

Company Name Nintendo
Industry ICT (Supply Chain only)
UNGP Core Score (*) 5.5 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
2	2	A.1.1 Commitment to respect human rights
1.5	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
1	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
5.5	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: International Bill of Rights: The company indicates that it "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". [Human Rights Policy, 18/09/2018: nintendo.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> Met: UNGPs: The company states that it "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". [Human Rights Policy, 18/09/2018: nintendo.co.jp]
A.1.2	Commitment to respect the human rights of workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: ILO Core: The company points out that it "supports and adheres (...) the Declaration on Fundamental Principles and Rights at Work, from the International Labour Organization (ILO)". [Human Rights Policy, 18/09/2018: nintendo.co.jp] Met: Explicitly list ALL four ILO for ICT suppliers: The Company expects its suppliers to commit to: prohibit discrimination, prohibit child labor, prohibit forced labor. In relation to freedom of association and collective bargaining, the Company requirement states the following: 'Production partners will respect workers' right to organize as a means to realise agreement between labor and management on issues such as the work environment and wage standards. Respecting the right of workers to organize refers the freedom of association (...), freedom to join labor unions, freedom to public protest and the freedom to participate in workers' council meetings (...)'. [CSR Procurement Guidelines, 05/08/2019: nintendo.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Explicit commitment to All four ILO Core: The Company states that it 'supports and adheres (...) the Declaration on Fundamental Principles and Rights at Work, from the International Labour Organization (ILO)'. It then goes on enlisting each of the four core ILO principles, however, it is not clear that there is a commitment to each of them. [Human Rights Policy, 18/09/2018: nintendo.co.jp] Not met: Respect H&S of workers Met: H&S applies to ICT suppliers: The Company states that 'production partners will establish an appropriate and effective compliance process to ensure that customer requirements as well as regulations covered by these guidelines that are applicable to labor, health and safety, the environment and ethics are identified, monitored, understood and upheld'. [CSR Procurement Guidelines, 05/08/2019: nintendo.co.jp] Not met: working hours for workers: The Company indicates that 'Nintendo of Europe often goes beyond what is legally required and is extremely cooperative when parents, especially mothers, want to change their working hours'. However, no further commitment to respect working hours of workers of the entire company was found including maximum working hours and rest periods. No further evidence found in more recent reports. [CSR Report 2018, 07/2018: nintendo.co.jp & CSR Report 2019, 07/2019: nintendo.co.jp] Not met: Working hours for ICT suppliers: The Company states that 'production partners will appropriately manage workers' working hours, holidays and vacations so that legal limits are not exceeded'. It then goes on giving examples of appropriate management includes. However, it is not clear the commitment for suppliers in terms of maximum working hours and rest periods. [CSR Procurement Guidelines, 05/08/2019: nintendo.co.jp]

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement: The Company indicates that it 'strives to communicate with related stakeholders through a variety of means, and incorporates opinions from external experts to ensure that our activities do not negatively affect human rights in the countries and regions where we conduct business'. However, CHRB is looking for a formal commitment to engage with affected or potentially affected stakeholders, which was not found. [Human Rights Policy, 18/09/2018: nintendo.co.jp] • Not met: Regular stakeholder engagement: The Company indicates various channels of communication with different stakeholders, such as 'various programs designed to give back to local communities, CSR report, etc' for communities and "president's address, code of conduct, employee handbook, training, periodic evaluations, health and safety committees, health consultation rooms, information sharing via corporate intranet sites, CSR report, etc" for employees. However, it is not clear that if there were dialogues between the company and its affected or potentially affected stakeholders about how the company affects them and work on that. No further evidence was found, including most recent report. [CSR Report 2018, 07/2018: nintendo.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design: The Company states 'To consider ways to advance our human rights due diligence, Nintendo advances discussions at the global level and involves opinions from external experts.' However, no evidence was found of a commitment to engage with affected stakeholders in the development or monitoring of human rights approach. [Human Rights Policy, 18/09/2018: nintendo.co.jp] • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy: The Company indicates that 'in the event that through the process of identifying and evaluating human rights risks, and addressing prioritized issues, it becomes clear that Nintendo has negatively affected human rights through our business activities, or been involved in activities in this regard, we will act to rectify the situation'. However, it is not clear if the company has a commitment to remedy. [Human Rights Policy, 18/09/2018: nintendo.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies: The Company indicates that 'production partners will identify the status of work-related accidents and illnesses, and implement appropriate countermeasures for remedy or prevention. Appropriate countermeasures refer to systems and policies that make it possible to encourage worker reporting, categorize and record accidents and illnesses, provide treatment when required, investigate past work-related accidents and illnesses and implement corrective measures to eliminate causes, and encourage workers to return to work (including workers' compensation). Countermeasures may include required governmental procedures according to the stipulations of law'. However, the methodology is looking for a policy commitment which recognizes its approach to remedy should not obstruct access to other remedies, or it includes commitments to collaborating in initiatives that provide access to remedy in its own operations. No further information was found. [CSR Procurement Guidelines, 05/08/2019: nintendo.co.jp] • Not met: Collaborating with other remedy initiatives • Not met: Work with ICT suppliers to remedy impacts: The Company declares that 'from the risks identified through our on-site inspections and third-party audits, we report any matters requiring improvement to our production partners and request corrective action'. However, no evidence found of the Company working with its suppliers to remedy adverse impacts through the suppliers' mechanism or developing third party non-judicial mechanism. No such commitment was found. [CSR Procurement Guidelines, 05/08/2019: nintendo.co.jp]

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commits to ILO core conventions: See A.1.2

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Senior responsibility for HR: The company indicates that "at Nintendo Co., Ltd., the General Manager of the Human Resources Department ensures that Nintendo employees in Japan receive training about, and comply with, all relevant laws and regulations, the Nintendo Standards of Behavior and human rights. Similarly, each of our subsidiaries has appointed a department or person who is responsible for educating employees to ensure compliance with laws and regulations, and the respective codes of conduct". However, it is not clear that there is a senior manager responsible for human rights issues and policy. [Modern Slavery Transparency Statement, 09/2018: nintendo.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Day-to-day responsibility: The Company indicates in its CSR Report 2019 that 'A cross-functional team, consisting of members responsible for CSR promotion and procurement at Nintendo Co., Ltd., works together to understand external trends and communicate with stakeholders. The team reports as appropriate to the management of Nintendo Co., Ltd., regarding progress on CSR procurement activities and to discuss necessary actions to mitigate associated risks'. However, it is not clear which departments / divisions / teams are responsible for managing human rights issues in the Company. [CSR Report 2019 - Supply Chain - web, 09/2019: nintendo.co.jp] • Not met: Day-to-day responsibility for ICT in supply chain: See above. It is not clear that the team described is in charge of managing day-to-day responsibility for supply chain. [CSR Report 2019 - Supply Chain - web, 09/2019: nintendo.co.jp]
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations: The company indicates that "to consider ways to advance our human rights due diligence, Nintendo advances discussions at the global level and involves opinions from external experts". However, it is not clear what the process(es) to identify its human rights risks and impacts is, either in specific locations or activities, covering its own operations. [Human Rights Policy, 18/09/2018: nintendo.co.jp] • Not met: Identifying risks in ICT suppliers: Regarding CSR Procurement, the company indicates that "through consultation with an external specialist, we re-assessed the risks within the Nintendo supply chain and once again identified where those risks exist. We also revised the Business Status Survey to better enable our understanding of our production partners' situations". However, the process previously described is part of the CSR Procurement Process Flow, which is more of a procurement guideline monitoring, than a proactive process of identification of human rights risks. [CSR Report 2018, 07/2018: nintendo.co.jp & Modern Slavery Transparency Statement, 09/2018: nintendo.co.jp] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification: The company indicates that "Nintendo Co., Ltd. requires each of its production partners to complete a written CSR compliance questionnaire each year. Based on various selection criteria, including the results of the questionnaire and the production partner's role in the supply chain, we send personnel to conduct on-site inspections of selected production partners to ascertain the current on-site situation and improvement status". However, it is not clear if there is a proactive ongoing global risk identification, not only a CSR compliance procedure. [Modern Slavery Transparency Statement, 09/2018: nintendo.co.jp] • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context): However the process(es) for assessing its human rights risks and impacts is not clear. • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in ICT supply chain • Met: Example of Actions decided: Regarding the issue of forced labour, the company indicates that "when Nintendo hires employees, we take the following measures to reduce the risk of modern slavery: all employees are bound by written employment contracts; we use reputable employment agencies to source temporary workers; we require each recruitment agency we use to provide the terms on which workers will be engaged by them, including minimum wages to be paid, before accepting employees from those agencies; we periodically review our terms with employment agencies and require all agencies to confirm their compliance status with all related laws and regulations; we have an anonymous procedure employees can use to report any legal violations or suspected issues, including a violation of the Nintendo Standards of Behavior". [Modern Slavery Transparency Statement, 09/2018: nintendo.co.jp] Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks: See indicator B.2.3. Although the Company discloses and gives an example of action taken, to tackle the problem of forced labour, it is not clear how it communicates externally its impact and its effectiveness. • Not met: Comms plan re reviewing action plans • Not met: Including ICT suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The company indicates that "Nintendo Co., Ltd. has established a system, called the Compliance Hotline, for the internal reporting of compliance-related issues. Using the Hotline, employees can confidentially report suspected illegal actions or other misconduct directly to the President, the Audit and Supervisory Committee, or both if desired. It is established to protect employees from any disadvantage when they use this Hotline. Information about the Hotline is shared with new recruits during orientation training". [Reliable and Trustworthy Business Practices - CSR 2018, 07/2018: nintendo.co.jp & Governance- CSR 2019, n/a: nintendo.co.jp] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Not met: Expect ICT supplier to have equivalent grievance systems • Not met: Opens own system to ICT supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Grievance mechanism for community: The Company indicates that 'Nintendo Co., Ltd. has established a system, called the Compliance Hotline, for the internal reporting of compliance-related issues. Using the Hotline, employees can confidentially report suspected illegal actions or other misconduct directly to the President, the Audit and Supervisory Committee, or both if desired'. It is not clear

Indicator Code	Indicator name	Score (out of 2)	Explanation
	individuals and communities		there is a grievance mechanism for the community in general. [Reliable and Trustworthy Business Practices - CSR 2018, 07/2018: nintendo.co.jp & Governance-CSR 2019, n/a: nintendo.co.jp] Score 2 <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects ICT supplier to have community grievance systems: The Company indicates that 'production partners will perform activities in order to prevent illegal actions and prepare a reporting system for early detection and response'. It is not clear what those systems are and that suppliers are required to have community grievance systems. [CSR Procurement Guidelines, 05/08/2019: nintendo.co.jp] • Not met: ICT supplier communities use global system
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found.

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for

human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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