

Enhancing Value for Stakeholders

With Our Employees

The diversity of Nissan's employees is the driving force enabling us to meet the varied needs of our customers and to maintain sustainable growth. Our employees create greater value by sharing their knowledge, based on their individual experiences and different ways of thinking, in response to the various challenges we all face. For these reasons, we have made diversity a corporate strategy and strive to create an environment where all our employees—who numbered 169,298 at Nissan and its affiliates as of March 2010—can extend their individual talents to the fullest.

SUPPORTING CAREER DESIGN

Continually Improving Human-Resource Systems

A company's employees are its most important resource. So that both Nissan and its employees can reach their full potential, we constantly work to improve our human-resource systems. The evaluation-based remuneration system used to accurately gauge employee contributions is structured in a way that motivates them to set and achieve high goals. An employee's salary is determined through a combination of performance evaluations, which measure how well the employee achieved certain goals (commitments), and competency evaluations, which measure such intangible variables as technical skill, knowledge and attitude.

Support for Self-Designed Careers

Nissan believes that employees should "design their own careers" and actively assists their efforts to do so. Employees in Japan meet with their supervisors twice a year to discuss their performance and competency evaluations, as well as to express their ideas on how to proceed in their career path.

Employees in Japan also have the chance to take on the challenge of a new position through the Shift Career System (SCS) and the Open Entry System (OES). The SCS enables employees to apply for positions in other departments and work areas that interest them regardless of whether there is a position immediately available. The OES allows them to apply for all openly advertised positions. Around 250 employees applied for approximately 100 open posts during fiscal 2009, and roughly 80 of them were successful in getting the positions they applied for.

Fostering Specialized Skills

Helping employees develop specialized skills over the medium to long term is vital for a company to achieve sustainable growth. We introduced the Nissan Expert Leader System as a means of strengthening and fostering further development of specialized skills in a wide range of technical and nontechnical areas like purchasing and accounting. In fiscal 2009, the system's fourth year, we focused on 91 fields of specialization, designating 42 employees as Expert Leaders and 2 management-level employees as Nissan Fellows. The Expert Leaders and Fellows make use of their specialized knowledge to contribute to Nissan's business endeavors overall. In addition to sharing their knowledge with others via our corporate intranet and other communication tools, they contribute to the fostering of the next generation of experts by passing on their specialized skills in seminars and training courses.

CREATING A CULTURE OF LEARNING

A Variety of Learning Opportunities

As an organization that continues to grow through constant learning, Nissan supports employees' personal growth with a proactive, systematic approach to human-resource development. The act of learning is one in which people stretch themselves to develop skills that create value. We believe

that a corporate culture of learning cannot exist without the motivation to take part in this value creation. The Learning Navigation system on our intranet is one means of providing employees with opportunities for learning. This system lets employees search for information whenever they wish to develop specialized skills, receive training in management techniques, participate in e-learning programs or take distance-learning courses. The site is updated regularly to provide information our employees need to increase their skills and build their careers, meeting their growing thirst for knowledge.

Management Institute

The Nissan Learning Center Management Institute in Hakone, Kanagawa Prefecture, was established with the aim of cultivating human resources with the specialized skills and leadership qualities needed for future development. The institute contributes to the ongoing creation of Nissan value through a number of programs, including human-resource development seminars, which provide leadership training to pass on the company's accumulated experience and knowledge to the next generation; cultural diversity workshops; and our Consortium Program, in which we invite other global companies to take part in cross-industry exchange. Moreover, the leaders of our business activities around the world who have taken part in such programs as our Nissan Way Workshops are now active in educating fellow employees in the Nissan Way—the crystallization of experience and knowledge gained through our company's revival—demonstrating our commitment to promoting a corporate culture of learning.

Global Training Centers

With the globalization of production systems, manufacturers must ensure that all of their manufacturing sites maintain consistent standards of quality. Nissan established Global Training Centers (GTCs) at its Oppama and Yokohama Plants in Kanagawa Prefecture, Japan, and at its Sunderland Plant in the United Kingdom to educate trainers who share their knowledge at Nissan plants around the world. Trainees selected from among all employees at Nissan's production facilities worldwide are brought to the GTCs to take part in the company's Master Trainer Program. Upon finishing the program they are certified as Master Trainers and charged with instructing other employees at Regional Training Centers using a globally standardized curriculum and materials. As of the end of March 2010, 466 Master Trainers were hard at work passing on their technical skills to local employees at Nissan plants worldwide.

Nissan's accumulated know-how has been put into audio-visual form as an educational tool, available in five different languages, for global-standards training at GTCs. We also conduct "Nissan DNA" training seminars for all management-level employees at our production sites, working to strengthen skills that contribute to improved quality and lower costs and to foster the human resources that can carry out more efficient management of production operations.

INTERNAL COMMUNICATION

Employee Surveys

Nissan carries out surveys to get employee input and suggestions for improvements, using the results to help improve the company's management quality and employee motivation. From the results of these surveys, we identify the strengths of the company as a whole and those of individual divisions, as well as areas for improvement. We then work to make improvements that will lead to the creation of a better work environment for our employees and to continued growth for the company. The results of these efforts are analyzed for the company as a whole and for each region and department. Based on these analyses, each level of management formulates and carries out action plans tailored to specific needs. (See page 53.)

Enhancing Communication Tools

Nissan introduced a corporate intranet system called WIN (Workforce Integration @ Nissan) in 2005 as a tool to promote communication and information sharing. Since then we have continued to update the system with new technologies while encouraging employees to make active use of

this tool for internal communication and collaborative activities. We have expanded the WIN network beyond Japan, North America and Europe to include other markets and our major business partners. We also use internal newsletters and in-house video broadcasts to provide a variety of information to be shared by all employees at Nissan production sites around the world with no difference in time.

N-Square, a Tool for Employee Exchange

Nissan has introduced a new internal social networking service called N-Square as a communication tool for employees in Japan. This community-style website enables employees to create ties with each other based on shared interests, thus promoting improved information sharing and personal interaction within the company. With N-Square, employees of various positions and across departments can freely express and share their ideas and opinions with one another. The Land Glider concept electric vehicle shown at the 2009 Tokyo Motor Show was the realization of an idea expressed by an employee in an N-Square community called "This is the car I want."

Employee-Executive Exchange

Nissan holds opinion-exchange meetings involving executives and employees as a means of building trust through clear communication between these two groups, as well as among employees themselves. These meetings, held at Nissan's corporate headquarters in Japan as well as the company's business offices in China, North America and other parts of the world, give executives a venue for informing employees of the current situation of the company and delivering management messages. They also provide employees with opportunities to ask questions and voice their concerns in a direct and open manner. We plan to continue these meetings as an important channel for active communication. (See page 53.)

NISSAN'S RESPECT FOR DIVERSITY

Diversity as a Corporate Strategy

Fostering diversity is an important management strategy at Nissan. We established a Diversity Development Office (DDO) in Japan in October 2004 to play a principal role in this pursuit. Since then, we have been working with the human-resource divisions of our offices in North America, Europe and other markets in a variety of ways to realize our common goal of achieving sustainable corporate growth while respecting diversity. Moreover, we established a Diversity Steering Committee, headed by executives representing each business division, to set the direction and establish strategies for promoting diversity throughout the company.

The DDO aims to leverage workplace diversity for the company's competitive advantage by focusing on ways to make full use of the talents of female employees while also actively exploring ways to create higher value through cultural diversity, utilizing the cross-cultural nature of the Alliance formed with Renault in 1999.

Initiatives to Utilize the Talents of Women

Since fiscal 2004 the DDO has been concentrating its efforts in the following two areas as a cornerstone for utilizing the talents of female employees.



WEB
 Please see our website for more information on Nissan's diversity.
<http://www.nissan-global.com/EN/COMPANY/DIVERSITY/>

1. Women's career development

Diversity takes on different meanings in various regions of the world. In Japan, where the ratio of women in the automobile industry workforce has traditionally been low, the participation of women, particularly in positions of responsibility, is essential to providing diverse value to our customers.

Nissan is working to create an inclusive environment that encourages active participation from all employees, regardless of gender, and supports the career development of female employees. In addition to providing personalized support to female employees through individual counseling sessions with career advisors, the DDO works with Nissan's human-resource divisions to organize activities geared especially to female employees, including skill-development training courses and networking events. Moreover, interviews with senior female employees who are active in a variety of fields within the company are posted on the corporate intranet system to offer further encouragement.

Additionally, we are promoting ergonomic design of our equipment and work processes at our manufacturing plants to benefit female workers, who are generally smaller in stature and have less strength than men.

2. A work-life balance for employees

Nissan has implemented a system offering flexible working arrangements to enable employees to effectively balance work with family responsibilities, such as childcare and nursing of elderly relatives. Arrangements to help employees of both genders strike an appropriate work-life balance include "Family Support Leave," which allows an employee to take time off for a wedding, the birth of a child, child rearing or nursing care; special leave for women during pregnancy; reduced working hours and home-based telecommuting for employees to provide childcare or nursing care; and the establishment of a daycare center, called "March Land," in our Technical Center in Atsugi, Kanagawa Prefecture. Nissan has been recognized by the Japanese government as a corporation actively promoting childcare support, successfully implementing programs to achieve the goals set forth in the action plan of the Ministry of Health, Labor and Welfare based on an April 2005 law outlining measures to support the development of future generations.

Establishing a Community Supporting Work and Childcare

In May 2009, a new community site called "Work/Life Park" opened on our internal social networking website, N-Square, to help employees balance work and child rearing. Through the site, employees at our various operation sites can exchange useful information, such as how to respond in the case of a child's sudden illness or how to establish efficient work patterns. The community is very active, facilitating discussions among its more than 300 members, including supervisors with subordinates who work while also handling child-rearing tasks.

A Firm Grounding for Cultural Diversity

Nissan recognizes the need to make full use of the strengths and abilities of its multinational, multicultural family of employees in order to develop the company's business globally. We are working to leverage the synergy created through our cross-cultural Alliance with Renault, which not only recognizes and accepts cultural differences but also utilizes such differences to the full, to make cultural diversity our strength.

We organize cross-cultural training workshops to help employees better understand different cultures, thereby entrenching cultural diversity as a lasting part of our corporate culture.

Nissan's Diversity Mindset

Nissan has been holding diversity workshops in Japan since 2005 as part of the company's managerial training program. These workshops play an integral role in promoting diversity throughout the company by helping participants understand the importance of diversity, learn how to best utilize employee diversity and think about how diversity can be useful in the company's business activities. Moreover, executives post articles on the company intranet discussing their views on diversity as well as their own personal experiences. Having such regular, personalized messages from management encourages the development of a diversity mindset among our employees.

Enhanced Diversity in the Workplace (United States)

Nissan North America (NNA) is launching Business Synergy Teams (BSTs) to achieve business objectives, expand cross-functional interaction and assist with community outreach. The Women's BST, the first such group, was established in 2007 at NNA's Nashville headquarters. In 2009, this was followed by the Multicultural BST, which aims to enhance the company's consumer relations capabilities through cross-cultural communications and awareness. In its first year of activity, the MBST sponsored a local jazz festival, the International Black Film Festival of Nashville and other multicultural events. It also held internal seminars to promote understanding of Latino, Indian-American, African-American and other diverse cultures. The group also carried out publicity activities to celebrate the U.S. Black History Month, held in February each year.

SAFE WORKPLACES

Improved Production-Line Environments

Nissan seeks to fulfill the company's mission of engaging in "human-friendly production" by improving the workplace environments of its manufacturing facilities worldwide through ergonomics—the science of designing the job, equipment and workplace to fit the worker. We took a big step in this direction by introducing methods pioneered by our Alliance partner Renault to objectively gauge the difficulty and physical burden of workplace tasks. Utilizing our shared know-how, we are working to promote practices aimed at reducing worker burdens and increasing productivity. One such example is the "strike zone" approach, which provides a line worker with easy physical access to all needed parts, reducing stressful body positions and wasteful movement in the production process. In creating an environment where all workers can concentrate on their tasks without undue stress, we are contributing to improved product quality and increased productivity.

Creating Safe Workplaces

Nissan employs its own safety management diagnostic methods, as well as a risk-assessment approach to workplace management introduced in fiscal 2004, to create a danger-free environment and prevent accidents through proactive inspections of facilities to identify potential dangers. We also bring trainees together from around the world to give them practical instruction in labor safety management.

In April 2007, we added "promotion of employee health" to the existing tenets related to occupational safety in our companywide declaration on workplace safety.

Trends in Occupational Accidents (Total Accident Frequency Ratio)



Total accident frequency ratio:
 $\text{total accident cases} \div \text{total working hours} \times 1 \text{ million}$
 Source: Statistics on occupational accidents in the automobile industry (The Japan Automobile Manufacturers Association, Inc.)

Specialized Mental Healthcare

Nissan has put together a specialized team led by a clinical psychiatrist to care for the mental health of employees in Japan. In fiscal 2005 we introduced a mental healthcare program, Advantage EAP (Employee Assistance Program), in cooperation with external mental healthcare specialists with the aim of providing employees with consistent care covering everything from prevention and early diagnosis to treatment and recovery. In fiscal 2007 we extended the program to include production-line workers, giving all employees in Japan and their family members access to mental-health professionals for consultations, diagnosis and counseling. We offer specialized care programs that respect employee privacy, such as the eMe mental health checkups, through which employees receive advice from the doctor via e-mail or letters. We have also been providing mental-health management training for managers to help them give emotional support to subordinates. In fiscal 2009 we changed this to a topic-specific program separated into "preventive measures" and "response measures," allowing managers to select the sessions that best suit their needs.

Our Response to New Influenza

In response to the wave of emerging virus strains sweeping the globe, Nissan published a new influenza prevention guide in fiscal 2008, presenting sanitary measures to prevent spreading the flu virus as well as the company's policy in the case of an outbreak. To strengthen our business continuity plan (BCP), in fiscal 2009 we also developed a guideline of conduct for Nissan employees worldwide outlining actions to be taken in the workplace and at home in the event of a flu outbreak. These guidelines have been widely publicized within the company to ensure that employees are well informed.

Managing and Preventing HIV/AIDS

The management of employee health is one of the most important factors in a company's sustainability. In 2003, Nissan South Africa (Pty.) Ltd. instituted its Employee Wellness Program (EWP) to provide comprehensive support for employees' mental and physical well-being. In addition to health consultations, the EWP includes measures for the prevention and management of HIV/AIDS, hypertension, depression, diabetes and other chronic conditions. With respect to HIV/AIDS in particular, the Workplace Program launched in 1999 has been followed by preventive education, voluntary counseling and testing, financial assistance to help cover treatment costs and other steps to stave off the disease's spread.

As part of its educational outreach efforts, in May 2009 NSA held its first Wellness Week. This successful event sought to boost health management awareness among all employees and contractors and to have them undergo health checkups. Furthermore, the company is providing some of the EWP services to employees' family members and residents of communities where many workers live, thereby contributing to local society.

Nissan North America offers employees support in this area by arranging insurance coverage for HIV/AIDS in addition to mental healthcare and substance abuse treatment. The benefit levels are among the most competitive in the industry.

Employee Health Promotion (United States)

Nissan North America (NNA) has introduced the LiveWell initiative to help employees manage their personal health. This is a free health improvement program open to all employees that provides support for reducing such health risks as stress and weight gain; preventing asthma, diabetes and other chronic diseases; and improving maternal health during pregnancy. Another component is consumer-driven health plans that allow NNA employees to take a more active role in managing their health, as well as providing an opportunity to save for future healthcare costs.