



# With Our Employees

## Creating a Bright Future Through Diversity

**Nissan owes its growth as a global company to its most important resource—its diverse group of employees, with their vast range of talents and qualities. This vibrant community produces fresh concepts and creates value for our company. Nissan focuses on developing ways to leverage this diversity and creating an environment that lets our employees reach their full potential. Our aim is to be a place where all Nissan employees can achieve personal growth.**

### **Trust Through Communication** Sharing information globally through WIN

The more than 180,000 people employed by Nissan and its affiliates work in offices and plants spread all over the world. Keeping everyone communicating smoothly is the key to making sure opinions are shared as broadly as possible, increasing operational transparency and building relationships of trust. In 2005 Nissan introduced a powerful tool to promote this communication. WIN, or Workforce Integration @ Nissan, is a globally integrated intranet that allows employees everywhere to share data and boost project efficiency.

WIN has made it possible for Nissan's top managers to send key business information and other messages worldwide, instantaneously. The network also offers a conferencing system and information management tools to increase the speed and efficiency of operations. The WIN system covered Japan, North America and Europe as of 2005, and in fiscal 2006 Nissan plans to roll it out across Asia, the Middle East and Africa.

Each year the company carries out a global survey of its employees, gauging their attitudes and reflecting them in changes in our corporate culture. In the past these surveys went out to a random selection of respondents from various regions, but as part of the Nissan Value-Up business plan this was expanded from fiscal 2005 to cover 140,000 employees representing the entire Nissan Group with the exception of some affiliated companies.

### **Creating Greater Value** Diversity planning that meets regional needs

The synergies of a workforce with true diversity of nationality, ethnicity, gender and age create new ideas and

### **Global Training Center boosts technical skills (Japan)**

Nissan Motor Co., Ltd. has established a Global Training Center (GTC) operating at its Oppama and Yokohama plants in Kanagawa Prefecture, Japan. The GTC provides instruction in the complex techniques that go into making Nissan's

engines and auto bodies, equipping workers with the skills they need to meet Nissan's world-class product standards. It welcomed its first trainees in November 2005, when five employees arrived from Nissan

Mexicana, S.A. de C.V. The center has seen a steady flow of trainees from Nissan's facilities around the world. In August 2006 the GTC will begin offering even more extensive training programs.



Nissan Technical Center Europe, Ltd. (U.K.)



Nissan Diversity Forums 2005 (Japan)

new value for our company. A primary task for Nissan is to put an environment in place so that our employees can develop their individual talents and put them to work. Our diversity is a tremendous source of strength: the energy that we gain from the different perspectives our workers bring to bear helps us reach out to our customers, and it drives sustainable growth for the company as a whole.

Our Diversity Development Office, established in Japan in October 2004, is primarily responsible for our efforts in this field. This office's functions are bolstered by cross-functional teams set up to tackle diversity issues in North America and Europe. These groups work together with a Diversity Steering Committee, composed of managers from throughout the Nissan organization, that meets quarterly to review programs and examine the various diversity projects underway.

The Diversity Development Office focuses on three key goals in its activities: offering support for women's career development, helping employees to strike a balance between work and home life, and fostering a diversity-minded approach to business throughout Nissan. In the first area, we provide women employees with the services of career advisors, who aid them in charting a career path and

provide practical training programs of up to six months to help them develop applicable skills. To help employees balance work and home, the second area, Nissan has adjusted its systems, such as by extending the maternity leave period. We are also experimenting with programs that let people work from home. In the third area, we are promoting diversity awareness through various programs. One was a pair of diversity forums held in late 2005 at our Tokyo headquarters and our Technical Center in Atsugi, Japan. A total of 500 employees from numerous divisions attended these forums, which helped deepen understanding of Nissan's approach to diversity issues through managerial presentations on the importance of diversity in corporate strategy, as well as speeches from guest speakers and panel discussions. An additional 550 employees participated in similar forums at our plants in Tochigi, Oppama, Yokohama and Kyushu in February and March 2006.

Nissan Motor Co., Ltd. is making steady progress in the area of gender equality in the workplace. In fiscal 2005 19.2% of our new hires in Japan were women; this ratio climbed to 26.8% in fiscal 2006.

## Messages for Our Stakeholders



**Kaoru Okada**

General Manager  
Human Resources Department  
Nissan Europe S.A.S. (France)

### Nissan Gives Positive Recognition to the Hard Work of Employees

Nissan is a company where the employees all set high goals and work their hardest toward achieving them. We give positive recognition to the efforts our employees make to meet these goals. Workers can at times find it challenging indeed to hit their targets, but when they do they enjoy the deep satisfaction of a job well done.

We believe that Nissan's respect for diversity is the power that motivates its employees in their tasks. At Nissan Europe we place particular focus on hiring outstanding human resources irrespective of nationality or gender. Bringing out the best in

each and every employee creates a synergy that brings great benefits to our business, enabling us all to achieve our goals.

Nissan has carried out its business activities across the globe for some time, and diversity is not an issue that we are just now placing on our agenda. It is already well established in our organization, where the culture of respecting diverse values in diverse human resources has taken firm root. I believe that this culture—this diversity—has paved the way to Nissan's success.



Nissan North America, Inc. Smyrna plant (USA)



Nissan Middle East FZE (UAE)



Nissan Motor Manufacturing (UK) Ltd.

Around 8% of the employees at Nissan Europe S.A.S. in France, which manages our European operations, are women. This is higher than the ratio in Nissan Motor Co., Ltd. in Japan, where approximately 6% of employees are female, but it is still only half as much as the 16% ratio attained by Renault, Nissan's Alliance partner also headquartered in Europe. This gap is also prominent in the management ranks, where Renault boasts a female participation rate of some 20%, while just 6% of Nissan Europe's managers are women. Nissan Europe has set Renault as a benchmark to aim for in this area, and is moving ahead with a plan to double the percentage of women employees over the 10 years from 2006, focusing in particular on company departments like marketing and

after-sales service where a workforce that mirrors the diversity of the market is especially important.

Europe is a region home to many nations, and Nissan's business there is supported by employees of many nationalities. To make this regional diversity a source of deeper strength we are increasing information-sharing on human resources throughout our European operations. In the past internal transfers took place only within a single nation or group company, but from fiscal 2006 Nissan is letting employees across the region view information on open posts and apply for positions in all our companies in Europe via the regionwide intranet. By fiscal 2007 we will extend this network to include Japan and North America, creating a truly global system for Nissan's recruiting.

### Working together to improve quality at the Canton plant (United States)

Nissan's 5.7 million square meter plant in Canton, Mississippi, employs 5,800 people. Within the first year after the plant opened in 2003, they had launched the assembly of five models, including the Titan pickup and the Quest minivan. Today the Canton plant produces about 400,000 vehicles a year.

Before joining Nissan most of the employees had worked in local industries, such as shipbuilding, catfish farming and cotton production. Due to their unfamiliarity with automobile manufacturing, their pass rate—the ratio of completed vehicles passing quality inspection on one attempt—was initially under 70%. A team of 50

Japanese production engineers conducted a six-month quality improvement program at the plant, and within two years, the pass rate reached 90%.

The Canton employees will experience their first full model change in 2006, when they start producing the next generation of Nissan's top-selling Altima.



Nissan Learning Center Management Institute (Japan)

## Management institute focuses on leadership training (Japan)

Developing employees' leadership abilities is a key task for Nissan. In 2005 we established the Nissan Learning Center Management Institute, a training center in Hakone, Kanagawa Prefecture, Japan. The programs offered here, which include leadership and cross-cultural training, aim to pass on the

knowledge and experience built up at Nissan to younger generations of workers. In October 2005 we launched the Consortium Program at the institute, inviting other companies to take part. Jointly developed by Nissan and a French electronics manufacturer, this course offers training in

corporate strategy and management methods. The participating firms came from wide-ranging industries: they included a French cosmetics maker, a Canadian aluminum processor and an Indian high-tech firm. The second Consortium Program is scheduled to take place in India in 2006.

### Supporting Career Design An open, fair system for employees

At Nissan we want to provide all our employees with an environment in which they can take their abilities to the limit. Toward this end we work constantly to improve our human-resource systems. To help employees aim for—and achieve—high goals, Nissan Motor Co., Ltd. began rolling out a new, evaluation-based remuneration system in fiscal 2004. This system gauges worker ability in terms of both performance, or quantifiable results, and competency, a quality that appears in an employee's actions and ways of thinking. A series of conferences with superiors allow workers to discuss their work goals and future career plans, improving communication in the workplace.

Nissan encourages its employees to “design their own careers,” providing robust support for them as they do so. This support begins at the very start of their careers, during the hiring process, when they are given the chance to apply for the type of work they want to pursue. Once they join Nissan, they continue to enjoy this freedom to design a career path through our Shift Career System (SCS) and Open Entry System (OES). The SCS, introduced in April 2005, allows employees to apply for positions in any department they would like to join, regardless of whether that department is seeking transferees. As of April 2006 we had about 70 applications for SCS transfers, a little under 30 of which were successful. The OES, meanwhile, which has for some time let employees apply freely for all openly advertised positions, saw about 340 employees seek transfers in fiscal 2005—during which there were about 300 openings—and about 80 of these applications were accepted.

## Working together with labor in Spain

In July 2005 Nissan Motor Ibérica, S.A. reached a collective agreement with the labor unions representing its workers on moving its engine production lines from the Cuatro Vientos plant in Madrid to the Barcelona plant. Corporate management

in Europe focuses heavily on individuals, and relocating an entire plant—workers and all—to a new location is a rare occurrence. NMISA prepared positions in Barcelona for all the Cuatro Vientos employees and worked out a number of

measures to allow all the workers to make the choices they wanted to. Careful talks between NMISA and the unions, which began in July 2003, paid off, and the move to Barcelona was completed by June 2006.



### Japan's Team Nissan wins WorldSkills medals

A group of young Nissan employees traveled to Helsinki, Finland, to compete in the thirty-eighth WorldSkills Competition from May 25 to June 1, 2005. This biennial competition brings together technical workers from around the globe—some 660 participants from 37 countries and regions took part last year. The Nissan team brought home three medals, taking gold in the mechatronics category, silver in

industrial electronics and bronze in auto-body repair, as well as a prize in the automobile technology event. This marked the first gold medal for a Nissan team in 10 years, and the first three-medal haul in 24 years. Our young employees have taken part in WorldSkills Competitions for four decades, sharpening the skills that let them contribute to Nissan's reputation for groundbreaking technology.

Nissan Motor Co., Ltd. continues to move ahead with its efforts to place the right people in the right positions. These systems are a vital way for our employees to grow and develop their careers with us, and we are presently considering expanding the schemes to other group companies. Nissan believes that robust systems like these, and the corporate infrastructure to back them up, are the keys to nurturing talented employees.

### Safety in the Workplace Proactive policies for risk assessment

It is the duty of a company to maintain the safety and health of its employees. In fiscal 2004 Nissan began implementing a risk-assessment approach to workplace safety. We inspect facilities and working environments to spot potential dangers and prevent accidents before they happen.

Starting in fiscal 2005 Nissan has posted reports on accident risks discovered through these assessments on WIN, allowing all workplaces to share this information. By

stepping up our risk-assessment activities when we introduce new equipment or revised work methods, we are reducing risk wherever possible, creating a safe working environment for Nissan's employees.

### Staying Worker-Friendly Reforming production systems with an eye on ergonomics

The increasing diversity of Nissan's factory workforce in recent years has brought ergonomics to the fore as a key area for our consideration. Now that some production lines are staffed mainly by women, for instance, we are taking a fresh look at what we need to do to optimize working environments for the people in them. Based on our philosophy of "human-friendly production," we are promoting the Nissan Production Way, introducing ergonomic principles and methods to improve working conditions in our facilities around the world. Renault has shared its methods for objectively gauging the difficulty and physical burden of various tasks, and Nissan continues to

### Trends in the Occurrence of Occupational Accidents (Total accident frequency ratio)



Total accident frequency ratio:  
total accident cases ÷ total working hours × one million  
Source: Statistics on occupational accidents in the automobile industry  
(The Japan Automobile Manufacturers Association, Inc.)



Nissan North America, Inc. Canton plant (USA)



Nissan Design Europe Ltd. (U.K.)



Nissan Motor Co., Ltd. Tochigi plant (Japan)

### A commitment to employee health (South Africa)

People are Nissan's most important resource, and we see concern and care for the health of our employees as essential parts of our business success. Since 2003 Nissan Motor Company South Africa (Pty.) Ltd. has demonstrated its commitment to health in the workplace through its Employee Wellness Program.

The EWP includes the Nissan SA HIV/AIDS workplace program, a health call center, voluntary HIV counseling and testing provided by an on-site social worker and community outreach. It also encompasses the supplier rollout project, through which Nissan SA is expanding HIV/AIDS workplace programs to automotive industry suppliers.

As part of efforts to increase counseling and testing, and to enhance the health services available to its employees, Nissan SA is planning to devote even more energy to the EWP from the second half of 2006, releasing program information on CD-ROM for new employees, contractors and other interested parties.

share know-how with its Alliance partner to further improve conditions.

Nissan's annual global meeting on safety and ergonomics gathers participants from Japan, the United States, Great Britain, France, Mexico, Spain and South Africa to pool information on ways to increase safety in production lines and other workplaces. The 2005 meeting involved a thorough review of past actions, which led to valuable discussions on ways to expand safety evaluation systems horizontally through the organization and the promotion of ergonomics measures. The fruits of these discussions will be put to work in Nissan's business activities in fiscal 2006.

built around a core staff of psychiatrists, is tasked with strengthening the support the company provides for its workers. Team members offer consultations with employees at the medical offices located in Nissan's facilities. We have also set up a program to give employees time off to treat mental and nervous disorders and to assist in their return to work when medically able.

Another Nissan project in this area—the first of its kind in the Japanese automotive industry—is our Employee Assistance Program. The EAP includes the services of external specialists in mental health care, who offer consultations and advice to employees on health issues and their return to the workplace after receiving needed treatment. This program also includes biannual stress checks and other measures aimed at keeping employees healthy and happy in the workplace. With strong emphasis on protecting patient confidentiality, these Nissan efforts give employees access to the high-level mental health care they need.

### Maintaining Mental Health

Providing employees with specialist care services

In 2005 Nissan Motor Co., Ltd. formed a specialized team to provide employees with mental health care. This team,

## Messages for Our Stakeholders



Macjerry Lesufi

Senior Manager  
Human Resources  
Nissan Motor Company South  
Africa (Pty.) Ltd.

### Employee Wellness Program Benefits Communities

Nissan Motor Company South Africa launched its Employee Wellness Program in March 2003 to promote total wellness in the workplace and to improve employees' quality of life. It includes a testing and awareness program for HIV/AIDS, a 24-hour health advice center and other on-site services. We plan to extend these offerings to support our employees' families and the communities where they reside. The EWP is raising awareness of HIV—an important goal in South Africa, which has the fifth-highest infection rate in the world. Confidentiality remains an issue, but improvements in the

training program can help alleviate the concerns raised by employees.

I believe that education and training are vital to the success of our wellness program. This approach has to be part of our organizational strategy, and we've got to implement it through focused promotional campaigns with the support of top management. Building a wellness culture throughout the organization will give us a healthy, well-adjusted workforce that can compete effectively in global markets.