



Nintendo Australia Pty Limited

Australian Packaging Covenant

Action Plan 2013 – 2016





Table of Contents

1.0 EXECUTIVE SUMMARY

2.0 COMPANY PROFILE

2.1 OUR COMPANY

2.2 OUR BRANDS

3.0 PACKAGING MATERIALS AND FORMATS

3.1 PRODUCT LINES / PACKAGING GROUPS

3.2 ASSESSMENT SCHEDULE

3.3 RECYCLING

3.4 ACTION PLAN PERIOD

4.0 PLAN MANAGEMENT

4.1 COVENANT CONTACT OFFICERS

4.2 APC TEAM

4.3 SUMMARY OF PREVIOUS ACHIEVEMENTS

5.0 ACTION PLAN



1.0 EXECUTIVE SUMMARY

Nintendo Australia Pty Limited has been a signatory to the Australian Packaging Covenant (APC, 'The Covenant') (previously the National Packaging Covenant (NPC)) for a period of 10 years and is presenting this 2013 - 2016 Action Plan as a revised and updated replacement, after completion of three years of the 2010 – 2015 Plan.

Globally Nintendo is committed to preserving a healthy planet to bring smiles to the faces of future generations. We strive to provide eco-friendly products and services and promote waste reduction and recycling. During the time Nintendo Australia has been a signatory to the Covenant we have introduced a number of initiatives to help minimise the effects our packaging has on the environment, including the reuse of secondary packaging, the development of our recycling program, the reduction of waste and improved efficiencies whilst maintaining the integrity of our product and ensuring compliance with all legislative requirements.

Nintendo Australia imports all hardware, software and accessories sold in Australia and New Zealand. Our market represents a small percentage share of the overall global sales for Nintendo and as a result Nintendo Australia benefits from the research and development conducted in larger subsidiaries and generally follows the standard packaging configurations utilised across the global supply chain.

Nintendo Co., Ltd., has established green procurement standards for the design of eco-friendly products and packaging materials. Nintendo Australia works closely with its suppliers to ensure environmental considerations are incorporated into the design and production of any locally produced primary and secondary packaging.

This Plan has been developed with the key objectives for this period being:

- ❖ Enhanced application of the Sustainable Packaging Guidelines (SPG) for all products brought to market
- ❖ Promotion of a Reduce, Reuse, Recycle culture in respect to packaging materials
- ❖ Expand our Product Stewardship Program
- ❖ Further education, training and raising the level of awareness of APC goals for staff

As a brand owner and member of the packaging supply chain, Nintendo Australia has developed this Action Plan to further demonstrate our commitment to the principles of the Covenant and support the APC in the achievement of its goals.

Yuji Bando
Managing Director
June 2013



2.0 COMPANY PROFILE

2.1 Our Company

The worldwide pioneer in the creation of interactive entertainment, Nintendo Co., Ltd., of Kyoto Japan, manufactures and markets hardware and software for its Wii U™ and Wii™ home consoles, and Nintendo 3DS™ and Nintendo DS® families of portable 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 in Japan in 1970. The following years saw the development and innovation of video games and the birth of the video games industry.

As a wholly owned subsidiary of Nintendo Co., Ltd., Nintendo Australia Pty Limited commenced operations as a wholesale/distribution enterprise in 1994. Head office is located in Scoresby, Victoria and serves as the headquarters for Nintendo’s operations in Australia and New Zealand.

Nintendo has operations in Japan, USA, Canada, Germany, Italy, France, UK, Spain, the Netherlands, Belgium, Poland, Russia, Hong Kong, Korea, China, Taiwan, Mexico, Brazil, and Australia.



2.2 Our Brands

The Nintendo Group worldwide develops, manufactures, markets and distributes video games. Icons such as



Mario,



Luigi,



Yoshi



and Donkey Kong

are unique to Nintendo video games systems and are recognised worldwide. The home consoles Wii (launched in December 2006) and Wii U (launched in November 2012) connect to a television and are played using a hand controller and game software (disc or digital).

The portable games systems, Nintendo DSi, Nintendo DSi XL, Nintendo 3DS and Nintendo 3DS XL are battery operated hand held systems using a Game Card or digital software. The Nintendo 3DS was launched on 31st March 2011 and is the first portable gaming device to deliver 3D entertainment without the need for special glasses.

The range of products currently in the Australian market includes Wii, Wii U, Nintendo DSi, Nintendo DSi XL, Nintendo 3DS, Nintendo 3DS XL, software titles in genres 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.



3.0 PACKAGING MATERIALS AND FORMATS

3.1 PRODUCT LINES / PACKAGING GROUPS

The packaging Nintendo uses is multifunctional. It is designed to:

- protect our product, right through from manufacturing to the point it reaches the consumer
- ensure the safety, quality and integrity of our product
- provide important information to the consumer when making a purchasing decision
- provide promotional information to improve our competitive position in the market
- be functional and attractive in the retail environment
- be used to store our products in the home environment

Our current product lines include:

- **Wii**



- **Wii U**



- **Nintendo 3DS & 3DS XL**



By using the Sustainable Packaging Guidelines (SPG's) and conducting an assessment of the packaging materials during the last reporting period we have grouped our product lines into three primary packaging groups.

Hardware Packaging:

Packaging used for home and handheld game systems



Software Packaging:

Packaging used for game software for home and handheld game systems



Accessories Packaging:

Packaging used for the accessories for various systems



There are many similarities between the packaging used for our various product lines. By grouping our packaging according to the function of each item we are able to apply common principles across our entire product range.

The current packaging materials used in Nintendo products and during the distribution process are outlined in the table below:

Packaging Type	Packaging Material	Packaging Use
Shipping Carton	Cardboard	Transport of product
Inner Carton	Cardboard	Transport of product
Product Master Carton	Cardboard	Protection of product and retail display
Stretch film	Polyethylene	Securing shipping cartons during transport
Strapping	Polypropylene	Securing shipping cartons during transport
Pallets	Wood - Treated pine Wood - Hardwood	Transporting shipping cartons
Pallet Bag Liner	Polyethylene	Secure shipping cartons for transport
Product related materials	Paper	Game Case Sleeve/Titlesheet Consumer Product Information Shipping & Handling information Shipping Labels Club Nintendo Card
Product related materials	Plastic	Bags for product protection Bulk Software shipping tray Pallet strapping buckles
Product related materials	Polypropylene	Software cases
Bubble wrap	Polyethylene	Protection of product during postage and shipping
Tie wire	Vinyl coated wire	Securing product electrical cables



3.2 ASSESSMENT SCHEDULE

Our product packaging is assessed in line with the SPGs on an ongoing basis. All current product packaging groups were assessed during the last reporting period. We continue to assess new product lines and products with changed packaging materials as they become available. A formal review of packaging group materials will be completed as per the following Assessment Schedule:

Product Group	Products included	Assessment Completion
Hardware	Wii, Wii U, Nintendo 3DS & Nintendo 3DS XL	December 2013
Software	Wii, Wii U & Nintendo 3DS	March 2014
Accessories	Wii/Wii U: Wii Wheel Wii/Wii U Nunchuk Wii/Wii U Remote Plus Wii/Wii U Remote Plus additional set - (Includes Remote, Nunchuk & Sensor Bar) Wii/Wii U LAN Adapter Wii U Pro Controller Wii U GamePad accessory set (Includes screen protector, stylus pen, cleaning cloth) Wii U GamePad cradle + stand (Includes GamePad stand and charging cradle) Wii U Microphone - standalone and bundled with SiNG Party software Nintendo 3DS: Nintendo 3DS Circle Pad Pro Nintendo 3DS XL Circle Pad Pro	May 2013



3.3 RECYCLING

Nintendo actively promotes the use of recyclable materials in our product packaging.

On a global basis the company constantly works to improve our product development processes and include ways to decrease our environmental impact, including in incorporating designs that improve energy efficiency to reduce CO2 emissions, selecting component materials with a lower environmental load from the viewpoint of appropriate chemical substance control and selecting easily recyclable packaging materials to conserve resources. An example of this was the introduction of a lightweight software case which is used for Nintendo 3DS and Wii U titles. This lightweight package was achieved by removing sections of plastic from both the front and back of the case. In addition, the Nintendo 3DS software case was redesigned to be 3mm thinner and with numerous holes to reduce the amount of plastic used in its manufacture. In general our packaging groups consist primarily of the following materials:

- Hardware Packaging: Made of recyclable paper/cardboard
- Software Packaging (plastic case): Made of recyclable polypropylene
- Accessories Packaging: Made of recyclable paper/cardboard



3.4 ACTION PLAN PERIOD

This Action Plan covers the three year period 1st July 2013 to 30th June 2016.



4.0 PLAN MANAGEMENT

4.1 Covenant Contact Officers

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

Name: Ali White

Address: 804 Stud Road, Scoresby, Victoria, 3179

Position: Business Affairs Manager

Phone Number: (03) 9730 9900

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

4.2 APC Team

Nintendo Australia has an Environmental Committee whose responsibility it is to consider the impact that Nintendo's operations have on the environment and act as an advisory to Senior Management on all environmental matters. A key focus for the Environmental Committee is the responsibilities Nintendo has as a signatory to the covenant. The Environmental Committee is made up of representatives from key areas responsible for decisions in respect to packaging materials.

Position	Title	Department
Chair	Business Affairs Manager	Business Affairs Department
Vice Chair	Planning Manager	Planning Department
Minute Taker	Business Affairs Assistant	Business Affairs Department
Committee Member	Operations Secretary	Operations Department
Committee Member	Internal Auditing and Control Officer	Internal Audit Department
Committee Member	Legal & Compliance Coordinator	Legal Department
Committee Member	Business Affairs Assistant	Business Affairs Department
Committee Member	Sales Coordinator/HR Assistant	Sales / Business Affairs Depart



4.3 SUMMARY OF PREVIOUS ACHIEVEMENTS

Since becoming a signatory to the National Packaging Covenant in 2002, Nintendo Australia has initiated and developed processes to work towards its objective of minimising the impact of its packaging on the environment.

Some of the processes introduced and achievements are as follows:

- The introduction of a checking and recording system for assessing all our packaging materials
- The establishment of a method of recording quantities of packaging materials used throughout the distribution process
- Implementation of a recycling program for cardboard, plastic, paper and co-mingle materials in the Operations area
- Introduction of a colour coded recycling system for end user waste material in the office
- Establishment of a recording system for monitoring the volumes of materials sent for recycling and generate reports to Senior Management
- Conducted Awareness Programs to educate staff on all aspects of Nintendo's reduce, reuse, recycle program.
- Sent letters to our business partners promoting the Covenant and making them aware of our actions towards the Covenants objectives
- Investigated labelling symbols and consumer recycling information for our packaging
- The reduction of the amount of leftover packaging from local production runs
- The inclusion of APC information on our Website
- On-going communication with suppliers to reduce waste and increase recycling
- Increased the number of onsite paper shredders and the recycling of shredded materials



5.0 ACTION PLAN TABLE

Nintendo Australia is committed to the principles of Product Stewardship.

We have developed the actions detailed in the Action Plan Table to demonstrate our commitment to achieving the goals of the APC. These actions are in alignment with the KPIs in respect to:

- 1. Design**
- 2. Recycling**
- 3. Product Stewardship**



KPI	Action	Baseline Data	Target / Goal	Timeline / Milestone	Evidence
Goal 1: Design					
Optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety					
KPI 1 – Proportion of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent	1.1. Review current SPG document and Process document	<i>Existing SPG Document and Process document</i>	Annual review of existing SPG Document and Process to ensure business suitability and carry out actions resulting from the review process.	By end June 2014 By end June 2015 By end June 2016	Review documents
	1.2 Review Policies and Procedures that influence packaging procurement	<i>Packaging Policy and Packaging Vendor Selection Policy</i>	Annual review/update of Packaging Policy to ensure relevance to current business requirements.	By end December 2013, 2014, 2015	Review documents/ updated Packaging Policy
			Annual review/update of Vendor Selection Policy for relevance to current business requirements.	By end March 2014, 2015, 2016	Review documents / updated Vendors Updated Vendor Selection Policy
	1.3 Assess new product lines and products with changed packaging	<i>Existing SPG Document and Process document</i>	Review packaging group materials as new product lines and changes occur.	Ad-hoc basis - As/when required	Updated Packaging Review Checklist document
1.4 Conduct formal review of packaging group materials	<i>Existing SPG Document and Process document</i>	Review packaging group materials: Hardware Software Accessories	By end Dec 2013 By end March 2014 By end June 2014	Updated Review document	



KPI	Action	Baseline Data	Target / Goal	Timeline / Milestone	Evidence
Goal 2: Recycling					
The efficient collection and recycling of packaging					
KPI 3 – Proportion of signatories with on-site recovery systems for recycling used packaging	3.1. Complete a review of “second hand” packaging materials re-used – including the recording of volumes used	<i>Second hand packaging materials review</i>	Review second hand packaging materials to identify the types and volumes of second hand packaging received.	By end September 13	Completed Second Hand Packaging Review document
			Conduct Brainstorming session for new initiatives.	By end December 13	List of ideas for new initiatives
			Action new initiatives.	By end March 14	Implemented ideas
			Measure and report on initiatives.	By end June 14	Report of results
	3.2. Update Company Employment Handbook to increase awareness of re-use/recycle policies and Nintendo’s expectations of its Employees	<i>Current Company Employment Handbook</i>	Update Handbook to reflect recycling and Employee requirements and send Environmental Bulletin to Employees to notify of update.	By end August 13	Updated Company Employee Handbook showing recycling information and Employee requirements
			Review induction topics covered by Business Affairs Dept. for all new Employees.	By end October 13	Revised Induction Checklist
			Circulate Recycling Update Bulletin to all Employees.	By end March 14	Distributed Bulletin
			Annual review of Company Employment Handbook.	By end June 14	Updated Employment Handbook



	3.3. Implement a packaging materials reuse program to continue the reduction of locally purchased packaging materials sent off site for recycling	<i>Volumes of Secondary Packaging purchased from local suppliers documented – backdating to 2011-12 Financial year</i>	A reduction in the volumes of Secondary Packaging purchased (but not utilised) and sent off site for recycling. i.e. Decrease recycling. Increase reuse.	By end March 14	Documented Actions
KPI 4 – Proportion of signatories with a policy to buy products made from recycled packaging	4.1. Assess the effectiveness of our Green Procurement Policy and practices on an annual basis	<i>Green Procurement Policy, Purchasing Manual</i>	Review existing policies and practices and identify areas for improvement and expansion. Annual review/update of Green Procurement Policy.	By end March 2014, 2015 & 2016	Policy Review document and updated Policies
	4.2. Assess the effectiveness of our Packaging Vendor Selection Policy and Packaging Policy on an annual basis	<i>Purchasing Manual, Packaging Vendor Selection Policy, Packaging Policy</i>	Review policies and practices and identify areas for expansion and/or improvement. Review/update packaging vendor selection policy. Review/update Packaging policy. Review Purchasing Manual with reference to both Vendor Selection and Packaging Policies.	By end June 2014 By end December 13 By end March 14 By end June 14	Policy Review document and updated Policies



KPI	Action	Baseline Data	Target / Goal	Timeline / Milestone	Evidence
Goal 3: Product Stewardship					
Demonstrate commitment by all signatories					
KPI 6 – Proportion of signatories that have formal processes for working with others to improve packaging design and recycling	6.1. Document our formal process for Product Stewardship that demonstrates how we are continuing to support and expand Product Stewardship into the future	<i>Product Stewardship Proposal</i>	Analyse our product lifecycle to identify further areas of opportunity that can provide the foundations of a formal process. Document our Product Stewardship process from cradle to grave. Identify qualitative or quantitative means for the measurement of progress. Commence compilation of qualitative or quantitative data. Review process.	By end September 13 By end December 13 By end March 14 By April 14	Completed formal process document Report of data
	6.2. Conduct annual review of NAL's Packaging Vendors who currently produce Secondary Packaging for Nintendo product	<i>Packaging Vendor contracts</i>	Obtain credentials held by current Vendors to determine suitability. Review Vendors. Review Policy.	By end March 14 By end June 14	File of Vendor credentials



	6.3. Meet with Packaging Suppliers to discuss further practices and opportunities for reducing the environmental impact of our packaging	<i>Current practices</i>	<p>Discuss further reduction practices with our Packaging Suppliers and implement ideas wherever practicable.</p> <p>Hold initial meetings and document meeting minutes.</p> <p>Implement actions.</p> <p>Review / measure success of actions.</p>	<p>By end December 13</p> <p>By end March 14</p> <p>By end June 14</p>	Meeting schedule and minutes of meetings
	6.4. Hold formal meetings with recycling suppliers and Environmental Committee members to identify ways to further improve our 'reduce, reuse and recycle' activities	<i>Current practices</i>	<p>Discuss further reduction practices with our Packaging Suppliers and obtain authorisation to implement ideas wherever practicable.</p> <p>Hold initial meetings.</p> <p>Implement actions.</p> <p>Review and measure success of actions.</p>	<p>By end December 13</p> <p>By end March 14</p> <p>By end June 14</p>	Meeting schedule and minutes of meetings held
	6.5. Include statement in Trading Terms document encouraging cooperation in meeting APC goals	<i>Nintendo and APC Goals</i>	<p>Include in Trading Terms to be sent out March 2014.</p> <p>Draft statement and obtain approval.</p> <p>Include statement in Trading Terms document.</p>	<p>By end December 13</p> <p>By end January 14</p>	Updated Trading Terms document
	6.6. Send letter to Suppliers / Retailers advising our environmental stance and request support for achievement of our goals	<i>Nintendo and APC Goals</i>	<p>Formulate a letter to all Suppliers / Retailers outlining our goals and how they can support us in achieving these goals Lobby support of APC.</p> <p>Draft letter.</p>	<p>By end Dec 13</p>	



			Obtain approval and send letter.	By Feb 14	Copy of Supplier / Retailer letter
			Record and follow up feedback received from Suppliers / Retailers.	By end May 14	
	6.7. Liaise with head office to explain requirements and request information regarding decision making process for their choice of packaging – what requirements need to be fulfilled etc. Also discuss improving Customer / Consumer awareness of packaging recycling	<i>Market requirements</i>	Set up regular dialogue with Head Office contact to raise their awareness of Australian market requirements and the importance of recycling information on packaging. Set up timetable for meetings. Record and collate information obtained and actions resulting from communications with Head Office.	By November 13 By January 14	Minutes of meetings held via phone and emails outlining discussion threads
	6.8. Raise awareness of NAL's environmental goals to employees	<i>Environmental & APC Goals</i>	As per KPI 3. Regular Employee communication and documentation. Staff Bulletin to update on APC activities.	Ongoing By December 2013	Copies of Staff Bulletins
	6.9. Annual review of Action Plan	<i>Current Action Plan</i>	All stakeholders review Action Plan to ensure all opportunities are explored / actioned and recorded. Review to be complete for submission to APC.) Instate updated Action Plan for next period.	By end March 2014 By end June 2014	Reviewed and updated Action Plan



KPI 7 – Proportion of signatories demonstrating other Product Stewardship outcomes.	7.1. Expand the Take Back program to include Consumer product packaging	<i>Take Back Program information</i>	Rework End Consumer information in Parts and Service Shop (New Signage) to include advice to End Consumers that we accept Nintendo product packaging in Take Back Bin as part of our Take Back Program This is available to all End Consumers who visit our premises.	By end July 2013	Photo of new signage
			Explore possibilities of broader advertising to Consumers.	By February 2014	Minutes of meeting outlining ideas
			Present to Director of Business Affairs.	By end March 2014	Presentation document
			Action and document if approved.	By end June 2014	List of actions implemented
KPI 8 – Reductions in the number of packaging items in the litter stream.	8.1. Conduct survey to obtain information relating to consumer packaging disposal habits.	<i>No baseline data available</i>	Conduct a survey within NAL and compile results. Survey to be sent out to End Consumers. Results compiled and analysed. Results communicated to NAL Employees.	By end November 13 By end January 14 By end May 14	Survey document Survey results and response rate Copy of Employee Bulletin / communication
	8.2. Analyse how and where Nintendo product packaging enters the litter stream	<i>Survey results</i>	Using survey results look at ways to reduce packaging entering litter stream. Discuss results and brainstorm possible actions. Research actions and draft Action Plan for 2014-15.	By end March 2014 By end May 2014	Minutes of brainstorming session Copy of draft of Action Plan



			Upon approval, commence actions as per action plan.	By August 2014	List of actions approved
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