



Modern Slavery Act Transparency Statement for Fiscal 2015

Pursuant to Section 54 of the United Kingdom's Modern Slavery Act 2015, BANDAI NAMCO Holdings Inc. (hereinafter "the Company") has prepared the following statement with respect to measures to prevent slavery, human trafficking, and other violations of human rights in the businesses and supply chains of the BANDAI NAMCO Group (hereinafter "the Group").

1. Summary of the Group's Organization and Businesses

The mission of the Group is to provide "Dreams, Fun and Inspiration" through its entertainment products and services, and its vision is to become "the Leading Innovator in Global Entertainment." The Group conducts business activities under the management of the Company (head office: Minato-ku, Tokyo, Japan), which is a pure holding company, and in accordance with the IP axis strategy, which aims to maximize the value of IPs (characters and other intellectual properties) by providing the best products and services at the best possible times. Moreover, the Group conducts business activities through three strategic business units (SBUs) and affiliated business companies, which mainly serve a supporting role for the SBUs. The abovementioned SBUs and their business lines are as follows. The Toys and Hobby SBU manufactures and markets toys, confectionery, foods, vending machine capsule toys, cards, plastic models, apparel, sundries, stationery, and other products. The Network Entertainment SBU develops, markets, and distributes network content; develops and markets home video game software, arcade game machines, and prizes for amusement machines; and plans and operates amusement and other facilities. The Visual and Music Production SBU plans, manufactures, and sells animation; plans, manufactures, and markets visual and music software; distributes video on demand content; and conducts live entertainment operations. The core company of each SBU leads the preparation and advancement of business strategies in Japan and overseas. Further, among the abovementioned SBUs, four operating companies that belong to the Toys and the Hobby SBU or the Network Entertainment SBU and one regional headquarters have bases in the United Kingdom.

The Group comprises, the Company, 95 subsidiaries, and 13 affiliated business companies (as of March 31, 2016) and has approximately 7,000 employees. Further, in fiscal 2015 the Group, comprising 68 consolidated subsidiaries (including five consolidated subsidiaries based in the United Kingdom) and six companies accounted for by the equity method, recorded consolidated net sales of ¥575.5 billion, and the five consolidated subsidiaries based in the United Kingdom recorded total net sales of ¥16.3 billion.



For details about our organization and businesses, please visit one of our web sites below.

<http://www.bandainamco.co.jp/group/index.html> (Japanese)

<http://www.bandainamco.co.jp/en/about/index.html> (English)

2. The Group's Related Policies

Policies Related to Working Conditions and Supply Chain Management

Based on the belief that respect for the basic human rights of all people is an indispensable component of efforts to realize the abovementioned mission and vision, the Group has established the “BANDAI NAMCO Group Compliance Charter,” which sets out basic principles for conduct to which all directors, Audit & Supervisory Board members, and other employees must adhere. This charter reflects the belief that—regardless of country or region—to build a relationship of trust with society a company must fulfil an important, universal duty to comply with the letter and spirit of all laws; pursue profit through fair competition; and benefit society at large through corporate activities. In addition, the charter states a commitment to giving priority to the protection of employees' health and lives and providing safe, employee-friendly working conditions.

Also, “BANDAI NAMCO Group's Important CSR Themes” identifies supply chain management as a theme calling for special initiatives. Therefore, the Group has established a policy of enhancing supply chain management in a manner that reflects the characteristics of each business.

For details about the “BANDAI NAMCO Group Compliance Charter,” please visit one of our web sites below.

<http://www.bandainamco.co.jp/social/group/compliance.html> (Japanese)

<http://www.bandainamco.co.jp/en/social/index.html> (English)

For details about the “BANDAI NAMCO Group's Important CSR Themes,” please visit one of our web sites below.

<http://www.bandainamco.co.jp/social/group/status.html> (Japanese)

<http://www.bandainamco.co.jp/en/social/index.html> (English)



3. The Group's Measures

Systems Established

To inculcate the abovementioned policies, internally the Group has appointed a director in charge of compliance, who has overall responsibility for compliance throughout the Group. Further, if there is a compliance violation or the possibility of a compliance violation in the Group, the Group Risk Compliance Committee immediately discusses and decides what course of action to take in response. This committee has overall control of compliance; is chaired by the Company's president and representative director; and comprises, full-time directors, full-time Audit & Supervisory Board members, and other members designated by the chairperson. Furthermore, three overseas regional headquarters provide compliance support overseas. Regarding corporate social responsibility, internally the Group has appointed a director in charge of corporate social responsibility and advances related activities. Also, the Group regularly convenes the Group CSR Committee, which promptly receives and submits reports and decides on matters related to corporate social responsibility. This committee mainly comprises the presidents of and the directors in charge of corporate social responsibility of the Company and the core companies of SBUs.

In addition, as countermeasures for compliance violations, each Group company has established internal regulations, and each Group company has established and operates a whistle-blowing system. These efforts are based on the "BANDAI NAMCO Articles of Incorporation," which spans the Group laterally. If any type of compliance violation, including such violations of human rights as forced labour and child labour, comes to light through its whistle-blowing system, each company responds in a manner appropriate to the matter based on the company's compliance regulations.

Measures to Maintain and Enhance Supply Chain Management

In the Group, each SBU takes measures to maintain and enhance supply chain management.

To give examples of measures, the core company of the Toys and Hobby SBU, BANDAI CO., LTD., (a wholly owned subsidiary of the Company), conducts "BANDAI Factory Audits," which combine "New Plant Audits" and "Code of Conduct Audits," at all overseas final packaging plants that manufacture BANDAI products (169 companies in fiscal 2015). "BANDAI Factory Audits" use as a basic policy the "BANDAI Code of Conduct," which declares compliance with eight standards, including a standard prohibiting forced labour and other violations of human rights. BANDAI conducts audits based on an original "BANDAI Factory Audits Manual."

Also, the core company of the Network Entertainment SBU, BANDAI NAMCO Entertainment Inc. (BNE) (a wholly owned subsidiary of the Company), conducts “CSR Procurement Questionnaires” comprising seven major categories, one of which concerns the prohibition of forced labour and other violations of human rights, and only does business with suppliers for which it has confirmed the absence of illegal acts (164 companies as of the end of fiscal 2015). In addition, BNE conducted “BNE Supplier Audits,” which included the checking of working conditions, at all overseas plants engaged in the assembly of amusement machines (three companies in fiscal 2015). Moreover, “BANDAI Factory Audits” and “BNE Supplier Audits” require checking of sites and interviews with employees.

Further, in taking measures, the Toys and Hobby SBU and the Network Entertainment SBU work closely with suppliers. For example, the SBUs hold supplier conferences and have established web sites exclusively for suppliers. The SBUs work with suppliers to comply with laws aimed at preventing such violations of human rights as forced labour and modern slavery, enhance working conditions, and comply with other laws.

The Group discloses measures to maintain and enhance supply chain management at each SBU through CSR activity reports (issued annually) for each fiscal year.

To view the fiscal 2015 CSR activity report, please visit one of our web sites below.

<http://www.bandainamco.co.jp/social/csrreport/index.html> (Japanese)

<http://www.bandainamco.co.jp/en/social/csrreport/index.html> (English)

Internal Measures for Inculcation

To ensure that employees are rigorously informed about the “BANDAI NAMCO Group Compliance Charter,” the Group distributes to all Group companies, including overseas bases, posters that state the charter and which are intended for display in-house and prepares and distributes to the Group directors, Audit & Supervisory Board members, and other employees the “BANDAI NAMCO Group Compliance Handbook.” Further, in fiscal 2015 the Group conducted a compliance awareness survey of Group directors, Audit & Supervisory Board members, and other employees and held four e-training sessions, which accounted for approximately 20,000 participants in total. In addition, the Group inculcated the principles of the charter through training for newly hired employees and various other types of internal training.



4. Going Forward

The Group believes that respecting the basic human rights of all people is an indispensable component of efforts to fulfil the mission of continuing to provide “Dreams, Fun and Inspiration” and realize the vision of becoming “the Leading Innovator in Global Entertainment.” Based on this belief, the Group will prevent slavery and human trafficking by further inculcating the abovementioned policies and continuing to implement and enhance measures.

5. Approval by the Board of Directors

I, Mitsuaki Taguchi, hereby certify that the information contained in the above “Modern Slavery Act Transparency Statement for Fiscal 2015” is factual and has been approved by the Company’s Board of Directors.

December 16, 2016

A handwritten signature in black ink, consisting of stylized characters that appear to be '田', '口', '三', and '昭'.

Mitsuaki Taguchi
President and Representative Director
BANDAI NAMCO Holdings Inc.