



Nintendo of America Inc.
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May 29, 2024

Forced Labor and Child Labor in Supply Chains Report 2024

1. ABOUT THIS REPORT

This joint report is made by Nintendo of America Inc. pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") covering our most recently completed fiscal year which ended March 31, 2024.

The scope, policies and information provided in this report apply to Nintendo of America Inc. and to its subsidiary, Nintendo of Canada Ltd. (hereinafter referred to collectively as, the "Company", "we", "us", or "our"), unless otherwise specified. References to "Nintendo" in this report refer to the global Nintendo organization, represented by its parent company, Nintendo Co., Ltd.

This report highlights the key actions of the Company within its last financial year to prevent and reduce the risk of forced labor or child labor in its operating activities and in those of its supply chain.

2. OUR COMMITMENT

Being part of a global company with the ultimate goal of "Putting Smiles on the Faces of Everyone Nintendo Touches", the Company realizes that consumer trust depends upon our commitment to conduct business in a socially responsible and legally compliant manner. Advancing sustainable conduct throughout its entire supply chain is a way for the Company to not only improve the working environment for those employed at production sites, but to also lead to worker retention and enhanced productivity. This provides a foundation for the production of high-quality products, is connected to environmental considerations, and, ultimately, leads to increased business performance and improved satisfaction of our clientele.

The Company supports and adheres to international human rights principles and standards, such as the International Bill of Human Rights and the Guiding Principles on Business and Human Rights, both from the United Nations, and the Declaration on Fundamental Principles and Rights at Work, from the International Labour Organization (ILO).

3. PREVENTING AND REDUCING RISKS OF FORCED LABOR AND CHILD LABOR

The Company has taken the following steps to prevent and reduce the risk of forced labor and child labor occurring in its activities and supply chains:

- Implementation of various human rights policies and procedures to ensure forced labor and child labor is not taking place anywhere in its supply chains.
- Implementation of anti-forced and anti-child labor contractual clauses, standards, codes of conduct, and compliance checklists.
- Audit and monitoring of its suppliers through third-party audits.

- Continuous internal monitoring of the Company's socially responsible procurement conduct.
- Development of an action plan for addressing forced labor and child labor risks in its supply chains and remediation measures in the event of a reported or identified incident.
- Development of various risk and prioritization metrics to focus on the most severe risks of forced labor and child labor.

Details of the above actions are set out in this report.

4. ABOUT US & OUR SUPPLY CHAIN

Nintendo is a corporation engaging in development, manufacturing, and global sales and distribution in the entertainment sector and the Company is conducting this business in the Americas including Canada.

Nintendo of America Inc., a corporation established in 1980 and based in Redmond, Washington, is a wholly owned subsidiary of Nintendo Co., Ltd., our parent company based in Japan. Nintendo of Canada Ltd., a wholly owned subsidiary Nintendo of America Inc., is based in British Columbia, Canada.

Nintendo Co., Ltd.'s commitment to delivering products and services to consumers around the world in a socially responsible manner and to investing in the well-being of Nintendo's employees reverberates through the entire Nintendo family.

Nintendo of America Inc. purchases products from the United States and international suppliers, including from our parent company. We subsequently import these products into Canada for direct sale to consumers as well as for sale to distributors through our wholly owned subsidiary, Nintendo of Canada Ltd.

The products we import into Canada are mainly manufactured in Cambodia, China, Japan, Mexico, the United States, and Vietnam.

5. POLICIES AND DUE DILIGENCE PROCESSES

The Company strives to positively impact all the people we depend upon across our full supply chain. The Company is focused on developing human rights policies and due diligence capabilities to proactively identify and mitigate the risks for potential impacts on people, prioritize actions, track progress, and communicate.

5.1 Our Human Rights Policies

The Company's policies reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure forced labor or child labor is not taking place anywhere in our supply chains.

The following policies apply to the Company:

- The Human Rights Policy of Nintendo Co., Ltd., our parent company, articulates the Company's commitment to respecting human rights in accordance with its corporate

vision. This policy applies to everyone employed by the Company and extends to its supply chains, where the Company continuously engages with its business partners to help ensure they are conducting socially responsible operations.

- Our Code of Business Conduct applies to all our employees, who are expected to maintain a high standard of conduct, to treat others with respect, and to conduct themselves in an ethical and professional manner. It also provides for the confidential treatment of complaints under the code and prohibits retaliation for any such complaints made in good faith.
- The CSR Procurement Guidelines of Nintendo Co., Ltd. (the “Guidelines”) apply to all business partners involved in the production of its products the Company imports and sells, including gaming systems and accessories. The Guidelines explicitly prohibit the use of child labor, forced labor, and other forms of involuntary labor as described in the “CSR Procurement Guidelines” section below. In addition, the Company applies the Guidelines to products procured locally.

Almost all of the products the Company imports into Canada are procured by our parent company, pursuant to responsible procurement policies and guidelines and the Company relies on those practices to combat forced labor and child labor risks in its activities and supply chain.

CSR Procurement Guidelines

The division in charge of procurement at Nintendo Co., Ltd. created the Guidelines (in Japanese, English, and Chinese) to further ensure it fulfills its social responsibility throughout the supply chain, with an emphasis on deepening mutual understanding and building trust with its production partners.

The Guidelines, created with the advice of external specialists, adopt the standards of the Responsible Business Alliance (RBA). They provide specific guidance based on relevant international laws, regulations, and standards that address topics such as human rights, sustainability and ethical procurement, including the prohibition of forced labor, respect for workers’ rights, and occupational health and safety.

Nintendo places great importance on the respect for human rights and includes this as the first item in the Guidelines. It prohibits the use of forced labor, child labor, prison labor, slave labor, human trafficking, and other forms of involuntary labor in all parts of the supply chain.

Responsible Mineral Procurement Policy

Nintendo Co., Ltd.’s Responsible Mineral Procurement Policy aims to ensure that minerals that become a financial source for organizations 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.

5.2 Due Diligence Processes

The Company applies due diligence practices aligned with the risks involved in its activities, supply chains, and business relationships in a manner conducive to responsible conduct.

Activities and Suppliers

The Company's business partner contracts require signatories to share information about the factories they use in producing our products and licensed goods. This information contributes to mapping our activities and supply chains and provides us with a better understanding of our business partners' practices.

In addition, the Company's contracts require our business partners to:

- undertake to act in accordance with the Guidelines; and
- allow the Company to carry out third-party audits of their activities, based on a checklist of items that must be verified during such audits.

The Company also conducts an annual internal assessment of risks of forced labor and child labor in its activities and supply chains, considering metrics such as the volume of production and countries of manufacture to evaluate relative risk in different parts of its supply chains. This internal assessment provides us with a better understanding of the main sources of risk and allows us to allocate our resources and efforts accordingly.

Also, we use third-party audit reports to keep us informed of workers' conditions in our suppliers' factories. These reports allow the Company to ensure that its suppliers have sufficient policies and procedures in place for identifying and prohibiting the use of forced labor and child labor and that the practices in our activities and supply chains do not increase the risk of such labor.

Governance

The Company understands that forced labor and child labor are far-reaching and important issues. As such, the Company is committed to continuing its approach to mitigating risks in that area. To that end, the Company created a governance framework fostering responsible procurement throughout the Company.

As part of this initiative, relevant members of the Company's management are tasked with monitoring our responsible sourcing program, providing recommendations for improvements, as well as addressing critical non-compliance issues. This framework ensures that critical issues are reported to the Company's Executive Leadership Team whenever needed.

The Company's CSR Procurement team participates in bi-weekly joint-industry working group meetings on forced labor and child labor risk. Furthermore, the CSR Procurement team engages with social auditing firms and other service providers to seek guidance on best practices to combat forced labor and child labor and report findings directly to the Company's dedicated management team.

Prioritization of our Due Diligence Efforts, Action Plan and Remediation

The Company has developed an action plan to allow it to quickly respond if any instances of forced labor and child labor were to be found in its supply chains. To that end, the Company's dedicated management team meets on a monthly basis, monitors changes in the Company's supply chain risks and potential instances of non-compliance with its applicable policies, which would be promptly addressed whenever necessary.

The Company's approach to monitoring its supply chains and cooperating with its suppliers allows it to identify and mitigate adverse impacts of forced labor and child labor in its operations, supply chains, and business relationships.

Through a prioritization exercise, the Company's dedicated management team ensures we focus our due diligence efforts and resources on the most severe risks of forced labor and child labor. To track our performance in addressing forced labor and child labor risks, the Company's dedicated management team receives reports outlining our progress on the actions taken.

Worker Recruitment

As part of our gathering of information on worker recruitment, the Company receives third-party factory social audit reports that it evaluates to ensure its suppliers have sufficient internal controls to ensure workers are recruited voluntarily.

6. RISK ASSESSMENT

6.1 Identification of Risks

The Company is committed to maintaining and improving systems and processes to help identify and address forced labor and child labor risks. We have invested resources and have collaborated with various stakeholders to develop and implement programs designed to prevent human rights abuses in our business operations and supply chains.

Given the fact that the Company relies on global supply chains which present visibility challenges, no definitive risk areas have been identified at this time. We will continue to work with our parent company, Nintendo Co., Ltd., to evaluate supply chain risks through 2024 and beyond.

That said, we are aware that certain countries present a higher risk of forced labor and child labor and, as such, we prioritize risk management of manufacturing in countries known to be of the highest risk, based on our review of third-party sources such as the ILO, the World Bank's Worldwide Governance Indicators and reports from the U.S. Department of Homeland Security.

As an important part of our purchases comes from our parent company, initiatives such as the following allow us to minimize the risk that forced labor and child labor be used in our activities and supply chains. For example, our parent company has established as a basic policy that minerals (including tin, tantalum, tungsten, gold, cobalt, etc.) that become a source of finances for organizations associated with human rights violations such as child labor, environmental destruction, and the inhumane use of military force are not used in Nintendo products from the perspective of social responsibility. In addition, to further enhance the transparency of Nintendo CSR procurement, our parent company initiates third-party audits of its main production partners selected based on the business relationship status and other factors. During third-party audits, auditors review relevant documents and perform a sampling check to verify wages, working hours,

and other items. Auditors also confirm that the human rights of workers are being respected through interviews with managers and workers employed at the production sites in their native language and observation of production sites and dormitories.

7. ACTING ON IDENTIFIED RISKS & IMPACTS

As the Company has not identified any forced labor or child labor instances in its business or supply chain, it has not had to take any measures to remediate any forced labor or child labor or to remediate any loss of income to vulnerable families resulting from these measures.

If the Company were to determine that it has caused or contributed to any instances of forced labor or child labor, it would offer its cooperation to the impacted parties to develop an approach to remediation tailored to their needs.

8. TRAINING AND CAPABILITY BUILDING

At the Company, we provide annual training on the Code of Business Conduct to all our workforce, who also consent to being bound by our code on an annual basis.

We also conduct continuing education on human rights for employees engaged with our supply chain and business partners.

We regularly review our policies and training content to ensure they continue to be up-to-date, relevant and effective.

To ensure a high level of understanding of the risks of forced labor and child labor in the Company's supply chains and activities, members of the Company's dedicated management team receive regular updates on supply chain risk and how we are managing it.

9. ASSESSING THE EFFECTIVENESS OF OUR APPROACH

The Company has established internal processes to assess the effectiveness of the measures taken to ensure that forced labor and child labor are not being used in our business and supply chains.

Those include:

- Regularly reviewing or auditing our policies and procedures related to forced labor and child labor.
- Tracking the results of third-party audit reports assessing the conditions and risks of production facilities in our supply chains.
- Implementing processes to ensure that timely corrective actions are implemented whenever necessary.
- Monitoring the changing environment in our supply chains to ensure ongoing visibility.
- Engaging with service providers and industry experts to review and improve the methods used in our evaluations.

We will continue to review our processes, policies, and practices to align with industry best practices and mitigate our risk with regard to forced labor and child labor.

10. APPROVAL AND ATTESTATION

This report was approved by the Board of Directors of Nintendo of America Inc. on May 21, 2024, pursuant to subparagraph 11(4)(b)(ii) of the Act and constitutes the joint report for the entities listed in the first section of this report for the financial year ending March 31, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed in the first section of this report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year indicated above.

I have the authority to bind Nintendo of America Inc.

DocuSigned by:

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Full name: Doug Bowser

Title: President

Date: May 29, 2024