addressing modern slavery risks in our operations and supply chains in the reporting period from 1 April 2023 to 31 March 2024 (**FY24 Reporting Period**). Our Statement:

- **outlines the steps we are already taking** at a local and global level to assess and address modern slavery risks in our operations and supply chains;
- **identifies our key risks that we have been addressing in a prioritised risk-based approach**, which includes:
  - our electronics suppliers; and
  - merchandise suppliers (mainly of textiles);
- **provides an overview of the steps we intend to take.**

NAL acknowledges that anti-modern slavery compliance is an evolving area and that there have been significant developments in this space in the FY24 Reporting Period including:

- (1) the Australian Government tabled the report for the review of the Modern Slavery Act; and
- (2) the publication of the Walk Free Global Slavery Index 2023.

We will continue to monitor changes to the regulatory landscape to inform our approach to anti-modern slavery compliance.



Takuro Horie

Managing Director

Nintendo Australia Pty Limited

## 1. Criterion 1: Identify the reporting entity

- The reporting entity is Nintendo Australia Pty Limited (ABN 43 060 566 083), 804 Stud Road, Scoresby VIC 3179 (referred to as **we, us, our or NAL** in this Statement).
- NAL is a reporting entity under the Modern Slavery Act and this Statement is submitted and published for the FY24 Reporting Period.
- NAL makes this Statement in accordance with section 13 of the Modern Slavery Act as a single reporting entity.
- Our Statement covers all of the 7 mandatory criteria for reporting as set out in section 16 of the Modern Slavery Act. In preparing this Statement, we have used the Commonwealth Guidance for Reporting Entities and updated Modern Slavery Act Supplementary Guidance by the Attorney General's Department (together, the **Commonwealth Guidance**) to help inform and guide our approach.

## 2. Criterion 2: Describe the reporting entity's structure, operations and supply chains

### 2.1 Our Structure

- NAL is an Australian private company limited by shares and is incorporated in Australia.
- NAL is part of the global Nintendo group and wholly owned by Nintendo Co., Ltd. (NCL) of Kyoto, Japan, who manufactures and markets hardware and software for its line of Nintendo products. NAL is headquartered in Melbourne, was established in 1993 and serves as a base of operations for Nintendo in Australia as Nintendo's local Australian entity. NAL does not own or control any other entities.
- As of 31<sup>st</sup> March 2024, NAL had a total of 102 employees.

### 2.2 Our Operations

- NAL's principal activities include the importing, distributing, and marketing of Nintendo electronic games and equipment within Australia and to New Zealand.
- More particularly, NAL's operations include:

NAL's Operations	
<b>Purchase of Nintendo Goods for Resale</b>	<ul style="list-style-type: none"> <li>• Procurement of Nintendo hardware / software / accessories from our main supplier, NCL.</li> </ul>
<b>Product Packaging &amp; Printing</b>	<ul style="list-style-type: none"> <li>• Printing and packaging before delivery to retailers:               <ul style="list-style-type: none"> <li>○ Sleeves, boxes, and cases</li> <li>○ Cartons</li> </ul> </li> </ul>

<b>Assembly &amp; Warehousing</b>	<ul style="list-style-type: none"> <li>• In-house packaging at our warehouse, which may include temporary agency workers.</li> <li>• Warehouse product assembly on-site.</li> </ul>
<b>Distribution to Retailers</b>	<ul style="list-style-type: none"> <li>• Freight companies deliver our products to our customers across Australia and New Zealand.</li> </ul>
<b>Repairs</b>	<ul style="list-style-type: none"> <li>• In-house repairs and service of our products.</li> </ul>
<b>Sales and Marketing</b>	<ul style="list-style-type: none"> <li>• Media &amp; advertising (including website).</li> <li>• Gifts with purchase / merchandise for distribution to our consumers.</li> </ul>

### 2.3 Our Supply Chains

- Like many global organisations, our supply chain is global and complex and we have a wide range of direct and indirect suppliers with a mix of Australian and overseas suppliers.
- Our main supplier is our parent company, NCL, representing 81% of our expenditure on the purchase of goods for resale. However, like many other global organisations, NCL employs a “fabless” production model for our main products, including gaming systems and accessories. As such, NCL does not own the facilities that manufacture those products. Accordingly, NCL deals with a range of suppliers to provide us the products we buy from NCL for resale.
- We have mapped out our supply chains at a high level in the following Table.

Product / Service category	Key themes
<b><i>Key suppliers used in relation to core Nintendo products and merchandise:</i></b>	
<b>Hardware, software and accessories providers and manufacturers</b>	<ul style="list-style-type: none"> <li>As an importer, distributor and marketer of Nintendo products, we procure from a wide range of international and local suppliers to support our business activities.</li> <li>Many of these companies are based in Australia, Japan, the United States and Germany. We also recognise that some of these direct suppliers have their own supply chains (who are our indirect or Tier 2 suppliers) based in China, India and Indonesia.</li> <li>For example, our main supplier, NCL, engages its production partners to manufacture Nintendo products due to its “fables” production model.</li> <li>A number of our suppliers are large global brands who themselves have reporting obligations under the Modern Slavery Act, which we have explored in our supplier due-diligence processes (<b>see Section 4 below</b>).</li> </ul>
<b>Merchandise providers and manufacturers</b>	
<b>Printing and packaging providers</b>	
<b>Media, marketing, digital, advertising and creative agencies</b>	
<b>Logistics and distributors to our retailers</b>	
<b><i>Suppliers used in operations to support business activities</i></b>	
<b>Office Supplies</b>	<ul style="list-style-type: none"> <li>To support our operations, NAL also engages a range of other suppliers who supply goods or services that are not integrated or used in the distribution of Nintendo products. Mostly local suppliers are used for these indirect goods and services.</li> <li>These are suppliers from whom we purchase goods or services relating to, for example, utilities, facility management, office supplies and professional services and more.</li> </ul>
<b>IT Equipment</b>	
<b>Security Services</b>	
<b>Cleaning Services</b>	
<b>Professional services – legal, accounting, insurance providers, etc.</b>	

### 3. **Criterion 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls**

- In this section we identify the ‘risks of modern slavery practices’, meaning the potential for NAL to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains.
- In this FY24 Reporting Period:
  - NAL has completed a scoping exercise using our risk assessment program to identify key areas of modern slavery risk in our supply chain;
  - NAL did not identify any instances of modern slavery.
- Our risk assessment program methodology involves:
  - utilising the known modern slavery risk indicators outlined in the Commonwealth Guidance: geographical risks, sector and industry risks, product and services risks and entity risks (together, the **Indicators**);
  - assessing each key supplier against each Indicator with a risk rating;
  - calculating the supplier’s total risk rating in order to assess the overall risks of the supplier;
  - utilising the following tools and resources to inform our risk ratings for the Indicators, namely:
    - to assess **geographical risks, sector and industry risks, and product and services risks** we incorporate findings from the 2023 Global Slavery Index (GSI) and the US Department of Labor List of Goods Procured by Child or Forced Labor;
    - to assess entity risks we also incorporate findings from our Supplier Assessment Questionnaire which we issue to our key suppliers and our review of the Online Australian Register for Modern Slavery Statements; and
    - with respect to entity risks, we also search media alerts and news publications for any adverse or negative information related to our supply chain.
- NAL has set out the findings from our risk assessment for this reporting period at a high level below.

#### 3.1 **High level risk assessment**

- In conducting our assessment, we referred to the Commonwealth Guidance, which sets out how to scope modern slavery risks.
- Our assessment was made based on the following risk categories: sector and industry risks, product and service risks, geographic risks, and entity risks.
- **1. Sector and industry risks:**
  - NAL’s business involves the use of several direct and indirect suppliers to procure electronics and merchandise products. This has been a focus of ours in the last few reporting periods.
  - We also use a number of logistics and freight providers to transport Nintendo products to our Australia and New Zealand retailers.

- NAL uses third party recruitment agencies for some parts of our operations.
- We also use cleaning services for our office premises.

- **2. Product and service risks:**

- Electronics and textiles are recognised as higher risk globally. Labour exploitation in the cleaning industry is well-documented, and cleaning services have been identified by the Government as a key risk area for modern slavery in Australia.
- As above, we have identified electronics, merchandise products and cleaning services as higher risk.

- **3. Geographic risks:**

- NAL does not directly engage with any suppliers in the countries identified in the Global Slavery Index 2023 as having the highest prevalence or the least action in respect of modern slavery.
- However, we understand that a number of our indirect or Tier 2 suppliers are based in higher risk jurisdictions such as China, India and Indonesia.

- **4. Entity risks:**

- Based on the results of our Supplier Assessment Questionnaire, Self-Assessment Questionnaire and media coverage analysis, we consider that the majority of our direct suppliers do not present entity risks.

### 3.2 Our priorities

- Based on our risk assessment, we intend to continue to take a prioritised risk-based approach as recommended by the Commonwealth Guidance.
- In the next few reporting periods we will be focusing our efforts on the following key areas which we have identified as having higher risks and where we have the most leverage:
  - (a) **Electronics suppliers;**
  - (b) **Merchandise suppliers (mainly of textiles); and**
  - (c) **Cleaning service providers for our corporate offices.**
- We also intend on extending our efforts to our distribution and logistics suppliers and recruitment agencies in the medium to long term.

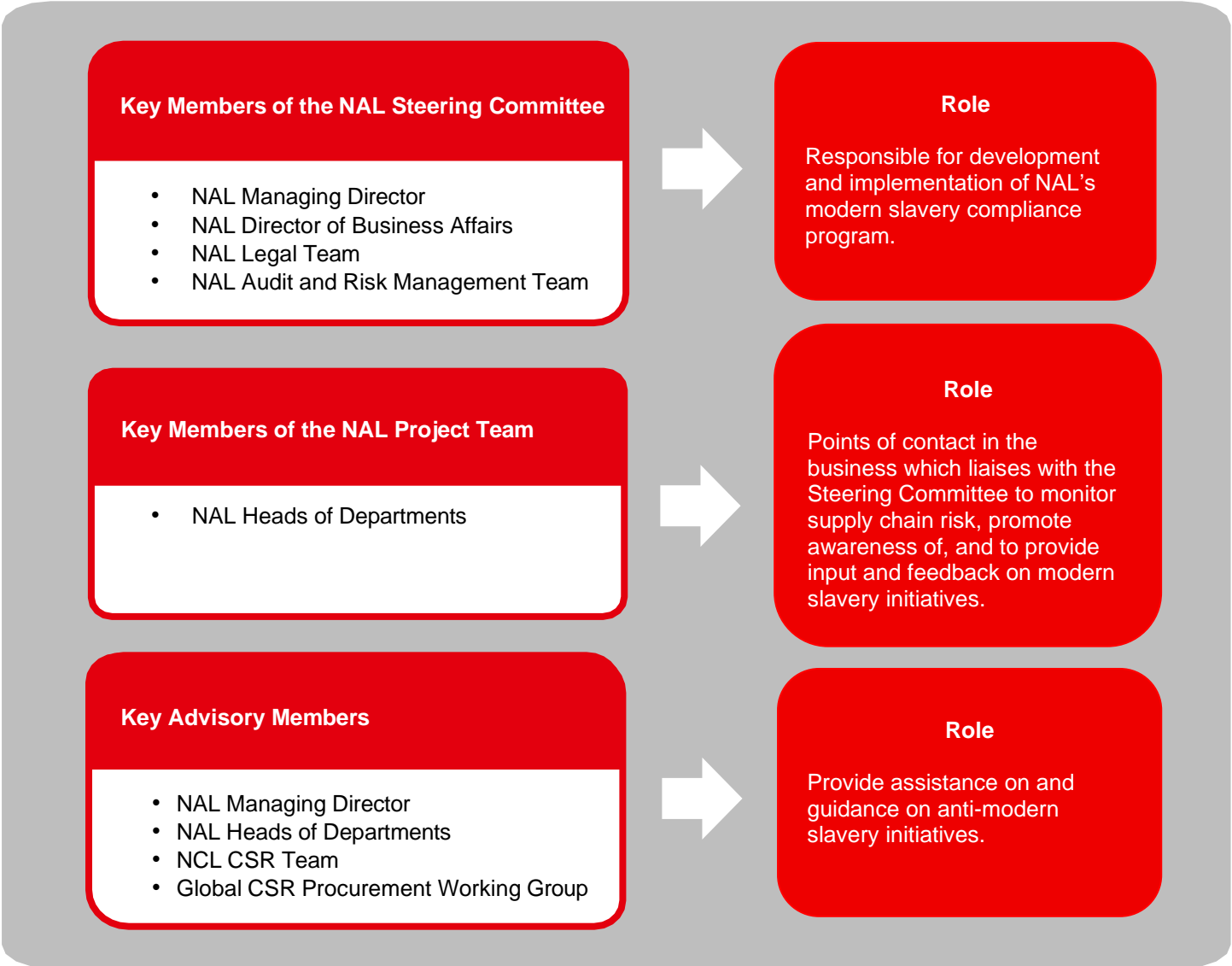
**4. Criterion 4: Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes**

**4.1 Actions taken in the reporting period**

- Set out below in this section is an overview of the steps we have taken during this reporting period to assess and address the risks in our operations and supply chains, and the existing policies and processes we have in place that can be used to facilitate further risk assessment, prevention and mitigation.

**4.2 Policies and procedures and our modern slavery governance structure**

- NAL’s modern slavery governance structure supports NAL’s modern slavery strategy and efforts for continuous improvement. Our structure involves the following pillars.



- NAL has implemented a number of local policies and procedures to assist with addressing the modern slavery risks associated with our operations and supply chains.
- As mentioned previously, NAL is part of the global Nintendo group, and so it also complies with a number of global policies and procedures which also support NAL’s capacity to assess and address modern slavery risks.



- We have set out the range of policies and procedures we comply with below.

Policy name	Objective and how we use it
<b><i>NAL's policies and procedures</i></b>	
<b>Code of Ethics</b>	<ul style="list-style-type: none"> <li>• Our Code of Ethics sets forth standards expected of NAL's suppliers, retailers and distributors which includes:               <ul style="list-style-type: none"> <li>○ prohibitions on child labour and forced labour;</li> <li>○ prohibitions on corruption and bribery; and</li> <li>○ upholding employee rights and health and safety.</li> </ul> </li> <li>• Our Code of Ethics is included in all of our supplier contracts and we expect our suppliers to comply with this.</li> </ul>
<b>Compliance Policy</b>	<ul style="list-style-type: none"> <li>• Our Compliance Policy ensures compliance with all applicable laws, including employment law, ethical business practices, and compliance with the policies of NAL and its parent company.</li> </ul>
<b>Whistleblowers Policy</b>	<ul style="list-style-type: none"> <li>• Our Whistleblowers Policy is designed to encourage employees to anonymously report any concerning misconduct or any improper state of affairs, including emergency / public interest disclosures.</li> <li>• This system allows such disclosures to be made to key positions within NAL, or in extreme situations, directly to external agencies or NCL.</li> </ul>
<b>Grievance Policy and Procedure</b>	<ul style="list-style-type: none"> <li>• Our Grievance Policy and Procedure is intended to achieve a fair, equitable and productive work environment for all employees, non-employees and visitors by providing a transparent and consistent process for resolving grievances.</li> </ul>
<b>NAL Code of Conduct</b>	<ul style="list-style-type: none"> <li>• Our local Code of Conduct outlines the ethical values and standards of behaviours which are expected and required of all NAL employees in their daily business activities.</li> <li>• Our Code of Conduct is an extension of the global Nintendo Human Rights Policy where Nintendo local regions have implemented their own internal codes of conduct to assess and address modern slavery risks within our business operation.</li> </ul>

<b><i>Nintendo global policies and procedures</i></b>	
<b>Nintendo Human Rights Policy</b>	<ul style="list-style-type: none"> <li>• The Nintendo Human Rights Policy applies to all Nintendo employees and entities, including NAL. It articulates Nintendo’s global commitment to respect human rights in accordance with its corporate vision.</li> <li>• The Human Rights Policy was established to support Nintendo’s adherence to international human rights principles and standards such as the International Bill of Human Rights and the United Nations Guiding Principles on Business and Human Rights.</li> <li>• The Human Rights Policy also extends to Nintendo’s supply chain where Nintendo continuously engages with its business partners to help ensure they are conducting socially responsible operations.</li> </ul>
<b>Nintendo CSR Procurement Guidelines</b>	<ul style="list-style-type: none"> <li>• The Guidelines were established to ensure that Nintendo fulfils its social responsibility throughout its entire supply chain with an emphasis on deepening mutual understanding and building trust with Nintendo’s production partners.</li> <li>• The Guidelines were created with external specialists and adopt the standards of the Responsible Business Alliance.</li> <li>• The Guidelines provide guidance based on relevant international laws, regulations and standards on related topics such as human rights, sustainability and ethical procurement including the prohibition of forced labour, respect of workers’ rights, and occupational health and safety.</li> <li>• The Guidelines specifically prohibit the use of forced labour, child labour, prison labour, slave labour, human trafficking and other forms of involuntary labour in all parts of the supply chain.</li> </ul>
<b>Nintendo Responsible Mineral Procurement Policy</b>	<ul style="list-style-type: none"> <li>• The Responsible Mineral Procurement Policy outlines our commitment to ensure that minerals that become a financial source for organisations associated with human rights violations, environmental destruction and the inhumane use of military force, as well as problematic minerals mined in connection with human rights violations or environmental destruction, are not used in our products.</li> </ul>

#### **4.3 Supplier due diligence and mitigation processes**

- NAL takes a number of steps to understand and mitigate modern slavery risks in its supply chains.

While the combination of our local and global supplier due diligence is robust, we recognise that effective responses to modern slavery risks require continuous improvement. As such, in future reporting periods, we will consider ways in which NAL can:

- increase supplier engagement with its direct suppliers; and
- enhance inhouse employee training.

Process	Objective and findings from FY24 Reporting Period
<b><i>NAL's supplier due diligence processes</i></b>	
<b>Risk Assessment Program</b>	<ul style="list-style-type: none"> <li>• As outlined in section 3, NAL has developed a risk assessment program to assess and understand the modern slavery risks of its key suppliers.</li> <li>• In FY24, we identified a small number of suppliers as having higher modern slavery risks based on the Commonwealth Guidance and GSI 2023.</li> <li>• We continue to engage with these suppliers to properly assess and address any modern slavery risks.</li> </ul>
<b>Supplier Surveys</b>	<ul style="list-style-type: none"> <li>• NAL issues supplier surveys to its key suppliers as part of its risk assessment program.</li> <li>• In particular, our Australian and overseas suppliers are asked to complete our NAL Self-Assessment Questionnaire.</li> <li>• In FY24, we assessed 14 of our key suppliers.</li> <li>• We track the percentage of returned and completed supplier surveys to understand the effectiveness of our supplier surveys, see section 5 below.</li> </ul>

#### 4.4 Training, education and capability building

- NAL has implemented annual modern slavery training for all NAL staff. Our training raise awareness on:
  - understanding and identifying modern slavery risks in NAL's operations and supply chains;
  - NAL's anti-modern slavery compliance program; and
  - regulatory developments, such as the Modern Slavery Act Review.
- We work to ensure that our training being engaging and meaningful. As such, we also incorporate quizzes in our training and issue feedback surveys to ensure our training is as effective as possible.

#### 4.5 Employment and recruitment requirements

- NAL also implements measures to reduce the risk of modern slavery in our recruitment processes. This includes:
  - providing our employees with employment agreements that require NAL to comply with all applicable employment laws; and
  - using reputable employment agencies when hiring temporary staff who are bound to comply with our Code of Ethics.
- We intend on expanding our due diligence to our recruitment agencies in future reporting periods.

**5. Criterion 5: Describe how the reporting entity assesses the effectiveness of these actions**

- NAL assesses the effectiveness of its approach to mitigating modern slavery risks with Key Performance Indicators (KPIs) on an annual basis (set out below).

No.	Key objective	KPI
1	<b>Completion of Supplier Surveys</b>	100% of supplier surveys were returned by key suppliers.
2	<b>Incorporating Code of Ethics in supply contracts</b>	100% of supply contracts include NAL Code of Ethics.
3	<b>Attendance at NAL annual modern slavery training and results of training feedback survey</b>	79% of all staff attended training. Our modern slavery training received an average of 4.4 out of 5 for the training's quality (based on results of our feedback survey).

**6. Criterion 6: Describe the process of consultation with any entities the reporting entity own or controls (a joint statement must also describe consultation with the entity giving the statement)**

- As NAL does not own or control any other entities, this criterion does not apply to us.

**7. Criterion 7: Provide any other relevant information**

**Looking ahead**

NAL is committed to continuous improvement and building on the steps and actions implemented in the last four years. Accordingly, over the next few reporting periods we may consider whether to implement the following actions.

- Developing and implementing additional processes and procedures including:
  - a **supplier pre-screening questionnaire** to enhance our supplier due diligence processes;
  - an incident response guide** to detail how NAL deals with modern slavery risks and impacts internally; and
- Assessing and addressing the modern slavery risks in our **recruitment agencies** and **logistics / distribution providers**.

*Nintendo's commitment to corporate social responsibility extends beyond the supply chain process. To find out more about Nintendo's CSR, please refer to the CSR Information site on NCL's corporate website: <https://www.nintendo.co.jp/csr/en-gb/index.html>*



**Principal Governing Body Approval**

This Modern Slavery Statement was approved by Mr Takuro Horie as the Sole Director and principal governing body of Nintendo Australia Pty Limited (ABN 43 060 566 083) pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) on 26 September 2024.

**Signature of Responsible Member**

This Modern Slavery Statement is signed by Mr Takuro Horie in his role as Sole Director of Nintendo Australia Pty Limited (ABN 43 060 566 083) in accordance with section 13 of the *Modern Slavery Act 2018* (Cth) on 26 September 2024.

Takuro Horie  
Managing Director (Sole Director)

## **MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE**

*The table below helps illustrate where you can find the criteria for the Modern Slavery Act addressed in this Statement.*

<b>Mandatory criteria</b>	<b>Page number/s</b>
a) Identify the reporting entity.	<b>[3]</b>
b) Describe the reporting entity's structure, operations and supply chains.	<b>[3]</b>
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	<b>[6]</b>
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	<b>[8]</b>
e) Describe how the reporting entity assesses the effectiveness of these actions.	<b>[12]</b>
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	<b>[12]</b>
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.	<b>[12]</b>
h) Approval and signing from the principal governing body.	<b>[13]</b>