

# Enhancing Value for Stakeholders With Our Employees



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## Building a Future with Diversity

Nissan's employees, both men and women, are of many nationalities and boast a wide variety of experiences. Nissan works to be the kind of company where this diverse group of employees can make more than full use of the various talents they bring to the job, viewing this as an important way to boost the firm's international competitiveness as a whole. To this end we focus our energies on creating environments and providing employees with opportunities to put their diversity to work.

As of March 2007 there were 186,336 people employed by Nissan and its affiliates. All members of the globally active Nissan family build strong relationships of trust with one another by understanding the viewpoints of and listening to opinions from their counterparts around the world. The synergies created by bringing this diverse group together drive sustainable growth for Nissan, and we believe our employees are our most valuable resource.

### BUILDING TRUST THROUGH COMMUNICATION

#### Reflecting Employee Input in Our Management

Each year Nissan carries out a global survey of its employees, gauging their attitudes and ways of thinking and applying them to the improvement of the company's management and changes in our corporate culture. In fiscal 2006 we administered the survey, part of our Nissan Value-Up business plan, in all business locations around the world. Employees' responses help us measure their views on the jobs they do and judge whether the results of the previous year's survey have been put to effective use. After we analyze the results for Nissan as a whole and for individual regions we plan to share this information with our employees via our intranet.

#### Aiming for Global Transparency and Efficiency

WIN, or Workforce Integration @ Nissan, is our corporate intranet. By instantly broadcasting key business information to all our global locations at once, we use this tool to promote information-sharing throughout the company and efficiency in all our operations.

Our introduction of teleconferencing systems and information management tools has enabled Nissan employees to carry out their duties more efficiently and effectively. WIN has been rolled out in regions including Japan, North America, and Europe, and in 2007 we will continue expanding its coverage in Asia, the Middle East and other areas where Nissan does business, as well as in our major business partners.

### Keeping Employees and Executives in Close Touch

Nissan believes that clear communication is important at all levels of a company—between managers and employees as well as between employees themselves. Toward this end we provide opportunities for this direct dialogue in opinion-exchange meetings involving executives and workers. Managers use these meetings to deliver their messages on the company's course and answer employees' questions. Nissan intends to continue making these meetings still richer forums for this two-way communication.

#### Major opinion-exchange meetings in fiscal 2006

Date	Participating employees	Participating executives
May 2006	Car-life advisors, technical advisors from dealers	CEO Carlos Ghosn
October 2006	PT. Nissan Motor Indonesia employees	CEO Carlos Ghosn
October 2006	Nissan Techno Vietnam employees	CEO Carlos Ghosn
November 2006	Nissan Motor Co., Ltd. plant managers, floor managers	COO Toshiyuki Shiga, EVP Mitsuhiro Yamashita, EVP Tadao Takahashi
January 2007	Nissan North America employees (regional headquarters, Canton Plant)	CEO Carlos Ghosn
February 2007	Nissan Motor Co., Ltd. headquarters employees (environment-themed discussion)	COO Toshiyuki Shiga
February 2007	Dongfeng Motor Co. employees	CEO Carlos Ghosn
February 2007	Nissan Design Europe and Nissan Motor (GB) Ltd. employees	CEO Carlos Ghosn
March 2007	Nissan Motor Co., Ltd. Oppama Plant employees	CEO Carlos Ghosn



Meeting between CEO and employees at Nissan Design Europe (U.K.)

### NISSAN'S RESPECT FOR DIVERSITY

#### Worldwide Diversity for a Worldwide Business

Nissan believes that diversity is a driving force for sustainable business growth. In October 2004 we established our Diversity Development Office in Japan. The DDO is joined by cross-functional teams in North America, Europe and the General Overseas Markets, as well as human resources departments throughout our global organization, in playing a leading role in tackling diversity issues. A global Diversity Steering Committee meets three times a year to discuss a broad range of topics.

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In fiscal 2006 the DDO added cultural diversity to its list of key priorities. The office is now working to support Nissan's efforts to create higher value through its cross-cultural nature, an area of particular strength for the company ever since it formed the Alliance with Renault in 1999. Another key theme since fiscal 2004 has been finding ways to make full use of the talents of female employees. The DDO is focusing its efforts on three areas:

**1. Helping women develop their careers**

Nissan provides support to female employees through one-to-one counseling sessions with career advisors. The DDO also holds a number of events where participants can give thought to their career courses and work together with Nissan's human resources departments to help people develop the skills they need to advance along those courses. Nissan's female employees can also visit the corporate intranet to read interviews with "role models"—women who have gone before them and made substantial contributions in the company.

**2. Helping employees strike a work-life balance**

In April 2006 Nissan revised a portion of its childcare support system, extending the period during which employees qualify for shorter working hours up through their child's third year in elementary school. At this time we also introduced new schemes letting expectant mothers take more time off from work and allowing people to work from home while they handle childcare or nursing care tasks.

In January 2007 Nissan won a prize presented by economic news publisher Nikkei Inc. for excellence in childcare support. This prize recognized such efforts as our introduction of the pregnancy leave and telecommuting systems described above, as well as our establishment of "March Land" on-site daycare centers and our ratio of women in management positions. We were also proud to receive the Japan Telework Association's seventh annual Telework Promotion Award in December 2006 in recognition of our efforts in the area of telecommuting.

**3. Nurturing a diversity mindset**

In August 2006 we launched a series of Nissan Diversity Forums at several business locations beginning with our headquarters. At these gatherings employees from many divisions came together to hear company managers explain diversity's central importance to Nissan's corporate strategy, to learn from guest lecturers and to take part in hands-on seminars. These forums gave employees a chance to deepen their understanding of Nissan's approach to diversity and to reflect it in their own actions.

**Cultural Diversity Workshop Held in Singapore**

Through its cultural diversity activities, Nissan seeks to create a corporate atmosphere in which people from different nationalities and cultural backgrounds are best able to respect one another and work together to the best of their abilities. In March 2006, Nissan Asia Pacific Pte. Ltd., in Singapore, held a Cultural Diversity Workshop as part of these activities. The workshop included discussion sessions on intercultural exchange and leadership issues, as well as mutual communication workshops bringing together employees from Singapore and Japan.

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Nikkei Childcare Support Award, 2006 (Japan)



A 2006 Nissan Diversity Forum (Japan)



Cultural Diversity Workshop (Singapore)

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Messages from Our Stakeholders

**Nissan's Active Support for Paternity Leave**



**Koji Ooe**  
 Manager, Training Group  
 Human Resources Department  
 Nissan Motor Co., Ltd. (Japan)

When my first daughter was born I took two weeks off. During this period I realized just how important it is to establish communication with children while they are still very young, and I resolved to take parental leave if my wife and I ever had another child.

Before the birth of my second child I spoke with my colleagues about my desire to take parental leave. The workload was heavy then, and deep down I thought it would be difficult to have my leave approved. My colleagues, however, were all very happy for

me and actively encouraged me to take the time off.

During this leave I began to look at various products from a homemaker's point of view. I also realized anew the importance of communicating with children through daily conversation. I believe that my lessons from this experience are useful at work. I am truly grateful to Nissan for its efforts to realize a true work-life balance for its employees and to ensure that they can comfortably take parental leave.

**SUPPORTING CAREER DESIGN**

**Transparency and Fairness in Personnel Management**

Nissan is constantly working to improve its human resources systems so that all employees can make full use of their talents within the company organization. In fiscal 2004 we introduced a new, evaluation-based remuneration system meant to give our workers the drive to set and achieve high goals. This system gauges worker ability in terms of both performance, or quantifiable results, and competency, which can be judged from the worker's actions and attitude; salaries are decided in line with these variables.

**Helping Workers Design Their Careers**

Nissan encourages its employees to "design their own careers," and provides robust support for their efforts in this area. During the hiring process that marks the beginning of their careers, we give them the chance to select the type of work they want to pursue at Nissan. After joining the company employees can make use of the SCS and OES—the Shift Career System and Open Entry System.

The SCS has since April 2005 allowed employees to apply for positions in other departments and work in areas that interest them, regardless of whether those departments are actively seeking transferees. The OES, meanwhile, allows current employees to apply for all openly advertised positions. During fiscal 2006 around 260 employees applied for some of the 320 open posts, and 75 of them got the spots they wanted. Nissan is now considering expanding these systems to other group companies as it continues to perfect its own methods of placing the right people in the right jobs.

In Europe, meanwhile, fiscal 2006 saw the complete integration of all regional human resources data. Hiring information is now made available on the regional intranet, and employees in Europe are free to apply for posts across borders and beyond the boundaries of their current companies.

### The Nissan Expert Leader System

Another key to sustainable growth for Nissan is helping employees develop their own specialized skills over the mid- to long term. In fiscal 2006 we selected 18 employees with world-class research skills and expertise—13 working in product development, three in production, and one each in human resources and accounting—designating them as Expert Leaders and introducing a system to help them further polish their talents.

We believe that input from these leading employees is vital to making wise business decisions. This Expert Leader System will give them free rein not just to exercise their specialized talents in helping Nissan chart a successful course, but also to strengthen the divisions where they play their leading roles, helping to nurture the next generation of leaders for the company.



Expert Leader Meeting (Japan)

## CREATING A CULTURE OF LEARNING

### Providing Educational Workplaces

Nissan aims to be an organization that achieves growth through constant learning, and it carries out human-resource development and training with this in mind. The act of learning is one in which people stretch themselves to gain new abilities they need to create value. We believe that a corporate culture of learning must be backed by the desire to take part in this value creation.

In addition to training systems that support employees as they learn value-creation skills on the job, we operate the Learning Navigation system on our intranet. This system lets employees search for information whenever they want to undergo training in specialized skills or management techniques, participate in e-learning programs, take distance-learning classes or view lectures. Through this system we are meeting the information needs of employees seeking to increase their skills and build their careers. In fiscal 2006 we launched Learning Navigation Mail, a regularly delivered e-bulletin meant to cater to our employees' constantly growing eagerness to learn.

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## International, Intercompany Human-Resource Development

Our culture of learning aims not just to transmit the “Nissan DNA” to young employees, but to create educational opportunities in which our workers can learn along with society as a whole. This culture contributes greatly to our company’s value creation through leadership rooted in the Nissan Way, the fostering of specialized skills needed for future development and the provision of physical venues where innovation can take place. One such venue is the Nissan Learning Center Management Institute in Hakone, Kanagawa Prefecture. Established in 2005, this institute aims to pass on the knowledge and experience built up at Nissan to younger generations of workers.

Programs offered at the institute include seminars on leadership training and cultural diversity. In October 2005 we launched the Consortium Program, inviting other global companies to take part in cross-industry exchange. In fiscal 2006 the institute added Nissan Way Workshops to its curriculum. Leaders who have attended these workshops are now active throughout the Nissan organization, transmitting the Nissan Way—the crystallization of experience and knowledge gained through our company’s revival—to all our employees.

## Global Training Center Launched

Nissan’s Oppama and Yokohama Plants in Kanagawa Prefecture, Japan, are the site of the company’s GTC, or Global Training Center. We established this center to educate trainers who go on to share their knowledge at our plants around the world.

We have positioned the GTC at the core of our training programs for employees at all our production facilities worldwide. We select trainees from among this broad employee pool, bringing them to the GTC to take part in the Master Trainer Program there. Once these people earn their Master Trainer status, they are ready to take on the task of instructing other employees at regional training centers using a globally standardized curriculum and materials. As of the end of March 2007 there were 200 Master Trainers hard at work around the world.

In April 2007 we opened the Nissan Learning Center to further reinforce our human-resource development initiatives by reorganizing our employee training structure. The center consolidates the training functions that had previously been dispersed among each affiliate and Nissan department in order to offer employees higher value-added services through enhanced specialization and efficiency. Developing human resources who are capable of realizing Nissan’s vision of Enriching People’s Lives is another way we are contributing to society.

Nissan’s rigorous approach to technical training has paid off. In February 2006 the Japan Management Association presented Nissan with its highest honor, the Human Resource Development Excellence Award.



Nissan Global Training Center (Japan)

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## INCREASING SAFETY IN THE WORKPLACE

### Ergonomically Friendly Production Lines

We adhere to the philosophy of “human-friendly production” in our manufacturing activities, basing our actions in this area on the Nissan Production Way. In our pursuit of this philosophy we are putting ergonomic science to work to improve our work environments all around the world. One such measure is our adoption of the “strike zone” approach, which places all needed parts within easy reach of a line worker, reducing stressful body positions in the production process. Nissan has borrowed techniques from Alliance partner Renault to objectively gauge the difficulty and physical burden of factory tasks. By sharing this know-how we are continuously reducing worker burdens and improving productivity in our plants.

Each year we carry out a global meeting on ergonomics and safety. This event lets us present information from different countries on ways to improve workplace conditions, thereby raising these conditions on a worldwide basis. The 2006 meeting took a retrospective look at related activities to date, and participants discussed topics from the horizontal implementation of safety measurement systems to ways to evaluate and promote ergonomic measures.

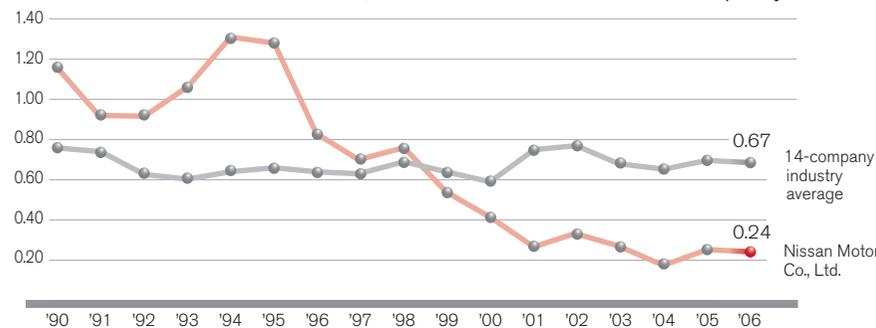


Before the “strike zone” approach was adopted, workers walked to a shelf for parts and back to the vehicle (above); now the needed parts are within easy reach (below).

### Risk Assessment for Safer Workplaces

A company has the duty to help maintain the health and safety of its employees. Since fiscal 2004 Nissan has implemented a risk-assessment approach to workplace management, proactively inspecting facilities to spot potential dangers and prevent them. We carry out particularly stringent risk assessment when introducing new equipment or altering work processes in order to minimize the risks to worker safety. We also bring trainees together from around the world to give them instruction in labor safety management.

● 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.)

#### 日産自動車安全衛生基本方針

私たちは、トップから社員一人ひとりに至るまで、全員が人間尊重の考え方を共に認識しあい、職場環境の最適化、心身にわたる健康増進を積極的かつ継続的に進め、災害や疾病のない明るく活気ある職場づくりを推進する。

日産自動車株式会社 最高執行責任者(COO)

志賀俊之

A declaration on workplace safety signed by COO Toshiyuki Shiga

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### Sunderland Plant Wins Safety Award

At the October 2006 DuPont Leaders Forum on Safety and Performance held in Geneva, Switzerland, Nissan was proud to receive a DuPont Safety Award for its Sunderland Plant in the United Kingdom. These awards are presented annually to companies carrying out model activities to improve the safety of their employees' work environments.

### Providing Specialist Mental Health Care

In 2005 Nissan Motor Co., Ltd. established a care team, built around a core staff of psychiatrists, to give full attention to its employees' mental health. This team carries out consultations at the medical offices located in Nissan's facilities and crafts support programs to help workers taking time off for mental and nervous disorders make their reentry into the workforce. Our EAP, or Employee Assistance Program, is a cooperative effort with external mental health care specialists, who offer workers advice and consultations as they deal with health issues and return to their workplaces. The EAP also operates eMe, an online counseling service. All these efforts emphasize the protection of patient confidentiality while providing top-flight mental health care to those who need it.

Our employees' physical health is also important, and Nissan care staff members give advice aimed at reducing the incidence of metabolic syndrome, a combination of medical disorders on the rise in recent years. This advice, based on the results of medical checkups, is combined with walking programs and other exercise-promotion activities to keep employees fit.

### Standing Up to HIV/AIDS

One of the most important tasks for a company pursuing sustainable growth is protecting the health of its employees. Nissan Motor Company South Africa (Pty.) Ltd. has since 1999 lived up to this responsibility through its HIV/AIDS Workplace Program, which was improved through the launch of an integrated Employee Wellness Program (EWP) in 2003. The EWP includes, among other wellness interventions, measures to prevent and manage HIV/AIDS; a health consultation service, HIV counseling and testing; and community outreach to support neighboring communities in their fight against HIV/AIDS. The program also promotes health measures among Nissan S.A.'s suppliers. In 2006 Nissan S.A. set a target of improving Voluntary Counseling and Testing (VCT) participation from 21% to 50% of the total workforce; it achieved this goal, bringing participation to 52%. The target is to increase this figure to 60% of the total workforce for 2007, and to 100% by 2011.

In Japan, meanwhile, we are working with guidance from the Ministry of Health, Labor and Welfare to distribute pamphlets to new hires and carry out educational activities to boost awareness of HIV/AIDS and its prevention. We have also set up health consultation stations within the company to provide employees with the information they need.

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Looking out for employee health (South Africa)