NISSAN MOTOR COMPANY SUSTAINABILITY REPORT 2013 07

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# **BLUE CITIZENSHIP: NISSAN'S CSR**

In addition to providing the obvious benefit of growth with sustainable profits, Nissan seeks to contribute to the sustainable development of society. To this end, we listen carefully to the wide variety of our stakeholders, working with them as we pursue activities that meet society's needs.

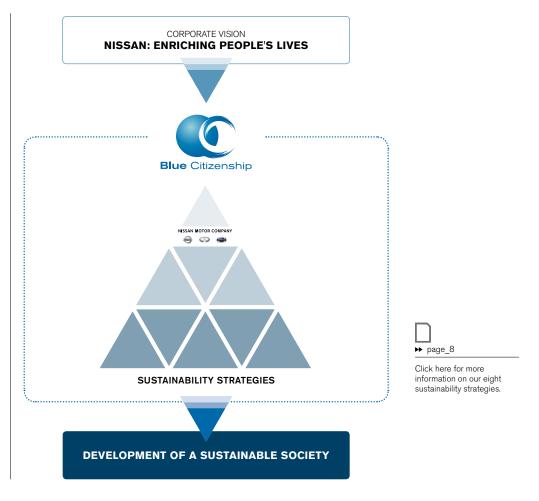
## **NISSAN'S CSR VISION**

Guided by the corporate vision of Enriching People's Lives, Nissan seeks to contribute to sustainable social development through all its global activities. Our mission is to provide unique and innovative automotive products and services that deliver superior values to all stakeholders in alliance with Renault.

As a leading global automaker, we also view it as our mission to contribute solutions to the issues facing humanity. We are committed to all of our stakeholders—including customers, shareholders, employees and the communities where we do business—to deliver engaging, valuable and sustainable mobility for all. Through our business activities, we aim to create economic value and to actively contribute toward the development of a sustainable society.

At Nissan, we call this approach to corporate social responsibility "Blue Citizenship." Through Blue Citizenship, we aim to be a company that meets the expectations of society.

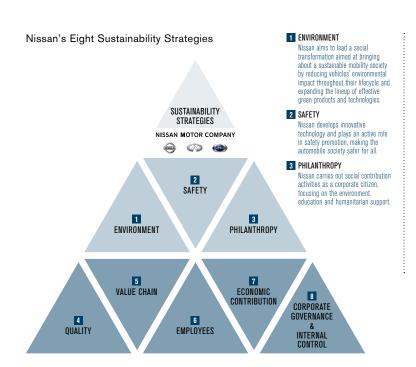
Our Corporate Vision	Nissan: Enriching People's Lives				
Our Corporate Mission	Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders in alliance with Renault.				
Our CSR Vision	To be one of the leading sustainable companies in the industry				



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## **SUSTAINABILITY STRATEGIES**

Nissan has defined eight sustainability strategies to form its CSR approach. The three strategies of Environment, Safety and Philanthropy represent actions that we are uniquely positioned to pursue as a leading automaker. While helping to find solutions to issues involving automobiles and contribute to the realization of a truly sustainable mobility society, we aim to be an engine for CSR activities across the entire corporate sector. The other five strategies—Quality, Value Chain, Employees, Economic Contribution and Corporate Governance & Internal Control—are also domains of action that we must pursue to continue being a company that is trusted and needed by society. By steadily advancing these eight sustainability strategies, Nissan fulfills its responsibilities to society as a company and builds trust.



## 4 QUALITY

Nissan provides top-level quality in its products and services around the world.

## 5 VALUE CHAIN

Nissan promotes ethical, environmentally sound actions in all stages of the supply chain.

#### 6 EMPLOYEES

Nissan aims to form an attractive organization where diverse human resources can achieve personal growth through experience in global business.

#### 7 ECONOMIC CONTRIBUTION

Nissan aims for sustainable, profitable growth, contributing to economic development for all of society.

#### 8 CORPORATE GOVERNANCE & INTERNAL CONTROL

Nissan aims to conduct fair, impartial and efficient business activities, having a high degree of transparency and consistency by adhering to the applicable laws and corporate rules.

## **COMPANY ORGANIZATIONS FOR CSR**

In fiscal 2011, the CSR division came under direct control of Chief Executive Officer Carlos Ghosn. Within the organization, CSR has become a central aspect of corporate management.

In the past, the CSR Steering Committee was responsible for setting goals and confirming progress in the eight sustainability strategy areas, managing CSR activities in a comprehensive way throughout the company. Beginning in fiscal 2013, the Executive Committee, Nissan's top decision-making organ, is defining the overall course to be taken and the measures toward achieving the company's sustainability goals. The Executive Committee includes 10 members directly involved in company management, from the executive vice president level on up. Unlike the CSR Steering Committee, which met just once each year, the Executive Committee convenes monthly, allowing speedy, focused decisions to be reached. By closely linking CSR actions and business operations, Nissan is pursuing corporate management that consistently aligns the twin goals of sustainable profit and growth for the company and sustainable development for society.

## Nissan's CSR Decision-making Process



## Nissan's CSR Scorecard

Nissan makes year-round use of the CSR scorecard\* as a fundamental tool for monitoring and reviewing its progress. On its vertical axis we list the eight sustainability strategies to check balances among stakeholders. The horizontal axis, meanwhile, represents the points of intersection between the direction of Nissan's growth and that of society's development. Our aim is to



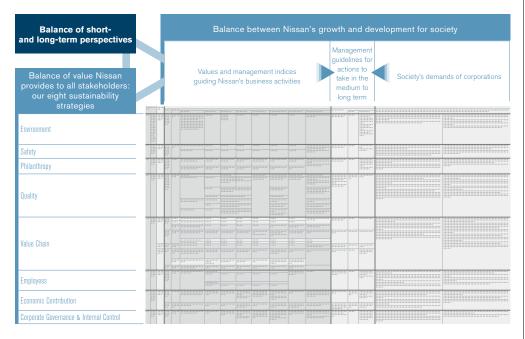
 Click here for our latest scorecard.

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balance short- and long-term perspectives, based on equilibrium between the two axes. Each year we revise the scorecard in line with our progress and release it to the public.

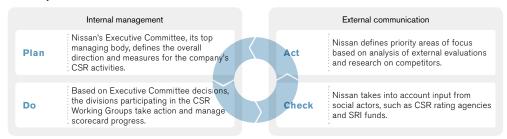
#### Nissan's CSR Scorecard





Nissan strives to conduct its business in a way that aligns corporate activities with the demands of society, incorporating social views into our business activities. In order to accept more input from our stakeholders, we listen carefully to the voices of society and seek to identify the seeds of both opportunity and risk. The framework for this plan is built around the PDCA, or "plan, do, check and act," cycle shown below.

# PDCA Cycle to Promote CSR



## Communicating Nissan's CSR Activities Internally

In addition to sharing information with the public via the Sustainability Reports and online, Nissan has long been committed to communication inside the company. We have enhanced this internal communication to prompt individual employees to consider their connection to CSR and translate this into concrete action.

In June 2012 we published "Blue Citizenship Stories,"\* presenting our Blue Citizenship (CSR) thinking and actions, on our intranet and public website. We also distributed this to all employees in Japan. Beginning in fiscal 2012, we included CSR-related sessions in training for new employees and newly promoted managers. On a new website titled "CSR Headlines," part of WIN (Workforce Integration @ Nissan), our employee portal site, we report on Nissan's activities, as well as a range of information related to CSR in general.

#### ▶ website

<sup>\*</sup> Click here to download "Blue Citizenship Stories."

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## Nissan and Socially Responsible Investment

Today socially responsible investment (SRI), which examines not just companies' balance sheets but their performance in terms of the environment and society, is a growing trend in the investment field. Nissan promotes CSR-oriented management and actively discloses information to cater to such investors. As of June 2013, Nissan is in SRI indexes including the Dow Jones Sustainability Asia/Pacific Index, the FTSE4Good Index Series and the Morningstar SRI Index.



## Dow Jones Sustainability Asia/Pacific Index

The Dow Jones Sustainability Index (DJSI) is an SRI index managed by the U.S. company S&P Dow Jones Indices LLC and the Swiss firm RobecoSAM AG. The Dow Jones Sustainability Asia/Pacific Index was launched in March 2009 with coverage of companies in the Asia-Pacific region.



# FTSE4Good

▶ website

Click here for more

http://www.ftse.com/

ftse4good/index.jsp

information on FTSE4Good.

### FTSE4Good Index Series

This SRI index is managed by the FTSE Group, an independent company co-owned by the Financial Times and the London Stock Exchange.



## Morningstar SRI

The MS-SRI (Morningstar Socially Responsible Investment Index) is managed by financial information services firm Morningstar Japan K.K.



## TSE Themed Investment Selection

The Tokyo Stock Exchange, Inc. selects companies on the basis of certain themes, including them in its Theme Issues List for investment. Nissan was selected for the first theme, Environmental, Social and Governance (ESG), in 2012 and for the third theme, Nadeshiko (active utilization of women), in 2013.

# Nissan as a Responsible Global Citizen

Since January 2004, Nissan has participated in the United Nations Global Compact, a corporate responsibility initiative built around universal principles regarding human rights, labor, the environment and anticorruption. The U.N. Global Compact was originally proposed by U.N. Secretary-General Kofi Annan in an address to the World Economic Forum (Davos forum) in 1999. Businesses may pledge to support its principles of their own free will.

In order to convey its progress in activities that contribute to fulfilling these 10 principles, Nissan publishes its annual Sustainability Reports on the U.N. Global Compact website.



**▶** website

Click here for more information on the Global Compact.

## The 10 Principles of the Global Compact

### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

## Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;
Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

#### Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

# Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

# The World Business Council for Sustainable Development

Nissan is a member of the World Business Council for Sustainable Development (WBCSD), an international association of forward-thinking companies that galvanizes the global business community to create a sustainable future for business, society and the environment. The WBCSD provides a forum for its 200 member companies—which represent all business sectors, all continents and a combined revenue of more than \$7 trillion—to share best practices on sustainable development issues and to develop innovative tools that change the status quo.

▶▶ website

Click here for more information on the WBCSD.