

Environmental Management System (EMS)

NGP2005 Objectives

- Implementation, operation, and improvement of EMS in line with ISO14001 (ongoing)
- Construction of a global EMS encompassing core consolidated subsidiaries
- Prevention of environmental accidents and improvement of risk management (Pollution discharge from plants higher than regulated levels)

Major Results by FY2005

- Implementation of ISO14001 standards and continuous improvements at all production facilities and in the product development process. Constructed and commenced operations of the global EMS at affiliate companies, focusing on production facilities. Presently examining strategies to develop the global EMS for non-manufacturing sites
- Achieved zero environmental accidents in FY2005
- Risk management enhanced by the issue of the "Crisis Management Manual" from the Head Office outlining periodic environmental performance audits, and environmental accident communications systems and response procedures for plants and business sites operated by Nissan and consolidated companies in Japan



Audit for ISO14001 certification in Japan

The Nissan group continues to promote and advance its environmental protection activities. We upgraded and further established our environmental organizational structure, and constructed and commenced operation of the EMS. We are also fortifying our risk management for emergency situations including our emergency response skills in the case of an environmental accident.

Promotion System

In 1993, Nissan established the Environment Management Committee, chaired by our Executive Vice President of Research and Development, to develop company-wide policies and goals and to assess and confirm our progress in the area of environmental management. In 2003, the committee expanded its scope internationally and became the Global Environmental Management Committee, chaired by our Chief Operating Officer.

Goals for the environmental management systems of individual divisions are formulated under the guidance of the Global Environment Management Committee, with each division promoting activities aimed at attaining its own divisional targets.

In addition, the production division instituted a global management system to regulate environmental data from all our production sites and enable coordinated environmental actions around the world. In Fiscal 2005, we started an ongoing program of liaison meetings of environmental managers from core production sites.

Environmental Management System Operation and Auditing

In our mission to promote activities that reduce environmental impact, we have steadily advanced efforts to obtain ISO14001 certification. All of our domestic production plants and business sites as well as major overseas plants have received ISO14001 certification. In addition, our product development processes are also certified and implement concepts and product specifications to reduce environmental impact from the earliest product planning stages to the final designs.

We conduct internal environmental audits and independent third-party audits to ensure the EMS is operating as intended, verify ongoing improvement, and confirm that each organization is in compliance with our environmental policies and targets. For the internal audits, we engage independent environmental auditors to conduct objective system audits to verify the EMS operating status and environmental performance audits to confirm the effectiveness of the system.

Enhancing Risk Management

We have taken proactive measures to be prepared for environmental accidents and other emergencies, including steps to prevent the occurrence of such accidents as well as employee training based on emergency response manuals issued by Nissan. Parallel to this training, we keep all employees up-to-date on the processes and procedures used to report such occurrences to the proper authorities.

Along with the periodic environmental performance audits of our plants and business sites, we also conduct environmental accident response drills as outlined in our emergency response manuals. Every year, we conduct accident response drills simulating an oil or chemical spill at a water treatment facility, a leak at a fueling station, and other potential emergency situations.

Nissan places special emphasis on open and regular communication with the local residents of the communities where it has plants or business sites. This helps local residents more fully understand the details of our business activities and the risk management systems we have in place. This commitment includes the scheduling of public discussions on the various environmental preservation activities and other specific steps that we undertake at individual business sites.

NGP2005 Objectives

- Publication of the annual Environmental Report and improvement of content
- Continued release of environmental communications whenever appropriate
- Participation in and organization of environment-related lectures and exhibitions
- Issuance and improvement of environmental communications to local communities

Major Results by FY2005

- Published the Environmental Report annually since 1998
- Held the annual Environmental Report readers workshop since FY2003, held an Environmental Communication Meeting in FY2005
- Held an Environmental Stakeholder Dialogue in 2003 and an Environmental Advisory Meeting in 2005
- Participated in exhibitions and test-ride events, response to related environmental questionnaires and data collection, conducted plant tours



School visit at an elementary school in Japan on the topic of the environment

Nissan actively promotes open and regular communication with all our stakeholders via environmental reports, websites, and various other media as well as through public events, including vehicle exhibitions and test-drive events.

Environmental Report

Nissan's environmental communication activities were elevated in 1998 with the publication of the annual "Environmental Report" and further enhanced in 2004 with the annual "Sustainability Report." In addition, since 2001 each of our plants and business sites has issued an individual "Site Environmental Report" to local residents and plant visitors. Our "Environmental Report" and "Sustainability Report" publications have been honored with numerous awards for superior environmental communication.

In 2003, we hosted a "Environmental Report Workshop" and in 2006 held an "Environmental Communication Meeting" to discuss and exchange views on environmental communications and our information disclosure activities. These meetings have been invaluable in helping us continue to improve our communications.

In Fiscal 2006, we integrated the "Environmental Report" into the "Sustainability Report" and set up a website to report environmental issues faced by our business operations and provide detailed environmental data. The aim is to provide more extensive and flexible reporting, and we intend to continue to develop the website as a core information source.

Talking with Stakeholders

Customers

For general users, we offer model-specific environmental information in our catalogues publish "Technical Notes" with details of Nissan's environmental technologies. In addition, Nissan presents regular exhibits of ultra low-emission vehicles (U-LEVs) at its dealerships in Japan, and hosts and participates in exhibits and test-drive events of fuel cell vehicles (FCVs).

Local communities

To deepen the understanding of Nissan activities in the communities surrounding our operating sites, environmental information panels are displayed in the guest halls at each plant. In addition, the Oppama Plant offers an environmental equipment course among its factory tours, and all plants hold "Open Days" and various other guided tours of our environmental facilities.

In Fiscal 2002, we introduced presentations for elementary school students with a theme of a "Special Course on Electric Vehicles" focused on the Nissan Hypermini and the "Topics for the Future Automobile Society and the Environment."

Our educational activities have grown to cover a wide spectrum of media and activities ranging from the distribution of environmental pamphlets, data sheets, and videos to presenting public lectures.

External experts

The objective opinions of external experts provide invaluable insight on how best to advance our global environmental strategies. To promote dialogue with external environmental experts, we held an Environmental Stakeholder Dialogue in 2003 and followed with an Environmental Advisory Meeting in 2005.

Green Procurement

NGP2005 Objectives

- Thorough management of environmentally impacting substances
 - Requests to suppliers to acquire ISO14001 certification by March 2005 environmental communications to local communities
- ### Major Results by FY2005
- Received environment-impacting substance data reports from suppliers, began conducting new vehicle inspections based on this data
 - Over 95% of suppliers certified under ISO14001 standards or the Japanese Ministry of the Environment's Eco Action 21

Nissan implements technical standards to exercise effective global control over the "environment-impacting substances" contained in parts and other components procured from external sources. Additionally, we request all suppliers in Japan adhere to our "Nissan Green Procurement Standards" and submit environment-impacting substance data reports, establish environmental management systems, and specify their environmental representatives.

Environment-impacting Substance Data Reports

Nissan requires all suppliers submit data on substances identified as producing an environmental impact. For parts and materials (oils, paints, chemicals, etc.), this data is used to confirm that no substances banned under Nissan standards are present. This procedure also enables us to identify in the early development stage any materials that require caution and enables us to focus on developing appropriate alternative technologies.

We have conducted thorough inspections of our new models and future models currently under development based on the environment-impacting substance data reports received from suppliers. We also began compiling a database of the environment-impacting substances used in vehicle parts to streamline and improve the efficiency of our inspection and control processes.

Environmental Management System Establishment

Nissan had requested its suppliers to establish

environmental management systems by March 2003 and work voluntarily to obtain ISO14001 certification by March 2005. All of our suppliers in Japan complied with the first request and, as of March 2005, over 95% of our all of our suppliers had obtained certification either under ISO14001 or the Japanese Eco Action 21 environmental assessment program of the Japanese Ministry of the Environment.

Environmental Representative Identification

We have asked our suppliers to clearly specify their environmental representatives in order to ensure smooth and reliable information about our environmental conservation measures. Nissan reciprocates by providing information on our environmental conservation measures and the environmental impact of our products. In this way, we create a two-way dialogue of information sharing that forms a foundation for a mutual awareness of environmental issues and strategies.

Employee Education and Training

NGP2005 Objectives

- Continued implementation and improvement of Nissan's employee education system and regular educational efforts through in-house publications and other activities
- ### Major Results by FY2005
- Implemented in-house educational curriculum
 - Ongoing enlightenment activities through the "Environmental Series" pages in the internal newspaper NISSAN NEWS

At Nissan, we believe it is important for all our employees have a deep understanding of global environment issues and Nissan's role in environmental preservation. We have established employee education courses to promote understanding of environmental issues.

Training at All Employee Levels

In Fiscal 2005, all of our nearly 760 new workers received environmental education training as part of their orientation program. New section managers receive supplemental training to ensure they smoothly transition to a leading role in the conservation activities already under way.

We also offer curriculum catered to the specific needs of employees at different tiers in our organization, including classes to raise awareness of environmental issues for middle level management, seminars led by environmental experts for top management from our technical development division, and educational programs providing specially designated employees an opportunity to engage in in-depth discussions with environmental experts.

International Law and Regulation Explanatory Sessions

Nissan holds regular briefings on environmental

and safety regulations for employees from our development divisions and core affiliated companies. The meetings cover regulatory and societal trends in markets of key importance to Nissan and enable us to encounter and exchange information from beyond our company and divisions. The information helps us both heighten environmental awareness and adjust our business activities quickly in response to changing laws.

Environmental Information for Nissan Employee Families

We include "Environmental Series" pages in our internal newspaper, that we regularly distribute to provide environmental information to all employees and family members of Nissan and its affiliates, including retired employees. In addition, we hold various monthly events on environmental, 3R (Reduce, Reuse, and Recycle) promotional, and energy conservation themes, and display posters and distribute pamphlets with information focused on raising environmental awareness.

● Environmental Protection in Nissan Offices (Green Office Program)

NGP2005 Objectives

- Reduction of paper consumption, reuse of resources, and promotion of energy savings
- Examining and promoting ways of reducing emissions from company-owned vehicles

Major Results by FY2005

- Activated green purchasing, improved energy conservation, reduced paper consumption, and promoted reuse of resources in our everyday business operations; introduced eco-friendly vehicles for use as company vehicles

Nissan initiated the company-wide "Green Office Program" in 1998 to promote environmental conservation efforts in our everyday business activities in accordance with our ISO14001-based environmental management system.

Green Purchasing

We conduct our office supply procurement activities with special consideration for the environment. Purchasing of office supplies and recycled paper, for example, is regulated by a specific manual on the use of recycle paper. Green purchasing is also a key factor when we select company vehicles and a main factor in our active introduction of low-emission vehicles and compressed natural gas (CNG) buses.

Energy and Natural Resource Savings

We have also implemented measures to limit energy consumption in our offices, including maintaining balanced air conditioner temperatures, switching off lights during lunchtime and after business hours, turning off equipment while not in use, and utilizing energy saving office automation equipment.

To limit our consumption of paper, we have reduced the number of pages printed or copied and progressed toward a paperless workplace using intranet and on-line conferencing tools. In Fiscal 2005, these efforts enabled the Nissan Motor Co., Ltd. to decrease the volume of paper purchased for office use by 21,300kg from the prior year. In addition, it is standard practice in our offices to separate used materials into recycling categories.