

Nintendo Co., Ltd.

Information Disclosure in Accordance with the TCFD Recommendations

Governance

We strive to “put smiles on the faces of everyone Nintendo touches” as our goal in conducting our CSR activities. We have set four priority areas for our CSR efforts and have designated “environment” as one of these.

To promote these CSR initiatives, we established the CSR Coordination Team led by the General Manager of the General Affairs Division, who also serves as an Executive Officer of Nintendo. This team puts in place a framework to execute and support specific initiatives while reporting on the progress of CSR activities to the Executive Management Committee, which consists of Representative Directors and Directors who are Executive Officers. The CSR Coordination Team also periodically reports the progress of activities to the Board of Directors.

As an organization to promote and carry out global environmental conservation efforts, we also established the Environment Committee with the company President serving as the committee chair.

Strategy

Nintendo analyzes climate-related risks and opportunities based on a 1.5°C scenario and 4°C scenario. Each of these scenarios identifies risks and opportunities to evaluate the financial impact.

Type	Category	Subcategory	Description	Potential Risk/Opportunity	Financial Impact	
					1.5°C	4.0°C
Transition Risks	Policy and Legal	Regulations on products	The 1.5°C scenario foresees additional regulations on the production and use of plastic as well as import taxes by weight or other matrices. Regulations may be put into place, such as those related to the raw materials used in products and power consumption.	The introduction of regulations on plastics has the potential to increase the cost of procuring raw materials for gaming systems, merchandise and packaging. Another potential effect is rising costs required to accommodate regulation, such as those related to the raw materials used in products and power consumption.	Low	–
		Increase in business costs due to introduction of carbon pricing	The 1.5°C scenario foresees taxation proportional to the amount of CO ₂ emissions from the use of fuel and electricity.	Business partners involved in procurement, production, transportation, server maintenance and other such operations will be subject to taxation on the use of fuel and electricity. This has the potential effect of business partners passing on the related costs to Nintendo in our transactions.	Low	–
	Market	Changes in consumer behavior	The 1.5°C scenario foresees greater societal interest in climate change, which will affect consumer purchase decisions and in turn the demand for our products and services.	Changes in consumer awareness about environmental issues and perception of the negative environmental impact of gaming systems have the potential to suppress demand.	Low	–
Physical Risks	Acute	Catastrophic and more frequent typhoons, torrential rain, heatwaves and other extreme weather conditions	The 4°C scenario foresees catastrophic and more frequent typhoons, torrential rain and other extreme weather conditions. This will in turn cause more frequent flooding and other disasters.	Catastrophic and more frequent typhoons, torrential rain, heatwaves and other extreme weather conditions have the potential to cause suspension of operations at supply chain facilities, disruptions in the supply of parts and materials, and increase in raw material costs. These disasters may also impact the transportation of products and result in product sales delays.	–	Low
Opportunities	Products and Services	Development and expansion of products and services that can contribute to carbon reduction and decarbonization	Both the 1.5°C and 4°C scenarios foresee greater societal interest in climate change, which will affect consumer motivations for purchase and in turn the demand for our products and services.	Potential opportunity for sales expansion resulting from changes in consumer awareness about climate issues and positive perception of the contributions Nintendo products can make toward carbon reduction and decarbonization.	Low	Low

Risk Management

Nintendo addresses transition and physical risks, with each division and department of the Nintendo group companies managing risks pertaining to work within its jurisdiction as a general rule. Regarding the response to physical risks, Nintendo Co., Ltd. (Japan) convenes the Disaster Response Committee and implements preparatory measures for natural disasters. Each of our locations outside of Japan has also established a framework to respond to disasters in line with local circumstances. We regularly review our climate-related risks and opportunities.

Metrics and Targets

Nintendo identifies and discloses Scope 1, 2 and 3 greenhouse gas (GHG) emissions based on international emission calculation and reporting standards.

Disclosures	Details		2020	2021	2022
CO2 emissions	Scope1 (t)		591.3	345.5	611.3
	Scope2 (t)		5,222.5	4,740.2	5,520.2
	Scope3 (t)			3,227,899.0	3,131,503.4
	Category 1	Purchased goods and services		2,799,618.9	2,717,331.8
	Category 2	Capital goods		11,692.2	27,457.4
	Category 3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)		1,133.8	1,241.2
	Category 4	Upstream transportation and distribution		69,785.9	96,589.2
	Category 5	Waste generated in operations		152.6	129.8
	Category 6	Business travel		39.0	1,471.0
	Category 7	Employee commuting		266.1	492.9
	Category 8	Upstream leased assets		(N/A)	(N/A)
	Category 9	Downstream transportation and distribution		1,392.2	1,185.8
	Category 10	Processing of sold products		(N/A)	(N/A)
	Category 11	Use of sold products		336,105.8	279,208.7
	Category 12	End-of-life treatment of sold products		7,712.5	6,395.6
Category 13	Downstream leased assets		(N/A)	(N/A)	
Category 14	Franchises		(N/A)	(N/A)	
Category 15	Investments		(N/A)	(N/A)	

Calculation method for Scope 3 CO₂ emissions

Category 1	Amount procured multiplied by the emission factor.
Category 2	Amount of capital investments multiplied by the emission factor.
Category 3	Amount of each type of energy consumed multiplied by the emission factor.
Category 4	Transportation distance and weight multiplied by the emission factor.
Category 5	Amount of each type of waste generated multiplied by the emission factor.
Category 6	Travel expenses paid for each mode of transportation multiplied by the emission factor.
Category 7	Travel expenses paid for each mode of transportation multiplied by the emission factor.
Category 8	(N/A)
Category 9	Transportation distance and weight multiplied by the emission factor.
Category 10	(N/A)
Category 11	Energy consumption of sold products multiplied by years of use and the emission factor.
Category 12	Weight of sold products multiplied by the emission factor.
Category 13	(N/A)
Category 14	(N/A)
Category 15	(N/A)

* Figures for 2020 show aggregate data for Nintendo Co., Ltd. (Japan), Nintendo of America, Nintendo of Europe (including other European subsidiaries) and Nintendo Australia. Beginning with 2021, figures include Nintendo of Canada. The data for each year covers the period from January through December.

* Beginning with 2021, figures include Scope 3 CO₂ emission calculations. Some categories are compiled by calendar year and others by fiscal year. Categories 3 and 5 are compiled by calendar year. All other categories are compiled by fiscal year, covering April through March of the following year for the year indicated above.

* Scope 1 CO₂ emissions indicate the amount after carbon offsets.

* Within the Scope 3 CO₂ emission amounts, Category 1 covers data for the Nintendo group. The Category 2 figure for 2021 covers data for Nintendo Co., Ltd. (Japan) and subsidiaries outside of Japan, and the 2022 figure covers data for the Nintendo group. Categories 6 and 7 cover data for only Nintendo Co., Ltd. (Japan).

* The following factors are used for calculating CO₂ emissions.
Electricity: Factors for Japan are those published by electric companies; factors for outside of Japan are those provided by the International Energy Agency (IEA).
Fuel: Factors including those provided in the "Greenhouse Gas Emissions Calculation and Reporting Manual" published in Japanese by the Ministry of the Environment of Japan.