The needs of customers are becoming increasingly diverse. To meet these needs Nissan employees from different backgrounds must work together. Employees are the driving force for the sustainable growth of Nissan. Therefore, the company places great importance on establishing a workplace that maximizes the performance of all.

The global expansion of Nissan’s corporate activities has meant the growing diversification of not only Nissan’s customers but also its employees. Work and lifestyle choices are changing, driven by demographic changes such as an aging population and urbanization. Nissan believes that for employees to work in a worry-free, self-initiated manner, they need to be able to pursue their careers regardless of gender, nationality or other factors and to choose from among various work styles to suit their particular stage of life.

The workplace environment is being strengthened around four pillars: “respecting diversity as a core component of management strategy,” “offering career development and learning opportunities,” “ensuring employee safety and health” and “strengthening internal communication.”

**Ratio of managerial posts filled by women (Japan):**

9.1%
EMPLEOS

SCORECARD

Nissan makes year-round use of the CSR scorecard as a fundamental tool to manage, review and validate its progress in each of the sustainability strategies defined for its CSR activities. The table below shows some of the values behind Nissan’s ongoing activities and the indices used in the scorecard to gauge the company’s performance.

<table>
<thead>
<tr>
<th>Nissan Priorities</th>
<th>Nissan Objectives</th>
<th>Indicators of Progress</th>
<th>FY2014 Results</th>
<th>FY2015 Results</th>
<th>Assessment</th>
<th>Action Planned for Next Year Onward</th>
<th>Long-Term Vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respect for diversity</td>
<td>Raise the ratio of women in managerial positions to 14% or higher globally</td>
<td>Ratio of women in managerial positions</td>
<td>Global: 12%</td>
<td>Global: 13%</td>
<td>✔✔</td>
<td>• Japan: Enhance career support for female employees and work-life management for all employees</td>
<td>Provide greater value to customers through diversity-enhanced work and personal</td>
</tr>
<tr>
<td></td>
<td>(10% or higher in Japan)</td>
<td></td>
<td>Japan (Nissan Motor Co., Ltd.): 8.2%</td>
<td>Japan (Nissan Motor Co., Ltd.): 9.1%</td>
<td></td>
<td>• Global: Implement measures in line with situation in each country</td>
<td>lives of employees</td>
</tr>
<tr>
<td>Career development and learning opportunities</td>
<td>Build a learning-oriented corporate culture</td>
<td>The lowest of the average scores for each course in annual trainee satisfaction surveys (on a scale of 1 to 5)</td>
<td>4.2 or higher</td>
<td>4.2 or higher</td>
<td>✔✔</td>
<td>• Provide learning opportunities that lead to employee growth and satisfaction</td>
<td>Create a learning-oriented corporate culture and an organization that allows</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>individual employees to achieve growth</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✔✔</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building safe workplaces</td>
<td>Strengthen efforts to create a safe work environment</td>
<td>Lost-time injuries frequency rate (global) (Total lost-time injury cases ÷ total working hours × 1 million)</td>
<td>0.95</td>
<td>0.75</td>
<td>✔✔</td>
<td>• Institute the safety auditing methods developed in Japan</td>
<td>Globally implement the same thoroughgoing safety management standards as in</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Develop safety management supervisors in each country</td>
<td>Japan</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✔✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dialogue with employees</td>
<td>Aim for high implementation and participation rates of employee satisfaction surveys to better capture employees’ views</td>
<td>Number and participation rate of global and regional employee satisfaction surveys</td>
<td>Conducted global employee satisfaction surveys of employees in North and Latin America, Europe, Middle East and Asia; global participation rate of 95% achieved</td>
<td>Followed up previous year’s survey activities with FY2015 global employee satisfaction surveys in October–November 2015; global participation rate of 95% achieved</td>
<td>✔✔</td>
<td>• Improve workplace environments by conducting global employee satisfaction surveys on an ongoing basis and swiftly implementing the PDCA cycle</td>
<td>Apply the findings of employee satisfaction surveys to create workplaces that</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>enable workers to make maximum use of their skills</td>
</tr>
</tbody>
</table>
NISSAN’S APPROACH TO EMPLOYEES

Nissan strives to create a meritocratic workplace where employees are motivated to rise to challenges and are able to work safely and comfortably. Nissan ensures employee rights by requiring that all employees respect the human rights of others and forbids discrimination against or harassment of others based on race, nationality, gender, religion, physical capability, sexual orientation, age, place of origin or other reason. Nissan employees are empowered to report the discovery of discrimination in the workplace. By respecting employee diversity, Nissan promotes the establishment of a work environment that maximizes the performance of every employee and encourages teamwork to achieve ambitious goals.

The company has established the Nissan Global Code of Conduct, which applies to all Group employees worldwide. It describes how employees should act, and the standards apply globally to all Nissan Group companies.

The Nissan Way is a guiding principle that aims to ensure sustainable growth by motivating each employee. Based on the company’s belief that “the power comes from inside,” the Nissan Way outlines five mindsets and five actions. The Nissan Way is implemented throughout the Group to ensure that the activities of all employees lead to value creation for the customer.

The Nissan Way has been made available to employees worldwide in eight languages (Japanese, English, French, Chinese, German, Spanish, Dutch and Russian). It places importance on approaching all issues with clarity and shared understanding as well as nurturing a mindset to achieve maximum results with minimum resources. It also encourages employees to pursue ambitious goals. Welcoming diversity by being inclusive of a variety of views can establish a work environment that maximizes the performance of every employee—regardless of gender or nationality—and engender new thinking that can contribute to the company’s business performance.

Nissan employees are educated regarding the Nissan Way and are evaluated based on its principles. Best examples of implementing the Nissan Way are shared globally, and top executives communicate its importance throughout the company in an effort to promote its value.

“The power comes from inside”
The focus is the customer, the driving force is value creation and the measurement of success is profit.

Mindsets

- **Cross-functional, Cross-cultural**
  Be open and show empathy toward different views; welcome diversity.

- **Transparent**
  Be clear, be simple, no vagueness and no hiding.

- **Learner**
  Be passionate. Learn from every opportunity; create a learning company.

- **Frugal**
  Achieve maximum results with minimum resources.

- **Competitive**
  No complacency, focus on competition and continuous benchmarking.

Actions

- **Motivate**
  How are you energizing yourself and others?

- **Commit and Target**
  Are you accountable and are you stretching enough toward your potential?

- **Perform**
  Are you fully focused on delivering results?

- **Measure**
  How do you assess performance?

- **Challenge**
  How are you driving continuous and competitive progress across the company?
Fostering diversity is an important management strategy at Nissan. The company undertakes a number of initiatives to realize the goal of achieving sustainable corporate growth while respecting diversity.

Promoting Diversity Around the Globe
Nissan’s diversity policy is determined by the Diversity Steering Committee (DSC), comprising executives representing each business division. The DSC plays a leadership role in promoting diversity in Japan and Europe, while in North America, this role is performed by the Americas Diversity Council (ADC). The Diversity Development Office (DDO) is a department dedicated to diversity issues in Japan, and the Americas Diversity Office is charged with promoting diversity in North America. In other markets, diversity is promoted by the human resource and other departments.

Global Structure for Diversity Promotion

<table>
<thead>
<tr>
<th>Region</th>
<th>Promoting Body</th>
<th>Office in Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan (Global Headquarters)</td>
<td>Diversity Steering Committee</td>
<td>Diversity Development Office</td>
</tr>
<tr>
<td>North America</td>
<td>Americas Diversity Council</td>
<td>Americas Diversity Office</td>
</tr>
<tr>
<td>Europe</td>
<td>Diversity Steering Committee (Europe)</td>
<td>Human Resources and General Affairs (Europe)</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>–</td>
<td>Governmental Affairs and Social Responsibility</td>
</tr>
<tr>
<td>Africa and the Middle East</td>
<td>–</td>
<td>Human Resource Division (Africa and the Middle East)</td>
</tr>
<tr>
<td>Asia and Oceania</td>
<td>–</td>
<td>Human Resource Division (Asia and Oceania)</td>
</tr>
</tbody>
</table>
Diversity as a Source of Strength
For Nissan, diversity is a source of strength. Ideas and perspectives contributed by employees from diverse backgrounds—in terms of gender, nationality, culture, age, academic background and lifestyle—can produce creative solutions with higher value, leading to enhanced corporate performance. Diversity rests at the foundation of Nissan’s business strategy to meet the diverse needs of global customers by offering better products and services. All Nissan facilities are engaged in efforts to harness workplace diversity in the areas of gender and culture. Nissan strives to increase female employees’ participation, while also actively exploring ways to create higher value through cultural diversity, in particular by utilizing the cross-cultural nature of the Alliance formed with Renault in 1999.

Work-life management is a key component of Nissan’s efforts in Japan, where all employees, regardless of their gender or age, may flexibly choose a suitable lifestyle for their particular stage in life. To ensure a workforce in which female employees boast a diverse range of skills, Nissan Motor Co., Ltd. has guidelines calling for 50% of newly hired office workers, 15% of engineers and 25% of technicians to be women. In North America, employees with diverse backgrounds in terms of race, sexual orientation and military service contribute to enhancing Nissan’s corporate value. In Europe, Nissan is advancing cross-cultural corporate initiatives with many Alliance partners.

The company also undertakes a full set of initiatives to nurture a diversity-oriented mindset among all employees to reinforce a corporate culture that respects diversity.

Nissan’s Diversity Initiatives
Creating products and services to meet diverse customer needs
Making a stronger, more innovative organization with diverse opinions
Creating Higher Value

Global Initiatives to Support Women’s Participation
Since fiscal 2004, ongoing support has been provided for the participation of female employees in two main areas: career development and the business process.

Supporting Women’s Career Development Around the Globe
The participation of women, particularly in management positions, is essential to providing diverse value to customers. Nissan focuses on increasing female representation in all levels of management and providing training to ensure that top candidates will be ready to take on greater responsibility. Support is provided for women’s career development in every region where the company operates.

Specifically, activities are organized that are geared toward female employees, including skill-development training courses and networking events. Examples of career development initiatives include mentoring programs and roundtables led by Nissan executives. Activities focusing on young female engineers are conducted as well.
In Japan, Nissan provides personalized support for female employees through individual counseling sessions with career advisors. Career development meetings are organized for young female employees so they may network with other professional women outside of the company and with women who have risen into management roles in Nissan. Interviews with senior female employees contributing in a variety of fields within the company are posted on the corporate intranet to encourage more women to develop their careers.

As a result of a broad range of efforts, women comprise 7.0% of general and higher-level managers in Japan (as of April 2016), 3.5 times the 2008 level of 2.0%, and a total of 9.1% of managerial positions are filled by women. This compares favorably to the average of 3.7% for Japanese manufacturers with 1,000 or more employees (according to 2015 statistics from Japan's Ministry of Health, Labor and Welfare).

As of April 2016, women fill 13% of the managerial positions at Nissan globally, up from 7% in 2008. Nissan plans to raise the global ratio of women in managerial positions to 14% by April 2017, with many being appointed to overseas assignments.

### Women's Forum

The Renault-Nissan Alliance sponsors the Women's Forum for the Economy and Society, which is an international platform to promote the advancement of women in the workplace. The annual global meeting in France gives women an opportunity to build networks and expand horizons through dialogue with their counterparts in diverse industries and by participating in workshops. Employees from Nissan Group companies around the globe are selected to participate in the meeting each year, and 10 took part in 2015.

### Inviting Women's Input in the Business Process

In Japan, women have a significant influence on car-buying decisions, as 30% of all cars are purchased by women and roughly another 30% of purchases are by men with input from women, meaning that women participate in nearly two-thirds of vehicle purchase decisions. A similar trend can be seen globally as well. Adopting female employees' views is essential for meeting diverse customer needs worldwide.

Nissan facilitates input from female employees—including those working at affiliated and sales companies—in all stages of its business, from the development of new vehicles through their manufacture and sales. Models like the Nissan Note global compact car have benefited from women's recommendations. For example, designers and engineers adopted the recommendation to adjust the rear door's opening angle to make it easier for both men and women to access child seats. In the assembly stage as well, Nissan promotes ergonomic design of equipment and work processes at its manufacturing plants to benefit female workers. As a result, this benefits women while at the same time effectively increasing efficiency and reducing errors for all employees. The company has been recognized for its efforts in these areas, receiving the Incentive Prize in the Japan Productivity Center's 2016 Empowerment Awards.

Nissan sales staff must also respond to the needs and questions of men and women customers alike. The Nissan Ladies First Project was launched in fiscal 2013 to introduce shop designs and services with female customers in mind. A pivotal role in the project is played by female sales staff known as CAs, or car-life advisors. Both male and female customers report high satisfaction with Nissan's female CAs, and the company is making efforts to offer training and improve the work environment to give female employees more room to succeed. A workshop for young female CAs was held in June 2015. As of March 2016, 1055 female CAs were active across Japan.

### Ratio of Women in Management Positions

<table>
<thead>
<tr>
<th>Year</th>
<th>Nissan (Global)</th>
<th>Nissan (Japan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>7.0% (general manager or higher)</td>
<td>7.0% (general manager or higher)</td>
</tr>
<tr>
<td>2013</td>
<td>9.1%</td>
<td>10%</td>
</tr>
<tr>
<td>2014</td>
<td>9.1%</td>
<td>10%</td>
</tr>
<tr>
<td>2015</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>2016</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>2017</td>
<td>14%</td>
<td>14% (target)</td>
</tr>
</tbody>
</table>
accounting for 8.5% of the national total, compared to 7.0% in March 2015. A Ladies First Shop certification program was also launched in 2013 to enhance the satisfaction of female customers with both showroom and after-sales service experiences. Some 262 shops nationwide (as of March 2016) offer special services for female customers.

Nissan also employs women as technical advisors (TAs) to help facilitate the vehicle maintenance process for customers. Nissan has received a positive response for the polite and responsible service provided by the female TAs, thereby contributing to the enhancement of customer satisfaction of sales companies. Training courses and informal gatherings for female TAs are held to promote networking and skills development.

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 its business globally. The company is working to leverage the synergy created through the cross-cultural Alliance with Renault, which not only recognizes and accepts cultural differences but also seeks to make cultural diversity a source of strength. Overseas job transfers have increased in recent years, and many transferees, both men and women, are no longer necessarily from Japan, the United States or other major markets. This is seldom seen at other global businesses and demonstrates Nissan’s commitment to this area.

Nissan makes cultural diversity an integral part of its corporate culture. A vital part of the company’s success rests on ensuring that people are welcome no matter where they come from, what language they speak, how old they are or what their background or training is. Nissan’s top decision makers, for example, often have different citizenship from the place where the company is headquartered, as can be seen from the company’s Executive Committee, which is 40% Japanese and 60% non-Japanese. To more efficiently promote Nissan’s partnership with Daimler and AVTOVAZ, efforts are being made to expand the share of managerial staff in Europe who speak German or Russian.

To help employees utilize cultural differences as a source of strength, the company has designed its e-learning program as a course open to anyone at any time. In Japan, for example, this enables Japanese people to learn skills for understanding and communicating with business partners of different cultural backgrounds so that they can work together to get results. Training sessions cultivate a better understanding of specific countries with which Nissan enjoys particularly close relations, and further efforts are underway to make cultural diversity an integral part of Nissan’s corporate culture.

Nissan’s Diversity Mindset
Nissan carries out regional diversity events and diversity training for employees around the world. All employees can learn about the company’s diversity vision through the articles and other materials posted on the intranet site.

In Japan, Nissan provides e-learning programs that offer opportunities for employees to learn about diversity at any time, including a course on gender diversity to understand and draw on male/female differences, as well as seminars and an e-learning program on the inclusion of sexual minorities (lesbian, gay, bisexual and transgender individuals).

Nissan believes that embracing diversity is essential to growing as a trusted company. To instill this awareness among all managers and employees, a program called Championing Diversity was held in the United States. The program is designed to enhance workplace communication among colleagues with diverse backgrounds and viewpoints and to produce results through cooperation among multiple teams.

In Europe, a multicultural effectiveness training program was conducted to raise awareness of cultural differences and to support all employees working in a multicultural environment.

Work-Life Management for Employees (Japan)
Nissan believes in the importance of enabling individual employees to both achieve personal growth and make positive contributions to the company. There has been a growing diversification in the stages of life accompanying the globalization of the business environment. To enable both men and women to apply their competence and to continue performing at their best, they require work formats allowing them to work around time constraints and to pursue productivity on an hourly basis. In 2015, Nissan introduced the Happy8 program as part of its efforts to reform how employees work. Happy8 aims to enrich both the work experience of employees and their private lives by presenting the ideal of an eight-hour work day while enhancing the quality of that time. 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.

Since January 2014, all employees in Japan have been able to work at home up to 40 hours a month (equivalent to five work days) as part of the
company’s work-life management policy. By working at home, they can use the
time that had been spent commuting to meet childcare or nursing needs,
engaging them to fulfill personal responsibilities without sacrificing working
hours. This policy also enables employees without caregiving responsibilities to
effectively apply their commuting time toward other uses. This policy requires
close teamwork and can thus lead to improved workplace productivity. More
than 2,500 nonmanagerial workers have registered for this system, regarded
as a pilot program for possible extension to workplaces outside Japan.

Creating an Environment Conducive to Work-Life Balance

Support Systems for Childbirth and Childcare (Japan)

Support Systems for Childbirth and Childcare (Japan)

<table>
<thead>
<tr>
<th>Leave</th>
<th>Pregnancy to pre-leave</th>
<th>Maternity/childcare leave</th>
<th>Return to work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days off</td>
<td>Family support leave (to promote childbirth): From pregnancy to child's 6th year of elementary school, 12 days/year (5 paid, 7 unpaid)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced working hours</td>
<td>Childcare centers in company sites</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>E-working (childcare/nursing care type)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Legally mandated Decided by Nissan For parents of both sexes

Supporting employee performance: Career development and work-life balance

- "Pre-mom seminar"
- "Reinstatement seminar"
  - Employees receive opportunities to think about their career paths and work prior to maternity leave and reinstatement.
- Internal social networking site “Work-Life Balance Park”

Supporting managers who have employees in the nurturing stage

- Guidance on offering promotion exams before childcare leave
- Management seminar for managers with employees in the nurturing stage
- Diversity training for new managers
- Diversity events

Company infrastructure (systems)

- Work-at-home program
  - Employees caring for young children or elderly parents can spend up to 50% of the month working at home, and others are allowed up to 40 hours per month. All employees except those in manufacturing processes are eligible.
  - Super-Flextime without core time
  - Shorter working hours (for employees engaged in childcare or nursing care)
  - Family support program (special paid holidays for marriage, childbirth by a spouse, childcare, nursing care and fertility treatment)
  - Childcare leave, nursing care leave, maternal protection leave
  - Accompanying-leave program (three years maximum)
  - Reemployment policy

Company infrastructure (facilities and equipment)

- In-house childcare center (three sites)
  1. Supporting employees who actively work at balancing both work and childcare to help them perform at their best
  2. Supporting employees’ return to work when they wish, without being affected by the issue of daycare waiting lists in Japan
- Lending personal computers to employees on leave (allowing them to access the company intranet and e-mail account)
- MM care room (lactation room)
Top-Down and Bottom-Up Approaches to Promoting Diversity

Nissan believes that both top-down and bottom-up approaches are needed to promote diversity. Diversity becomes a pervasive concept when activities spearheaded under the strong leadership of executives are combined with initiatives from the floor.

Regarding the bottom-up approach, Nissan emphasizes self-initiated opportunities for learning. Female engineers at the Nissan Technical Center (NTC) and Nissan Advanced Technology Center (NATC) in Atsugi, Kanagawa Prefecture, have launched a team effort to consider ways to balance work with life. Trials began in fiscal 2012, and full-scale activities kicked off in fiscal 2013. Participants acquire knowledge on ways to sustain their careers by sharing tips, seeking each other’s advice and conducting interviews with female role models.

In the United States, employee-driven Business Synergy Teams (BSTs) have been launched with management support to leverage diversity to achieve business objectives, expand cross-functional interaction and assist with community outreach. These BSTs are operated from Nissan’s North American headquarters in Franklin, Tennessee, R&D facility in Farmington Hills, Michigan, and the Dallas-based Nissan Motor Acceptance Corporation (NMAC), as well as at production facilities in Smyrna and Decherd, Tennessee, and Canton, Mississippi.

Employee-Driven BSTs Enhance Work Environments

BSTs link Nissan’s diverse workforce under a common theme, and members have highly specialized knowledge. There are currently 19 BSTs across the United States, including the Women’s BST (WBST), the first such group, established in 2007. This was followed by the creation of the Multicultural BST (MBST), which aims to enhance the company’s customer-relations capabilities through cross-cultural communications and awareness. There are also a Generational BST and a Gay-Straight Alliance BST.

In 2013, the WBST began a program to encourage young women to consider careers in technical fields by partnering with Microsoft Corporation. It organizes “Digigirlz,” a one-day event in which high-school-aged girls participate in activities that expose them to the specific ways Nissan uses technology to create and market its innovative products. Also featured are presentations by Nissan executives who describe their careers and experiences as engineers, helping participants understand and consider an engineering career.

In 2014, health-focused BSTs were established at Nissan facilities around the United States. The Wellness Team at NMAC in Dallas, Texas, is engaged in promoting not just physical and mental health but all dimensions of well-being.

By voluntarily participating in BSTs, employees can apply what they have learned to create a more highly motivated and dynamic work environment while they contribute to Nissan’s promotion of diversity.
Enhancing Workplace Diversity in the Americas

Regional diversity initiatives
Nissan North America (NNA) has established a regional diversity steering committee for the Americas to create accountability and provide guidance to diversity initiatives in the region. NNA has also established regional offices to coordinate diversity initiatives in the United States, Canada, Mexico and Brazil.

Mentoring program for female and minority employees
Mentoring is an important tool for raising the motivation and performance of Nissan’s staff, particularly women and minorities. NNA offers mentoring in a variety of formats—closed and open, private and in small groups, and theme-based activities. The company evaluates the achievements of the program and makes improvements on an ongoing basis.

Supplier diversity
NNA is committed to encouraging relationships with diverse suppliers. This commitment is grounded in the definitions of minority-owned and woman-owned businesses developed by the National Minority Supplier Development Council (NMSDC) and Women’s Business Enterprise National Council (WBENC).

Diversity in the community
NNA also fosters future leaders by investing in student programs and offering students opportunities to pursue careers in science, technology, engineering and math (STEM) fields. Together with major scholarship programs for students from disadvantaged areas, NNA’s diversity recruitment group works to improve internship and employment opportunities for these students.

Future Issues in Promoting Diversity
More than 10 years have passed since Nissan announced its proactive commitment to diversity. The company has placed great importance on understanding and respecting other cultures, as 80% of vehicle sales are now in markets other than Japan and as opportunities to work with partners around the globe have expanded. Women are actively working in a variety of fields at Nissan Group companies worldwide, and the share of women in managerial positions is steadily rising.

A key theme henceforth will be to enable all employees, regardless of gender or nationality, to perform at their best in a global business environment under flexible and efficient work arrangements.

Nissan will continue to vigorously pursue diversity as a corporate strategy by promoting the efforts of diverse human resources, thereby reinforcing organizational strength and maximizing business results.
History of and Recognition for Diversity at Nissan

Nissan established the Diversity Development Office (DDO) in Japan in 2004 to play a principal role in supporting the advancement of female employees and promoting multicultural understanding. These efforts to enhance Nissan’s diversity and the value it places on a diverse workforce have not gone unnoticed.

In 2015, Nissan became the first company in Kanagawa Prefecture to earn Platinum “Kurumin” certification, which is granted to Kurumin-accredited companies (certified as supporting childcare) that provide an even higher standard of childcare support. In 2016, moreover, Nissan earned a spot as a Nadeshiko (active utilization of women) brand for the fourth consecutive year since 2013.

These awards are a clear sign that Nissan’s commitment to diversity is producing results and that the company is on the right track in making cross-cultural and gender diversity key elements of its competitive strategy.

Nissan’s Awards for Diversity

<table>
<thead>
<tr>
<th>Year</th>
<th>Award</th>
<th>Sponsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>Nadeshiko Brand (4th straight year)</td>
<td>METI and TSE</td>
</tr>
<tr>
<td>2015</td>
<td>Incentive prize, Empowerment Award</td>
<td>Japan Productivity Center</td>
</tr>
<tr>
<td>2015</td>
<td>Platinum Kurumin Mark</td>
<td>Kanagawa Labor Bureau, MHLW</td>
</tr>
<tr>
<td>2015</td>
<td>Perfect Score (100) in Corporate Equality Index (2nd straight year)</td>
<td>Human Rights Campaign (U.S.)</td>
</tr>
<tr>
<td>2015</td>
<td>Prize for excellence, 15th Tele-work Promotion Awards</td>
<td>Japan Telework Association</td>
</tr>
<tr>
<td>2015</td>
<td>Japan’s Minister of State for Special Missions Prize, Advanced</td>
<td>Gender Equality Bureau, Cabinet Office</td>
</tr>
<tr>
<td></td>
<td>Corporation Awards for the Promotion of Women</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>DiversityInc Top 25 Noteworthy Companies for Diversity &amp; Inclusion</td>
<td>DiversityInc (U.S.)</td>
</tr>
<tr>
<td>2013</td>
<td>Diversity Management Selection 100</td>
<td>METI</td>
</tr>
<tr>
<td>2013</td>
<td>Grand Prize, J-Win Diversity Awards</td>
<td>J-Win</td>
</tr>
<tr>
<td>2008</td>
<td>Catalyst Award</td>
<td>Catalyst Inc. (U.S.)</td>
</tr>
</tbody>
</table>

Nissan was the recipient of other awards in the United States.
Nissan believes that employees should “design their own careers” and that the company should actively assist their efforts to do so. Learning is an essential preliminary step for value creation, and a corporate culture of learning cannot exist without the desire to create value. As an organization that grows through constant learning, Nissan supports employees’ personal growth through proactive human resource development.

Continually Improving Human Resource Systems
Nissan values the skills and potentials of all employees, working constantly to improve its human resource systems to achieve an organization empowering employees to reach their full potential. 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 their skills, knowledge and attitude.

Support for Self-Designed Careers
Under a human resource management policy of offering employees opportunities for personal growth and satisfaction as long as they create value, Nissan invites employees to meet with their supervisors at least twice a year to discuss their performance and competency evaluations, as well as their career aspirations and goals.

Training programs to raise the evaluation skills of supervisors also contribute to the enhancement of career designing capabilities of employees. Specialized tools keep track of evaluation records so that even a newly instated supervisor can ascertain employee progress at a glance, maintaining consistency in human resource development. Nissan conducts surveys to gain employee input regarding the evaluation meetings and to learn their level of understanding and comfort with the system. Based on the results, the company implements measures and makes improvements if necessary. Nissan also monitors employee satisfaction regarding the meetings with their supervisors, and there has been an improvement in employee understanding and acceptance of the evaluation system.

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 in areas that interest them regardless of whether there is a position immediately available. The OES allows them to apply for all openly advertised positions. During fiscal 2015, 158 employees applied for 102 open posts, and 54 of them succeeded in getting the positions they applied for.

Offering Learning Opportunities
Within the company, Nissan implements training programs allowing employees to gain the task-specific skills they need and giving them opportunities to extend their knowledge in fields of their choosing. These measures create a culture of constant learning at Nissan.

Training Programs at Global Headquarters in Japan

<table>
<thead>
<tr>
<th></th>
<th>FY2013</th>
<th>FY2014</th>
<th>(Year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of trainees</td>
<td>13,078</td>
<td>14,007</td>
<td>13,597</td>
</tr>
<tr>
<td>Total hours in training</td>
<td>393,370</td>
<td>452,631</td>
<td>495,779</td>
</tr>
<tr>
<td>Hours per trainee</td>
<td>16.6</td>
<td>19.4</td>
<td>21.9</td>
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<tr>
<td>Trainee satisfaction (out of 5)</td>
<td>over 4.4</td>
<td>over 4.2</td>
<td>over 4.2</td>
</tr>
<tr>
<td>Investment per trainee (¥)</td>
<td>70,000</td>
<td>71,700</td>
<td>74,000</td>
</tr>
</tbody>
</table>

Nissan Learning Center
The Nissan Learning Center is a specialized training institute established to offer employees high-quality and timely skill-development opportunities. The center provides training for middle-management and staff-level human resources based on the Nissan Way and structured around the four pillars of "enhancing familiarity with the Nissan Way," "improving management skills," "improving business skills" and "improving technical skills." The center also operates Monozukuri University to enhance the skills of Nissan’s core manufacturing-related human resources.

Monozukuri University
The auto industry today is marked by the rapid pace of innovation and increasing technological sophistication. To maintain and develop Nissan’s
monozukuri tradition of careful craftsmanship that underpins the company’s internationally competitive product manufacturing, individuals are needed who have an understanding of the latest technologies that go into building an automobile and a well-rounded personality with outstanding management skills. Monozukuri University was set up within the Nissan Learning Center to develop capable leaders who can pass down Nissan’s technologies and skills to future generations. It offers a variety of programs aimed at developing engineers and technicians who carry forward the “Nissan DNA” and achieve continued success through the implementation of the Nissan Way. The “university” comprises Nissan Technical College, Genba Kanri (shop floor management) School and Engineering School.

Engineering and Technical Skill Education Around the World
To support Nissan’s efforts to expand its business globally, the company must improve the engineering skills of individual employees working across the globe. The company offers opportunities for personal growth equally to all employees in both R&D and manufacturing, whether they work in Japan or elsewhere, to help them enhance their capabilities.

Education for Engineers
Nissan developed a global training program to be administered to its 19,000 engineers at development centers worldwide and completed basic training of all engineers from 2012 through 2015. The next step will be advanced training covering more specialized content.

Education for Technicians
To swiftly foster manufacturing division supervisors, who will be needed across the globe, Nissan is developing a framework for training prospective supervisors by integrating the supervisor education given at the company into the stratified training system for local technicians. Modeled after the example of Dongfeng Motor Company Ltd. (DFL) in China, Nissan’s largest and rapidly growing market, the scheme will be expanded globally.

Improving Management Quality
Nissan is working to improve the quality of its management in order to fulfill the goals of its mid-term business plan, Nissan Power 88, and achieve sustainable growth. In Japan, the company has established a training framework for mid-level managers. This gives them opportunities to promote activities that put the Nissan Way into practice and to extend their skills in managing people and business operations.

Specifically, Nissan engages in (1) cultural diversity training to promote understanding of the actions and mindsets described in the Nissan Way; (2) training in business skills, leadership and liberal arts to nurture professionals; and (3) training in on-site management to teach the importance of the production site and to achieve maximum results through collaboration. These three core components of the training framework are supplemented with additional programs.

In North America and Europe, meanwhile, the Nissan Way Leadership Academy program for managers examines how the Nissan Way has been put to use most effectively and shares those actions as part of training tools to elevate management quality overall.

Training Future Leaders
To continually foster future managers and specialists who will lead the company, Nissan implements a strategic and systematic approach to training, job rotations and recruitment.

Specifically, Nissan engages in leadership training aimed at passing down the knowledge and experience to the next generations of workers. These programs are offered at various development stages, including those for young employees, regional middle managers and Group senior managers. Training consists of group sessions for intensive training in business skills, action-based sessions where participants tackle issues actually facing Nissan and cultural diversity classes to promote understanding of the issues.

A number of rotational programs are strategically and systematically implemented to give promising employees the experience needed to serve in management posts and direct global functions as capable managers and leaders.

Nissan is reinforcing its human resources not only through the recruitment of new graduates but also by actively hiring outstanding mid-level management candidates.

These talent management schemes are effectively operated through regular human resource meetings among senior managers. In these meetings, outstanding human resources are identified, then development plans and succession plans are made. Nissan’s strategic talent management system is globally coordinated and active at the global, regional and functional levels.
**Fostering Specialized Skills**

Helping employees develop specialized skills over the medium to long term is vital for a company to achieve sustainable growth. The Nissan Expert Leader System is 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 2015, the system’s 10th year, Nissan designated 45 employees as Expert Leaders and 1 management-level employees as Nissan Fellows in a total of 97 fields of specialization. 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 the 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.

**Building Safe Workplaces**

Nissan promotes practices aimed at reducing worker burdens and improving productivity. Promotion of employee health is a top priority and has been established as a key tenet in Nissan’s companywide declaration on workplace safety.

**Employee Safety and Health Management**

Nissan has adopted a Basic Policy on Safety and Health so that all employees can focus on their work in a safe environment. It gives top priority to worker safety as well as their well-being as a matter of company policy. The work environment relating to employee safety and health is managed uniformly according to the Basic Policy at all Nissan sites, both in Japan and globally.

In Japan, Nissan holds a Central Safety and Health Committee meeting each year chaired by the executive in charge and attended by management and labor union representatives from Nissan facilities. Activities over the past year are reviewed in such areas as workplace safety, fire prevention, mental health, health management and traffic safety, and then plans are laid out for the following year. Each facility holds a Safety and Health Committee meeting each month, attended by labor union representatives. A safety and health officer is assigned at each workplace to ensure that all employees receive relevant information.

**Improved Production-Line Environments**

Nissan seeks to fulfill the company’s mission of engaging in “human-friendly production” by continuously improving the workplace environments of its manufacturing facilities worldwide. Nissan has installed internal cold-air ducts and ensured there are set breaks to drink water, particularly in locations with considerable workloads. This is part of constant improvements to allow employees to work in a comfortable environment.

**Creating Safe Workplaces**

Nissan employs its own safety management diagnostic methods, as well as a risk-assessment approach to workplace management, to help reduce hazards in the work environment and prevent accidents.

Two tools developed internally by Nissan to identify the potential for a work accident are the Safety Evaluation System (SES) and the Fire-Prevention Evaluation System (F-PES). They call for workplace patrols in accordance with established evaluation standards to identify potential dangers and fire risks to help reduce incidents. The use of these tools has been effective in achieving these aims.

Global initiatives to avoid accidents and create a safe workplace...
include inviting employees from Nissan facilities around the world to undergo training on workplace safety. Responsible managers and leaders also received training in SES and F-PES in preparation for the implementation of these programs at all Nissan facilities worldwide, a process that began in fiscal 2014 and was completed in fiscal 2015.

Since 2011 Nissan has been systematically carrying out risk-prediction training at plants in Japan to ensure that individual workers are aware of the risk of accidents and to help prevent accidents. This training, which was continued in fiscal 2015, cultivates appreciation of danger among workers, thus reducing their risk of work accidents. Nissan is endeavoring to increase this method’s effectiveness through repeated application.

**Specialized Mental Healthcare**

Nissan has put together a specialized team led by a mental health professional to care for the mental well-being of employees. In 2005, in cooperation with external mental healthcare specialists, the company introduced the Employee Assistance Program (EAP), a mental healthcare program providing employees with consistent care covering everything from prevention and early diagnosis to treatment and recovery. Since fiscal 2007 the program has expanded to include production-line workers, giving employees and their family members access to mental-health professionals for consultations, diagnosis and counseling. Nissan also offers specialized care programs that respect employee privacy, such as the yearly “Stress Check,” through which employees receive advice from a doctor via e-mail or letter. In fiscal 2011 the company’s mental health training was extended to cover items bolstering the mental health of individual employees. Nissan promotes mental healthcare through a wide range of approaches.

**Rehabilitation Center to Facilitate Return to Work**

Appropriate support mechanisms are required to facilitate an employee’s return to work in case of long-term or recurrent absence due to a mental or physical ailment. Nissan’s support in this area includes rules established in 2008 for the use of external rehabilitation centers to ease employees’ return to the workforce following long-term or recurrent absence. An in-house rehabilitation facility opened in 2012. By offering various programs suited to the needs of the respective workplaces, Nissan is seeing improvements in the return-to-work ratio.
Enhancing Communication Channels

Building confidence between a company and its employees is based on the trust established through transparency of communication. Nissan discloses its statement of accounts and other business results to employees in a timely manner. Joint Renault-Nissan Alliance teams are organized in R&D, production engineering, supply-chain management, purchasing and human resources to deliver additional synergies. Information about the Alliance is shared with employees, enabling them to understand the goals and benefits derived from the Alliance.

A deeper understanding of Nissan products, services and technologies is gained through timely communications that engage employee interest and boost their motivation. Employees are regularly updated on Nissan’s leadership in achieving a zero-emission society, development of Autonomous Drive vehicles and other long-term projects.

Nissan is enhancing coordination among its various departments and with senior management and actively sharing information that contributes to relationships of mutual trust and higher employee motivation.

Every new fiscal year starts with the CEO delivering the state of the company address, reflecting on the past year’s performance and highlighting the direction for the new year. These are specific communication events that help build relationships of trust between the employee and the company. Leadership Exchange meetings, where the CEO and other Executive Committee members examine important issues with middle and senior managers, are held twice a year. The issues discussed are then shared and cascaded within each department. On a monthly basis, topics based on employee interest are also broadcasted through live web conferences called Management Information Exchanges (MIE), which encourage engagement between Executive Committee members and managers.

Employee motivation is also raised through new model announcements and test drive events, where employees gain a deeper understanding of Nissan’s products and learn to convey product features and attractiveness to their friends and families more effectively. These have been well received, with some participants stating that their enhanced knowledge of Nissan products has boosted their pride in the company and their work motivation, and have been highly effective in creating “brand ambassadors” for Nissan.

Strengthening Communication to Raise Motivation and Build Confidence

In order to achieve the Nissan Power 88 mid-term business plan’s objectives, all employees need to embrace Nissan’s corporate vision and understand the significance of the plan. To succeed, employees’ pride in the company’s achievements and trust in the sustainability of its corporate activities are essential. At the same time, employee motivation needs to be enhanced to encourage them to take self-initiated action. Internal communication activities are focused on building confidence among employees and increasing their motivation.

For both Nissan and its employees to continue to grow in the face of globally expanding corporate activities, employees need to understand the direction in which the company is moving and implement their own actions toward the achievement of business objectives. Overcoming challenges to achieve those goals can lead to personal growth for the employee and contribute to the realization of the company’s vision. Nissan is strengthening its communication with employees so they will feel united with the company and be more engaged in tackling the challenges before them.
In fiscal 2015, the Nissan Festival, held at Nissan Global Headquarters, was another motivation-boosting program. The Nissan Festival proposes diverse exhibitions and hands-on programs around the three themes of "cars," "technology" and "the company and its people." Its aim is to promote understanding of Nissan and to help people develop empathy with the company through learning workshops and direct experience of Nissan’s products and technologies. Some 3,000 people participated, including employees as well as their families and friends. About 30 employees were involved in planning the event as members of the organization committee.

Nissan’s internal communication tools also help build relationships of confidence and boost employee motivation. Since Nissan introduced a corporate intranet system called WIN (Workforce Integration @ Nissan), it has been actively used to promote communication, information sharing and collaboration among employees. The WIN network now goes beyond Nissan Group companies to include Nissan’s major business partners, helping communicate information that raises motivation on a global basis. A printed in-house newsletter called Nissan News is published monthly for employees at Nissan production sites so they may access needed information with no time lag.
Engagement Kits that Generate Communication

In fiscal 2014, Nissan began issuing Engagement Kits that summarize Nissan’s global operations, business performance and major achievements. These kits are distributed to managers every month and are used as communication tools for information sharing. The managers not only are the recipients of information but also are assigned responsibility for disseminating it in their respective departments. This is intended to promote workplace communication, deepen employee understanding and raise motivation.

Employee-Executive Exchange

Deepening mutual understanding and confidence requires opportunities for employees to voice their views and to share them with company executives. Nissan is making efforts to communicate information that will lead to greater employee confidence toward the achievement of the Nissan Power 88 mid-term business objectives. These efforts are monitored on an ongoing basis through key performance indicators (KPIs) and reflected in internal communication activities. The company conducts regular surveys regarding these communication initiatives and the results are then conveyed to company executives. The survey results are also used to run a PDCA (plan, do, check, act) cycle, with plans implemented based on decisions on whom to target and what type of additional information to communicate.