

**Nintendo Australia**  
**MODERN SLAVERY STATEMENT**  
**2022**



**NINTENDO AUSTRALIA PTY LIMITED**

# About this Statement

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This is the third Modern Slavery Statement by Nintendo Australia Pty Limited as required by the Modern Slavery Act 2018 (Cth) (“the Act”).

Being part of a global company with the ultimate goal of “Putting Smiles on the Faces of Everyone Nintendo Touches”, we realise the importance of responsible workplace and environmental policies and practices.

The purpose of this statement is to outline the actions we took during the fiscal year ending 31st March 2022 (FY 2022), to identify, prevent and minimise the risk of modern slavery in our business and supply chain. The actions taken were based on our plans and our learnings from the review of our operations and supply chain during previous years.

The Modern Slavery Statement has been approved by the principal governing body for the reporting entity who is the sole director, Mr. Takuro Horie. This statement was reviewed and approved in September 2022.



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Takuro Horie  
Managing Director (Sole Director)  
Nintendo Australia Pty Limited  
Date: 26th September 2022

# Business Overview

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*Nintendo Australia Pty Limited (“NAL”), headquartered in Melbourne, was established in 1994 and serves as base of operations for Nintendo in Australia. Our registered office is at 804 Stud Road, Scoresby VIC 3179 Australia.*

*Our parent company, Nintendo Co., Ltd. (“NCL”) of Kyoto, Japan, manufactures and markets hardware and software for its Nintendo Switch system.*

*As at 31st March 2022, Nintendo Australia had a total of 96 employees.*

# Structure, Operations and Supply Chain

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*Nintendo Australia Pty. Limited is a private company wholly owned by Nintendo Co., Ltd. of Kyoto, Japan. NAL does not own or control any other entities.*

*The principal activities of NAL consist of importing, distributing, and marketing of Nintendo electronic games and equipment within Australia and exported to New Zealand.*

*In the fiscal year ending 31st March 2022, NAL worked with over 180 suppliers, with our main expenditure being on our direct supplier, NCL, for purchase of goods for resale (86%).*

*However, NAL's supply chain is more complex than products and services provided by its direct suppliers. It extends to products and services provided by its direct and indirect suppliers.*

<b>OPERATIONS</b>	
<b>Purchase of Goods for Resale</b>	<ul style="list-style-type: none"> <li>• Procurement of Nintendo hardware/software/accessories from 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 the NAL warehouse, which may be subcontracted</li> <li>• Warehouse product 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>
<b>Other Activities</b>	<ul style="list-style-type: none"> <li>• Purchase of office and IT equipment</li> <li>• Miscellaneous other services</li> </ul>

# Policies and Governance

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*In the fiscal year ending 31st March 2022, NAL undertook a review of the potential modern slavery risks in our operations.*

*Our objective is to identify, prevent and mitigate modern slavery risks within our operations and in our supply chain.*

*Our pre-existing NAL Code of Conduct outlines the ethical values and standards of behaviour which are expected of all employees of NAL in their daily business activities.*

*NAL's Code of Ethics Policy sets forth standards expected of NAL's suppliers, as well as retailers and distributors that NAL supplies to.*

*NAL's Whistle-blower Policy establishes a system for reporting disclosures of misconduct or any improper state of affairs or circumstances by employees of NAL and emergency/public interest disclosures. The system enables such disclosures to be made to key positions within NAL, or in extreme situations, directly to external agencies or NCL.*

***To reduce the risk of modern slavery, the following measures are part of our recruitment process:***

- *All employees of NAL are bound and protected by written employment contracts in compliance with employment law.*
- *We use reputable employment agencies when sourcing temporary staff who are bound to comply with our Code of Ethics*

## Impact of COVID-19 Pandemic on NAL's Operations and Supply Chain

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- *We recognise the increased risks brought about by COVID-19.*
- *During FY 2022 most NAL employees worked from home at particular periods of time in line with directives and guidance from the relevant state governments across Australia.*
- *For our 'permitted/authorised' workers who were still able and willing to work from NAL premises, a COVID safe plan was implemented, COVID safe signage displayed, partitions were installed, safety practices put in place, such as temperature checks and social distancing, and personal protective equipment was provided.*

# Assessment of Modern Slavery Risks

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*As this is our third year of working to provide a Modern Slavery Statement under the Modern Slavery Act 2018 (Cth), our approach was to focus on action plans and our learnings from our past year reviews.*

*We created a risk assessment program to assess our human rights risk exposure using tools such as the “2018 Global Slavery Index” published by the Minderoo Foundation and the U.S. Department of Labor’s “2018 List of Goods Produced by Child Labor or Forced Labor”.*

*Based on the tools noted above, we selected suppliers for review which conducted final assembly in countries categorized as having high geographical risk or those which provide products identified as having high product risk.*

*We were mindful of the risk indicators highlighted in the “2018 Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities”, including:*

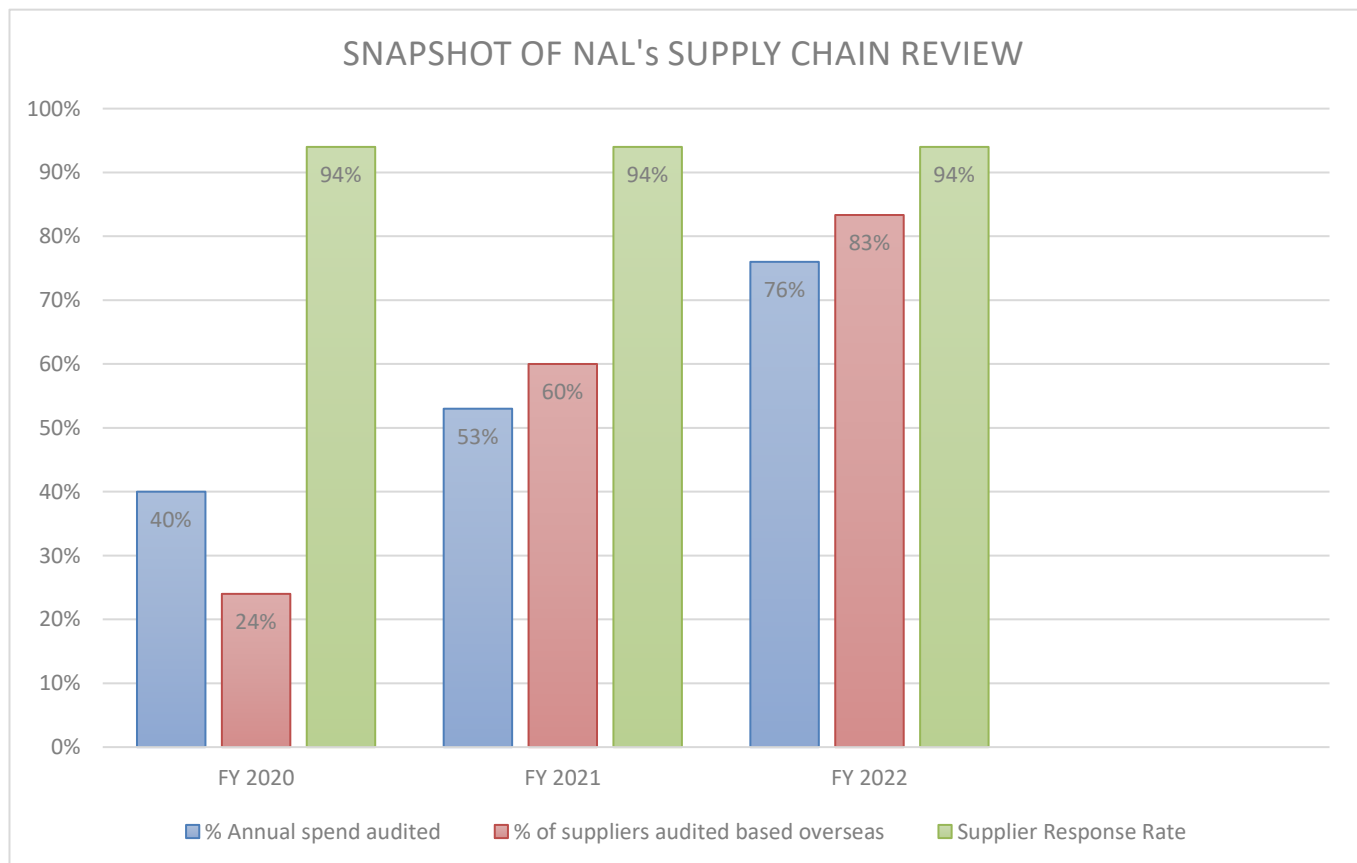
- 1. **Product and Services Risks** – certain products and services may have high modern slavery risks because of the way they are produced, provided, or used.*
- 2. **Geographical Risks** - some countries may have higher risk of modern slavery.*
- 3. **Entity Risks** - some entities may have modern slavery risks because they have poor governance structures, a record of treating workers poorly or a track record of human rights violations.*

# Assessment of Modern Slavery Risks

As part of the supply chain review of over 180 suppliers, 18 new and/or existing suppliers were assessed which represents 76% of our annual supplier spend.

Of the total 18 suppliers assessed we noted:

- There was a 94% response rate.
- Some of our suppliers have higher geographical risks as they or their suppliers operate in potentially higher risk countries. For this reason, a high proportion of entities audited (83%) were those located overseas.
- There are products that have been identified by the U.S Department of Labor's "2018 List of Goods Produced by Child Labor or Forced Labor" as having a higher product risk, such as electronics and merchandise using textiles.



# Due Diligence and Mitigation Processes

Steps that we have taken to assess and mitigate risk in our supply chain include:

- Development of a risk management program using human rights risk indicators.
- Conducting supplier surveys specially designed to validate supplier workplace practices. Factories that assemble/package our core products (such as Nintendo Switch hardware and software) were asked to complete a Responsible Business Alliance (RBA) self-assessment questionnaire. All other local and overseas suppliers under review were asked to complete the NAL self-assessment questionnaire, to demonstrate that they have a robust ethical sourcing program in place.
- Working with NCL to evaluate supplier risks.
- Ongoing contracts with our suppliers including a Supplier Code of Ethics Policy.

We have further raised awareness within the organisation and conducted education with our employees on the preventative and proactive measures to be taken in creating continuous improvement for this matter. Not only the Project Team members, but also all employees involved in procurement and 90% of all employees have received training and are aware of the obligations the company has under the Act.

## NAL Governance Structure

While addressing the reporting criteria for the Modern Slavery Statement, our Steering Committee and Project Team members continue to strive for continuous improvement.

We have also gathered key advisory members to further assist in the process.

### Key Members of the NAL Steering Committee

- Director of Business Affairs
- Legal Team
- Audit and Risk Management Team

### Key Members of the NAL Project Team

- General Managers
- Department Managers

### Key Advisory Members

- NAL Managing Director
- NAL Directors Group
- NCL CSR Team
- Global CSR Procurement Working Group



# Assessing Effectiveness of Actions

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*Nintendo has conducted a global supply chain risk assessment to determine the effectiveness of our actions. We have also established the Global CSR Procurement Working Group to holistically share information related to each country's CSR procurement activities as well as discussing initiatives for the group as a whole.*

*In addition to the above, the NAL Steering Committee and Project Team continue to work collaboratively to monitor the supply chain risk, especially for products with high product or geography risk.*

*Some of our key indicators when assessing the effectiveness of our actions include:*

- 1. Number of high/medium risk suppliers that have completed the internal/external self-assessment questionnaire.*
- 2. Number of staff at NAL that have participated in our internal training on ethical sourcing.*
- 3. Number of consults provided by the NAL Project Team to NAL staff and suppliers to better understand ethical sourcing.*

# Future Commitments

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1. *Further extend our supply chain review to additional suppliers that were not in scope previously.*
2. *Continue to provide further training for our staff to empower them to identify potential risks especially during the supplier selection process.*
3. *Further investigate suppliers where potential for human rights risk was identified.*
4. *Continued monitoring of suppliers where low potential for human rights risk was identified.*

*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/index.html>*