



Nintendo Australia Pty Limited
Australian Packaging Covenant

Action Plan 2010 - 2015



Nintendo Australia Pty Limited
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The Wii logo, featuring the word "Wii" in a bold, sans-serif font with two dots above the 'i', all enclosed within a blue circular border.

Wii™

The Nintendo DS logo, featuring the words "NINTENDO" and "DS" in a bold, sans-serif font, with a small square icon between them.

NINTENDO DS®

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EXECUTIVE SUMMARY

Nintendo Australia views its obligation to the environment as an important part of Nintendo's broader obligation to being a responsible corporate citizen.

Nintendo Australia was an enthusiastic signatory to the National Packaging Covenant for eight years before the Australian Packaging Covenant commenced in July 2010, and willingly became a signatory to the new Covenant. To help Nintendo meet its obligations as a signatory to the new Covenant, a specialised Management Committee was appointed and has met regularly to formulate a new Action Plan for the period of 2010 to 2015.

The Management Committee formulated this Action Plan to serve as a framework for the actions to be undertaken in the next five years with the ultimate aim of helping the Covenant achieve its goals and objectives while also helping Nintendo Australia achieve its own environmental and commercial objectives.

This Action Plan has been created at a time when Nintendo Australia has already set high benchmarks of sustainability in its packaging, with 99.95% of Nintendo packaging (measured by weight) being recyclable in the 2009-2010 financial year. At the same time, Nintendo Australia recognises that diligence and continuous improvement are the keys to continued success. To this end, this Action Plan is considered a working document and will be revised and improved as lessons are learned and in response to external factors that may eventuate during the five-year term.

While this Action Plan does outline the actions to be undertaken, more specific procedural detail will be incorporated directly into Nintendo policies and procedures to involve the entire company at an operational level.

Independent of the Management Committee, Nintendo Australia's pre-existing Environmental Committee will continue to work on supplementary environmental initiatives such as a reduction in energy consumption, recycling of non-packaging waste materials, and recycling of e-waste.

COMPANY PROFILE

Company Overview

Recognised as the worldwide leader and innovator in the creation of interactive entertainment, Nintendo Co., Ltd. manufactures and markets hardware and software for its popular home video game systems and portable hand held game systems.

Nintendo Co., Ltd. was founded in 1889 as a manufacturer of "Hanafuda" Japanese playing cards and became the first manufacturer of western style playing cards in Japan. Nintendo Co., Ltd. had many successful years manufacturing various types of playing cards and games before branching out into the electronic toy industry.

Nintendo Co., Ltd. introduced electronic technology into the toy industry for the first time in Japan in 1970. The following years saw the development and innovation of video games and the birth of the video games industry.

Brand Ownership

The Nintendo Group worldwide develops, manufactures, markets and distributes video games. Icons like Mario, Zelda and Pokémon are unique to Nintendo video games systems and are world recognised. The home video games machines (Nintendo Entertainment System, Super Nintendo, Nintendo 64, GameCube, Wii) are console systems that connect to a television and are played using a hand controller and game (cartridge or disc). Nintendo's newest such console system, the "Wii" was released in early December 2006 achieving some major milestones in 2010. Wii has now surpassed sales of three million units in Australia. This milestone was achieved in 47 months and establishes Wii as the fastest selling home console in Australia. Previously Nintendo DS held this record, selling through two million units in 52 months. Wii was also the highest selling home console for 2010, selling through more than 420,000 units. Wii Fit and its successor Wii Fit Plus have together sold in excess of one million units since the initial launch in May 2008.

The portable game's systems Nintendo DS, Nintendo DSi and Nintendo DSi XL are battery operated hand held systems using Game Card (i.e. cartridge) based games. Since the introduction of the first version of Nintendo DS in February 2005, Nintendo DS has been the highest selling console for five years running. In December 2010, Nintendo DS also achieved the title of the biggest selling portable game system of all time in Australia, having sold through more than three million units. The Nintendo 3DS which will be launched on March 31st 2011 will be the first ever portable gaming device delivering 3D entertainment without the need for special glasses.

In addition to games systems, Nintendo Australia has also sold over 3.2 million software units in the 2009-2010 financial year alone. The range of products currently in the Australian market includes Wii, Nintendo DSi XL, Nintendo DSi, Nintendo DS Lite, and a range of software titles and styles including Adventure, Action, Racing, Role Play, Classic and Sports games as well as various accessories for each platform.

Club Nintendo is Nintendo's loyalty programme, which users can join by registering one or more Nintendo products. By registering products, Club Nintendo members start collecting Stars, which can be exchanged for rewards in the Club Nintendo Stars Catalogue.

The success of the Nintendo brand is due to the production of high quality products that are innovative and have high entertainment value.

Packaging Materials and Formats

In order to fully understand the types and quantities of packaging materials used and identify areas for improvement, an audit of the types of packaging materials used for Nintendo's current products was performed in Nintendo Australia's first year as a signatory to The Covenant. In addition to identifying the types of materials used, investigation was made into ways of measuring and recording the quantities of these materials. An ongoing part of Nintendo Australia's Action Plan has been to record quantities of waste currently generated and implement ways to reduce this by eliminating, reusing and recycling these materials.

The current packaging materials in use are:

Cardboard	-	Retail product master
	-	Cartons Shipper/Inner
	-	VIP Cards
Paper	-	Sleeves
	-	Consumer product information
	-	Shipping and handling information
	-	Labels
Plastic	-	Bags
	-	Inner Tray
	-	Strapping Buckles
Polyethylene	-	Stretch film
	-	Bubble wrap
	-	Pallet Bags/liners
Polypropylene	-	Strapping
	-	Game cases
Wood	-	Treated pine pallets
	-	Hardwood pallets
Wire	-	Vinyl coated ties

Business Locations

Nintendo Australia Pty Limited (**Nintendo Australia**) a Wholesaler/Distributor was established in 1994, and is the local head office of Nintendo Co., Ltd. of Kyoto, Japan.

Nintendo has operations in the USA, Canada, Germany, Italy, France, Spain, the Netherlands, Belgium, Korea, China, Taiwan, Mexico, Brazil, and Australia. Today, Nintendo Co., Ltd. is recognised as the leading software based entertainment company in the world.

Nintendo Australia was formed in 1994. Prior to this, for seven years Nintendo products were available in Australia through a distributor. Nintendo Australia currently employs 89 permanent full-time staff consisting of 80 staff at the Head Office in Melbourne, and 9 Field Representatives working throughout Australia.

PLAN MANAGEMENT

As a commitment to the implementation of the Action Plan the contact details are as follows:

Covenant Contact Officer

Name: Kelvin Burns

Address: 804 Stud Road, Scoresby, Victoria 3179

Position: Director of Business Affairs

Phone Number: 03 9730 9900

Email Address: burnsk@nal.nintendo.com.au

APC Management Team:

Nintendo Australia as a signatory to the National Packaging Covenant has an Environmental Committee formed to oversee implementation of the goals and KPI's of the NPC.

This Environmental Committee has formed an Australian Packaging Covenant Management Committee with representatives from Business Affairs Department, Operations Department including Warehousing, Transport and Logistics, Marketing Department and Internal Auditing.

Nintendo Australia Limited has always worked closely with it's staff. To that end one of the first initiatives decided by this committee was to utilise staff from other departments: Planning, Corporate and NCL (Nintendo Japan) in an expert role to advise and assist in an 'on call' basis when necessary. In effect this will mean that over the life of this Action Plan and into the future all staff will be involved in it's initiatives.

While determining a template for Nintendo's Action Plan the Committee noted the need to address current documentation upgrade like the Product Check List which can be used in the day to day evaluation of product, design and packaging. Also noted the need to review legislation over the five years as an ongoing procedure to ensure that Nintendo is compliant in it's Policies and Procedures, which will then be applied, continuously, over the life of the Plan and again into the future.

SUMMARY OF PREVIOUS ACHIEVEMENTS

Since becoming a signatory to the National Packaging Covenant, Nintendo Australia has put in place processes for the collection and recycling of all types of recyclable packaging materials handled onsite. A report on quantity sent to landfill and quantity recycled is presented to Nintendo Australia's Directors each month and a container for collection and recycling of cardboard has been brought onsite in order to increase efficiency and effectiveness of cardboard recycling.

In the 2009-2010 financial year, Nintendo Australia consolidated the recycling of confidential documents and recycling of non-confidential end user materials simply by introducing more shredders and shredding more paperwork onsite. Once shredded, the confidential paperwork can be recycled by Visy together with other paper. This has eliminated a regular collection by a specialised secure document destruction company which avoids fuel costs and cuts down on carbon emissions.

The colour coded in-house recycling collection system for end user material in the office, which was introduced in the 2007-2008 reporting period is now well established as a regular part of the day-to-day operations of the company.

Nintendo Australia (Environmental Committee) as a signatory to the National Packaging Covenant has already undertaken comprehensive reporting on objectives like:

- Investigate recycling symbols and ways of including recycling symbols on to product packaging
- Education program for retailers including a letter of our commitment to the National Packaging Covenant.
- Continuing to raise awareness of our commitment to the National Packaging Covenant and other environmental initiatives by; presentations at quarterly staff meetings and quarterly Environmental Committee bulletins on recycling, etc.
- Contributing to the National Packaging Covenant funding arrangements to address a broad range of programs including away from home recycling and enhancing recycling infrastructure.
- Reducing the amount of plastic going to landfill
- Reducing waste collections and minimising cardboard going to recycling by reusing.
- Identifying areas of waste in the distribution process system and implementing a reduction plan
- Decreasing demand for reprints of printed material

The Environmental Committee regularly communicates with all permanent employees on environmental projects and continues to remind all staff of the importance of the correct disposal of packaging (including their own end user packaging).

APC GOALS

The following table demonstrates how Nintendo will support achievement of the Covenant's goals: Design, Recycling and Product Stewardship together with the Covenant's 8 KPI's by submitting a rolling 5 year Action Plan.

During the entire life of Nintendo's Action Plan there will be ongoing legislation reviews which may produce policy and procedure changes. Documentation will be collected for external audit as well as Nintendo's own internal auditors.

Nintendo embraces the opportunity to become more resource efficient while reducing environmental impact without compromise to either product quality or safety and also to Nintendo Australia's excellent reputation.

Covenant performance goals and KPI's	Action	Responsibility	Baseline Data	Target	Timeframe	Evidence
DESIGN Optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety. KPI 1 Proportion of signatories in the supply chain implementing the SPG for design or procurement of packaging.	Establishment of an APC Management Team	Environmental Committee	Established NPC Environmental Committee	To produce an APC Action Plan	By the 31 st March 2011	Documented Minutes
	Develop/ Trial Product Check List & Review Form for Product Groups consistent with SPG principles	The APC Team	Existing Product Check List and SPG development processes	Produce template to review product groups 50% of existing and 100% of new packaging	After submission of APC Action Plan for the template and by 2015 for the reviews	Action Plan, completed Product Check List, Evaluation Review Forms and Process documents
RECYCLING The efficient collection and recycling of packaging. KPI 3 Proportion of signatories with on-site recovery systems for recycling used packaging. KPI 4 Proportion of signatories with a policy to buy products made from recycled packaging. All Covenant signatories will have a formal, documented policy of buying recycled products or materials.	Continue to monitor Current process	The APC Team and Environmental Committee	Training Register	Ongoing improvement to current system	A continuous improvement in Nintendo's recycling rate over the period 2010 to 2015 and into the future	On-site bins, CSR Report data and process documents
	Investigate a waste audit	The APC Team	Existing CSR data	Continuous improvement of CSR Report		Environmental Committee documentation
	Review current Environmental Policy	Environmental Committee	Existing Environmental Policy	Continuous improvement		Policy, Procedure and Process Documents
	Develop a local procurement policy	Business Affairs	None	To formulate policy	By June 2015	
PRODUCT STEWARDSHIP A demonstrated commitment to product stewardship by the supply chain and other signatories. KPI 6 Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging. KPI 7 Proportion of signatories demonstrating other product stewardship outcomes. KPI 8 Reduction in the number of packaging items in the litter stream.	Consider improvement with other signatories	The APC Team	Existing suppliers and signatories	To be addressed by the Procurement Policy	By June 2015	Formal process documentation
	Develop a process	The APC Team	None	A contract management Policy	By June 2015	Formal process documentation
	Develop a process	Business Affairs	None	Improvement if required	By June 2015	Formal process documentation
	Assess current situation	The APC Team	None		By June 2015	Formal process documentation