SUSTAINABILITY REPORT 2022

NISSAN
MOTOR CORPORATION
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### Viewing This Report

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Nissan Ambition 2030

Nissan has always challenged the status quo, whether as the pioneer of electric vehicles or revolutionary autonomous driving technology. It is this spirit of innovation and daring to do what others don’t, that embodies Nissan’s DNA.

This spirit is also prevalent in Nissan Ambition 2030, a long-term vision that was announced in November 2021 to empower mobility and beyond through electrification and vehicle intelligence technologies. Nissan is maximizing its value of empowering journeys and society by delivering technologies and products of true value, reflecting its corporate purpose of “Driving innovation to enrich people’s lives.”

This vision will support our goal to contribute to a cleaner, safer, and more inclusive world. For Nissan, it will be a world in which we bring to market appealing zero-emission vehicles, where we serve customers with increasingly automated and connected cars, where we unite our employees in a trusted vision of what we can achieve, and where we work with our Alliance partners to generate long-term value for all stakeholders.

Nissan’s corporate purpose therefore has never been clearer or more relevant than it is today, particularly against the backdrop of climate change and growing awareness of the benefits of sustainability. Nissan’s sustainability agenda rests within Ambition 2030, supported by numerous innovative efforts to achieve the aim of carbon neutrality across the life cycle of our products by fiscal 2050.

By putting electrification at the core of Ambition 2030, Nissan aims to accelerate electrified mobility with diverse choices and experiences. The company will roll out new electrified models and speed up the pace of technological innovations. By fiscal 2030, the company is aiming for an electrification mix of more than 50% worldwide across the Nissan and INFINITI brands.

As we advance towards a more progressive future, Nissan’s long-term direction is set in the context of three major shifts that inform our innovations, our business model, and our priorities: the climate crisis, social issues, and highly conscious customers.

The climate crisis is the most urgent issue for the world today, and responsibility for action rests with each of us to ensure a sustainable future. In parallel, society faces major challenges including ageing populations, urban mobility, and insufficient transport systems. These societal issues are impacting the environment, health, social equality, and economic development of all countries.

Digital technology and artificial intelligence, meanwhile, are changing the way cars and transportation services are provided. Mobility is shifting from a personal commodity to a social instrument shaping our cities and landscape. And increasingly, we are seeing the rise of environmentally and socially conscious customers who are, at the same time, demanding greater flexibility, personalization, and excitement in mobility.

As Nissan continues to increase its pace of innovation in mobility, the company will seek to hire more employees in advanced research and development globally while continuing to upskill our current workforce. Our employees are at the core of Nissan’s corporate purpose and play an integral role in driving innovation.

Nissan is also embedding sustainability throughout every aspect of the business to deliver the mobility solutions and organizational practices needed to realize a cleaner, safer, and more inclusive world. This is reflected in Nissan’s approach to pursuing improvements to people’s lives through innovation, deepening a culture of innovation to deliver technology and sustainability progress, reducing environmental impact, and ensuring diversity and inclusion continue to be deepened across the organization.

Nissan’s corporate purpose and long-term vision have clearly enunciated our commitment to the world and this essentially makes sustainability fundamental to the values we offer to empower customers and society. By daring to do what others don’t, Nissan is the preeminent challenger and will actively support global efforts to combat environmental and social issues to create a more sustainable world. We wish to be an invaluable member of the society empowering mobility and beyond.
CEO Message

Sustainability is at the heart of our business and central to the trust placed in our company by customers, employees, suppliers and partners alike. I am proud of the actions we are undertaking to drive long-term value to our stakeholders.

Nissan is a purpose-led business, aiming to enrich people’s lives through innovations and make a positive impact on society through products, technologies and services that lower emissions, enhance automation, improve safety and contribute to a more sustainable planet.

This commitment is embodied in Nissan Ambition 2030, our long-term vision, seeking to make Nissan a truly sustainable company that “Does what others don’t dare to do”. Nissan Ambition 2030 continues to build on the progress achieved in our ongoing Nissan NEXT transformation plan. Through these plans, we aim to realize a “Cleaner, Safer, and more Inclusive Society”.

As CEO, I am committed to delivering on our ambition, including our goal to become carbon neutral across the life cycle of our products by fiscal 2050. This goal builds on our programs to reduce emissions and provide electric vehicle technologies that benefit the environment over the last decade.
Climate change is one of the most significant challenges faced by businesses globally. This is why we have placed electrification at the core of our long-term vision to achieve carbon neutrality, with plans by the early 2030s for every new Nissan vehicle offering in key markets to be electrified. In parallel, we are committed to introducing technologies to enhance safety. Increasing vehicle intelligence will support our goal of "zero fatalities", aiming to reduce the number of deaths from accidents involving Nissan vehicles to virtually zero.

As part of this effort, we recently announced the new driver-assistance technology using the next-generation LiDAR technology, which can dramatically enhance collision avoidance. We aim to complete the development of this technology by the mid-2020s, which will first be available on select new models, and on virtually every new model by fiscal 2030. We will also expand ProPILOT technology to over 2.5 million Nissan and INFINITI vehicles by fiscal 2026.

However, I know that Nissan cannot achieve its sustainability goals in isolation. Our Alliance with Renault and Mitsubishi Motors will enhance our sustainability strategy, sharing technologies, vehicle architectures and best practice in electrification to deliver shared benefits for our respective companies.

We continue to look at new strategies to collaborate with other innovative companies — as well as with governments, partners and suppliers globally to push forward our goals in this area.

We must also empower our most important asset — our people. To do so, we aim to create an inclusive environment where every person at Nissan is encouraged and supported to reach their full potential. It takes time to evolve our corporate culture, but it is critical for our future to build an organization that is deeply valued by its people.

Diversity remains a source of competitiveness for the company and is one of our greatest strengths. I am committed to encouraging a diverse and inclusive workplace, which is both the right thing to do and a strategic priority. We have a zero tolerance policy to human rights violations stated in Nissan Human Rights Policy Statement and continue to take proactive efforts to mitigate risks in the supply chain across our global operations.

The key to achieving Nissan Ambition 2030 rests with our employees. Motivation and pride will be the main drivers that contribute to the company’s success and the need to adapt to industry disruption will place a high demand on workforce transformation.
We will further foster a culture of innovation by ensuring every employee can play an integral role in driving sustainability and innovation efforts. All these initiatives are essential to our sustainable growth, as we prioritize the development of a corporate culture that empowers individuals and allows everyone to freely express their opinions and respect each other’s views.

In addition to employee-engagement, we will continue to interact with all stakeholders to prioritize sustainability despite the significant headwinds that we are facing due to supply chain shortages and rising energy costs that are impacting our entire industry in a rapidly evolving economic environment.

These efforts will build on commitments including our participation in the United Nations Global Compact, which we endorsed in 2004, and the continued alignment of our business with the UN Sustainable Development Goals.

As CEO, I will strive for excellence in our sustainability agenda. We have an exciting year ahead and I am confident by continuing on our current trajectory we will achieve changes at scale that benefit customers, society and the planet.
CSO Message

At Nissan, sustainability is a key pillar in the process of innovation. It supports our growth and long-term value for all stakeholders while decreasing our impact on people, the planet and society.

As chief sustainability officer, I am committed to integrating sustainability into our strategy and business. We are doing so not simply to meet growing regulatory requirements, but because it is core to our foundation and central to business resilience, then ultimately to improve the value of the corporation.

Our sustainability strategy, Nissan Sustainability 2022, outlines Nissan’s initiatives towards contributing to the sustainability of society identifying our priorities around Environmental, Social and Governance issues. The environmental plan is anchored by the ongoing Nissan Green Program (NGP) 2022 with a long-term vision toward 2050.

Nissan Motor Co., Ltd.
Senior Vice President,
Chief Sustainability Officer
Joji Tagawa
This Sustainability Report provides details on this program and the Nissan Ambition 2030 vision that we unveiled in November 2021. Our goals reflect internal consultation, which informed our position on the current environmental and social issues facing the business and what we must do to fulfil our responsibilities and create value for people, planet and society.

Decreasing our carbon footprint and reliance on fossil fuels is key. Nissan factors in CO₂ emissions through the whole value chain, including suppliers, from the procurement of raw materials to the transportation and operation of vehicles. We have joined the Race to Zero campaign supported by the United Nations, accelerating our electrification and carbon neutrality goals and are proud to be the first Japanese automaker to join the campaign.

To meet our ambitious Net Zero target, we continue to work with a wide range of stakeholders. Our carbon reduction targets towards 2030 were validated by the SBTi last year, accelerating Nissan’s electrification and carbon neutrality goals. Over the last year we have made a number of announcements as part of our strategy to decrease our carbon footprint, such as the plan to invest £1 billion in a Gigafactory in the UK under our EV36Zero initiative.

Electric vehicles are a crucial part of our strategy, but of course there are many other important aspects, including a circular economy which encompasses the eco-cycle of batteries and the carbon footprint of our manufacturing sites. We have significantly expanded battery re-use and recycling. Our joint venture 4R Energy plant in Namie, eastern Japan, will be the first in the world to provide exchangeable refabricated batteries for electric vehicles. As part of our expansion plans to increase electric vehicle production, we intend to expand its presence to the US and Europe.

Our journey to carbon neutrality can only be achieved if we commit to respect and protect human rights within Nissan and our supply chain network. Respecting human rights across the value chain is fundamental to our efforts to realize Nissan’s corporate purpose and deliver on Nissan Ambition 2030. We continue to conduct internal discussions about what human rights means to our business and what due diligence measures we need to undertake both upstream and downstream.

At Nissan, we are aligning our efforts with multilateral efforts to preserve natural resources, such as access to water. The United Nations projects that by 2050, at least one in four people will be affected by recurring water shortages. While our footprint is not as significant as other sectors, we have robust water stewardship and abatement strategies beyond regulatory compliance in place and we continue to decrease our exposure to risk. At sites with high risk levels, we prioritize measures to expand dedicated water resources
such as building reservoirs to collect rainwater. Our efforts to tackle water security have resulted in us obtaining a CDP Rating Index of ‘A’ for the second time since 2019.

We will continue to strengthen the company’s global sustainability strategy and promote its initiatives while supporting the notion of a “Just Transition.” As we accelerate the pace of change on sustainability, the Global Environmental Management Committee and Global Sustainability Steering Committee will meet at an increasing frequency in the coming year to discuss the progress, policies, and future initiatives on sustainability topics.

As a business we are committed to providing transparency on sustainability to employees, investors and customers. We also remain focused on developing and strengthening relationships with our key stakeholders to push forward our sustainability agenda. To collaborate on efforts to achieve carbon neutrality we have engaged with governments, municipalities as well as automotive community such as Japan Automobile Manufacturers Association (JAMA.) Through engaging those stakeholders, we aim to contribute to building a new framework of a sustainable society.

Our progress and achievements from the past year are summarized in this report, which emphasizes how sustainability lies at the heart of our purpose-led growth strategy. Responsible management is

fundamental to our growth and delivery of our strategy. We recognize that long-term value creation will be driven at the intersection of innovation and sustainability. That is why we are building a resilient strategy as outlined in Nissan Ambition 2030.

I am proud of the progress made in the past fiscal year and recognize there is more to do. We have an ambitious roadmap ahead of us with a clear focus to succeed in accelerating our sustainability agenda.
A Message from Chair of the Board of Directors

In 2019, Nissan and its new management team built a transparent, fair and flexible management system separating execution and supervision. The following year, we launched the business transformation plan Nissan NEXT. The Nissan NEXT transformation plan, which has remained firmly on track thus far, draws to a close in fiscal 2023. With its impending conclusion, we will have to set the longer term direction for Nissan with our next mid-term plan. To this end, in order to develop a long-term vision focused on 2030, in terms of both execution and supervision, our Board of Directors meetings have discussed Nissan’s “ideal positioning as a company”. Accordingly, in November 2021, we announced the long-term vision Nissan Ambition 2030, which aims at establishing Nissan as a truly sustainable company by realizing a cleaner, safer and more inclusive society where all people can coexist.

In developing this long-term vision, we first considered how to expand the role of vehicles beyond mobility and beyond merely a means of transportation. These discussions were held at the Board of Directors and other meetings and that evolved also into how Nissan can provide value for future customer needs, after having clarified the strength from the perspective of prioritize and focus. In particular, with regard to electrification, there are various questions about our strategy for execution, many of which related to batteries and battery technology. For instance, there are questions on the feasibility of market rollout, outlook on future demand, the adequacy of rate of development, returns on investment, and safety and quality. Through this process, we were able to communicate about the future introduction of all-solid-state batteries ahead of other companies, which I would like to commend. Further, in promoting the electrification of mobility, leveraging the strengths of the Alliance is important. As such, we have also sought to affirm the alignment between the Renault-Nissan-Mitsubishi Alliance’s Roadmap to 2030 and Nissan’s own Ambition 2030.

Hereafter, to take steps toward the realization of our long-term vision, it is more important than ever to build unity within the company. I have emphasized to the execution team that it is of utmost importance to share with employees what the company’s aims are and the consideration behind these aims. The Board of Directors will continue focusing on the sustainable development of Nissan and society, making full use of our supervisory powers in a transparent and impartial manner to fulfill our responsibilities.
The Alliance

The Renault-Nissan-Mitsubishi alliance is one of the world’s leading automotive alliances. Through a new cooperation business model, the Alliance aims at enhancing the competitiveness and profitability of each of the member companies by capitalizing on individual company’s strengths and complementing their strategies.

The environment surrounding us is changing dramatically. It is necessary to hone technological, software and service development capabilities to drive mobility into the future and achieve net zero emissions.

While Nissan as a pioneer has set standards for electrified vehicles and autonomous technologies, its greatest differentiators is the alliance with Renault and Mitsubishi Motors. Nissan can rely on the 20-year partnership and advantage of common assets, standards and processes that have supported growth, a strength that other OEMs do not have.

In 2020, the Alliance defined a new operating scheme based on the Leader/Follower principle, working on key technologies, seeking for opportunities and developing common assets. According to this scheme, each technology is developed by one leading team with the support of the followers’ team. By proceeding that way, each member of the Alliance has access to all of the key technologies.

Since then, the member companies have been expanding the commonization strategy, increasing the efficiency of product and technology development. The companies work together as an Alliance to promote standardization in order to strengthen competitiveness and expand economies of scale. Nissan has been able to work closely together with Renault and Mitsubishi Motors, because of the trust that has been built up over the years, and a great strength for Nissan to realize its long-term vision.

The Alliance has a solid foundation and benefits from an efficient operational governance and defined cooperation on various projects based on identified synergies.
In January 2022, Renault-Nissan-Mitsubishi alliance announced common projects and actions to accelerate and to shape their shared future towards 2030, focusing on the mobility value chain.

This common 2030 roadmap on pure-EV and Intelligent & Connected mobility, sharing investments for the benefits of its three-member companies, will enable each company to provide a higher level of value to their respective customers. This includes a plan consisting of 35 new EVs across the three member companies in 2030, based on the five common EV platforms.

Highlights of the roadmap includes a methodology that defines for each vehicle the desired level of commonality, integrating several parameters of possible pooling - for example, platforms, factories, powertrains or vehicle segment. This is supplemented and enhanced by a stricter approach on design and upperbody differentiation. Also, the member companies have aligned roadmaps on EV battery technologies, selection of a common battery supplier, and a common vision on Electric & Electronic Architecture.

Also in this announcement, Nissan unveiled an all-new EV based on the CMF-BEV Alliance platform to replace the Micra in Europe; vehicle planned to be manufactured at Renault ElectriCity, the electric industrial center in Northern France. Also, Nissan will lead development of breakthrough all-solid-state battery technology.

Through these strategic initiatives, the Alliance continues to enable each member company to utilize their expertise to full potential, which in turn reinforces their competitiveness, sustainable profitability, and social and environmental responsibility.

Between now and 2030, the Alliance’s momentum will expand at a pace it has never experienced in the past.

In May 2022, Nissan hosted a townhall meeting of head of Alliance and member companies with key leaders in Nissan and Mitsubishi Motors.
Sustainability at Nissan

Sustainability Strategy

Sustainability at Nissan

To fulfill the corporate purpose of “Driving innovation to enrich people’s lives”, Nissan, to be a trustworthy company provides unique and innovative automotive products and services that deliver superior value to all stakeholders.

As it develops as a company through its full range of global activities, Nissan seeks to create economic value and contributes to the resolution of each issue facing society as a leading global automaker. Nissan is committed to all stakeholders including customers, shareholders, employees, and the communities where it does business, and is contributing to the development of society, through the realization of cleaner, safer, and more sustainable mobility as well as the provision of related services.

Analyzing Societal Issues and Assessing Materiality

Nissan has formulated sustainability strategies and promoted activities that account for stakeholder interests and the latest trends, such as technological innovation. When formulating these strategies, top management regularly discuss societal and environmental issues to identify key topics that all group companies must address as a global automaker.

From our risk and opportunity analyses conducted on a regular basis, we have reaffirmed issues surrounding Nissan’s business and identified key material issues related to sustainability.

Understanding that material issues are deeply interdependent among key sustainability issues, we considered both corporate activities and sustainability from the perspective of the impact of society and the environment on Nissan, such as financial impact, which is of great interest to investors, as well as the new perspective of Nissan’s impact on - and value to - society and the environment, which demonstrates the value that Nissan creates.

To realize our Nissan Ambition 2030 corporate long-term vision, the Nissan Green Program 2022 medium-term environmental action plan, and the Nissan Sustainability 2022 sustainability strategy, Nissan believes it is important to engage in various collaborations across the automobile sector while building a closer relationship with society.

Nissan now uses a matrix to prioritize initiatives, conveying to stakeholders the path the company will take toward 2030 in even more detail, and expanding opportunities for collaboration and deepen relationships of trust that lead to the further promotion of initiatives.
Materiality Assessment Process

**Step 1: Clarifying societal and environmental issues**
We clarify global agendas through market trend analyses, determine value expected by society, and engage in dialogues with stakeholders and investors concerning the United Nations Climate Change Conference (COP), SDGs, and risk reports published by the World Economic Forum (WEF).

**Step 2: Assessing material issues facing the automobile sector and Nissan**
We assess Nissan's material issues through analysis of risks and opportunities from a global perspective to be realized through the Nissan Ambition 2030 corporate long-term vision, as well as the role of the automobile sector.

**Step 3: Prioritizing materiality**
We organize priorities based on risks and opportunities into a matrix to identify the value Nissan creates and further enhances initiatives going forward. A review by experts is then conducted and reflected the feedback.

**Step 4: Gaining consensus among management and Board of Directors**
We report our materiality assessment to executives and the Board of Directors, including the background and reasons for our selections, to reach consensus.

### Nissan Materiality Matrix

Having assessed 21 material issues, items at the top of the vertical axis indicate Nissan’s greatest value and impact on society and the environment, while items in the right-hand column on the horizontal axis indicate the greatest impact on Nissan from society and the environment. Nissan has determined the 12 most important items. Nissan will incorporate each identified item into its business activities to expand opportunities for collaboration, leading to promotion of more robust efforts that embody our corporate purpose.

#### Nissan Materiality Matrix

<table>
<thead>
<tr>
<th>Extreme High</th>
<th>High</th>
<th>Impact on Nissan from Society &amp; Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Community Development</td>
<td>• Vehicle Safety</td>
<td>• Governance, Regulation &amp; Compliance</td>
</tr>
<tr>
<td>• Ecosystem Service and Biodiversity</td>
<td>• Cleaner Emissions</td>
<td>• Inclusive Mobility Solutions</td>
</tr>
<tr>
<td>• Pursuit Energy Efficiency</td>
<td>• Privacy &amp; Data Security</td>
<td>• Human Rights</td>
</tr>
<tr>
<td>• Engagement with Stakeholders</td>
<td>• DEI(Diversity Equity Inclusion)</td>
<td>• Vehicle Electrification</td>
</tr>
<tr>
<td>• Preservation of Water, Air and Soil</td>
<td>• Lifecycle Management</td>
<td>• Renewable Energy</td>
</tr>
<tr>
<td>• Sustainable Resource Management</td>
<td>• Pursuit Energy Efficiency</td>
<td>• Product Quality</td>
</tr>
<tr>
<td>• Supply Chain Management</td>
<td>• Wellness &amp; Occupational Safety / Health</td>
<td>• Human Rights</td>
</tr>
<tr>
<td>• Human Resource Development</td>
<td>• Risk Hedge for Physical Hazards</td>
<td>• Vehicle Electrification</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top 12 prioritized items</th>
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<tbody>
<tr>
<td>• Community Development</td>
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<tr>
<td>• Vehicle Safety</td>
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<tr>
<td>• Preservation of Water, Air and Soil</td>
</tr>
<tr>
<td>• Sustainable Resource Management</td>
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</tbody>
</table>

*No priority in category*
Materiality description and its importance

<table>
<thead>
<tr>
<th>Materiality</th>
<th>Description</th>
<th>Nissan initiatives</th>
<th>E</th>
<th>S</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance, Regulation &amp; Compliance</td>
<td>Guided by corporate purpose, values and business code of conduct, we will operate with highest level of business integrity through effective governance based on the transparent framework, comply with respective laws &amp; regulations and ensure we act consistently with respect and integrity towards people and society.</td>
<td>✓ Corporate Governance (P166)   ✓ Compliance (P182)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inclusive Mobility Solutions</td>
<td>By providing advanced new mobility technologies and services (e.g., autonomous driving) to more people, we wish to realize an inclusive society where everyone has access to safe and reliable mobility.</td>
<td>✓ Traffic Safety (P102)</td>
<td></td>
<td></td>
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<tr>
<td>Human Rights</td>
<td>Foster an organization where every employee shows utmost respect to individual dignity and human rights. Nissan commits to act in accordance with internal ethical standards set by the United Nations Guiding Principles on Business and Human Rights.</td>
<td>✓ Human Rights (P096)</td>
<td></td>
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</tr>
<tr>
<td>Vehicle Electrification</td>
<td>By steadily increasing electrified line-up, offering advanced vehicle and battery technologies and supporting EV eco-system, we are accelerating our efforts toward carbon neutrality.</td>
<td>✓ Climate Change-Product Initiatives (P039)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>Through partnerships with various sectors and collaboration with governments and communities, we will promote the use of renewable and alternative energy sources to reduce CO₂ emissions. With 4R*, including Vehicle-to-Everything (V2X), we continue to empower societies with safe energy management solutions. *4R : Battery Reuse, Refabricate, Resell, Recycle</td>
<td>✓ Climate Change (P034)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Vehicle Safety</td>
<td>Through advanced driver assistance technologies accessible to more customers, we wish to realize zero fatality by eliminating the number of deaths in traffic accidents involving Nissan vehicles.</td>
<td>✓ Traffic Safety (P102)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Cleaner Emissions</td>
<td>With the goal of &quot;atmosphere-level clean emissions,&quot; we will ensure cleaner exhaust emissions from our products (e.g., NOₓ, PM, etc) and facilities.</td>
<td>✓ Air Quality (P063)</td>
<td></td>
<td>✓</td>
<td></td>
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<tr>
<td>Privacy &amp; Data Security</td>
<td>Committed to safeguarding the data protection and privacy rights, protecting stakeholder personal data through appropriate security measures and will be responsible for secure handling of data in consideration of new technologies and security risks.</td>
<td>✓ Risk Management (P179)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Community Development</td>
<td>Contribute to the development of communities and empower societies through disaster management support and humanitarian aid and social transformation initiatives like Blue Switch.</td>
<td>✓ Climate Change -Initiatives for Partnerships with Society (P048) ✓ Community Engagement (P160)</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Quality</td>
<td>Provide reliable, comfortable, and user-friendly mobility by improving the design and product quality including chemical substance management and in-cabin air.</td>
<td>✓ Air Quality (P063) ✓ Product Safety and Quality (P124)</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Supply Chain Management</td>
<td>Aim to conduct our business activities based on our supplier CSR guidelines in an ethical, socially and environmentally responsible manner at each stage of the supply chain.</td>
<td>✓ Strengthening Our Business Foundations to Address Environmental Issues-Working with Suppliers (P091) ✓ Supply Chain management (P133)</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable Resource Management</td>
<td>Avoid resource price fluctuations and procurement risk, reduce dependence on resources by establishing a vehicle manufacturing system that enables effective and sustainable use of material resources by circular economy such as Repair/Reuse/Rebuild/Recycle.</td>
<td>✓ Resource Dependency (P067)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>
Sustainability Strategy: Nissan Sustainability 2022

Nissan has formulated a sustainability strategy in 2018 called Nissan Sustainability 2022. Under Nissan Sustainability 2022, Nissan clarifies its activities in terms of ESG aspects. Nissan Sustainability 2022 also outlines Nissan’s initiatives toward contributing to the sustainability of society as well as its own sustainable growth as a company.

Key Themes for Nissan Sustainability 2022: Realizing a Zero-Emission, Zero-Fatality Society

The wide availability of automobiles has let countless people enjoy the convenience that comes with automotive mobility as well as the pleasure of driving itself. At the same time, however, increased greenhouse gas emissions and traffic accidents are pressing issues for the world today. Nissan is using its position as a world-leading automaker to pursue the ultimate goals of achieving zero emissions, through carbon neutrality across the life cycle of its products by 2050, and zero fatalities, through the elimination of virtually all fatalities that result from traffic accidents involving Nissan cars. To this end, the company will work together by growing as an inclusive organization that supports a diverse range of employees in demonstrating their abilities and developing as professionals over the medium and long term.

Environmental: Under its environmental philosophy of “a Symbiosis of People, Vehicles, and Nature,” Nissan contributes to resolving environmental challenges based on social needs together with its long-term sustainability vision.

Nissan Green Program 2022

· Nissan’s midterm environmental action plan Nissan Green Program 2022 (NGP2022) calls for actions to be taken on four challenges: Climate Change, Resource Dependency, Air Quality, and Water Scarcity.

Social: Nissan respects the rights of all stakeholders.

Traffic safety

· Our goal is zero fatalities: reducing the number of deaths from accidents involving Nissan vehicles to virtually zero. To this end, we continue working to help reduce traffic accidents.

Diversity and inclusion

· Nissan will build an inclusive, innovation-creating organization designed for sustainable development, where individual employees with diverse backgrounds in terms of gender, nationality, ethnicity, race, and age can demonstrate their potential to the fullest.
Quality

· For customers to choose a Nissan vehicle on a long-term basis, we are placing the highest priority on customer feedback while working to improve the quality of our products and services to give them a deep sense of satisfaction.

Supply chain

· Nissan will establish a sustainable supply chain with due regard to human rights and the environment.

Employees

· To ensure that each individual employee can continuously learn and develop their potential to the fullest, Nissan will provide opportunities for learning that employees can access wherever and whenever they wish. Furthermore, Nissan will also aim to create lively workplaces where the health and safety of employees is the top priority.

Community engagement

· Through activities that contribute to local communities on the themes of “zero emission,” “zero fatality,” and “zero inequality,” Nissan will aim to realize “a Cleaner, Safer, and More Inclusive Society.”

Governance: Nissan complies with laws, regulations, and rules and engages in business activities that are just, fair, and transparent.

Corporate governance / internal control

· Nissan will strengthen its corporate governance and enhance its compliance systems globally, promoting business activities that comply with laws and regulations and are highly transparent.

Participation in the United Nations Global Compact

Nissan actively supports a number of international guidelines and agreements, respecting international policies and standards as it conducts its business operations. Since January 2004, Nissan has participated in the UN Global Compact, a corporate responsibility initiative built around 10 universal principles regarding human rights, labor, the environment, and anti-corruption. The UN Global Compact was originally proposed by UN 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. Nissan’s sustainability management aims to enhance the full range of the company’s activities based on these 10 principles.

WE SUPPORT

UN GLOBAL COMPACT

* Click here for more information on the UN Global Compact.

https://www.unglobalcompact.org/
Sustainability Vision and Contribution to SDGs

In promoting its sustainability strategy, Nissan Sustainability 2022, Nissan has established goals that must be achieved by 2022 in accordance with initiatives for each of the ESG (Environmental, Social and Governance) aspects. An important milestone towards realizing our Sustainability Vision, the 2022 goals were developed based on consideration of the opportunities and issues in our business operations, as well as societal expectations.

In terms of the environmental field, Nissan has set the new goal for achieving carbon neutrality across the entire life cycle of its products by 2050. As part of this effort, by the early 2030s every all-new Nissan vehicle offering in key markets will be electrified. In reforming our industrial structure due to climate change, we will put into practice the idea of “Just transition” and aim to realize a “society in which no one is left behind.”

By achieving the goals for each of the ESG initiatives and realizing our Sustainability Vision, we will pursue both our own sustainable growth and the sustainable development of society. By so doing, we will also contribute to achieving the goals of the SDGs.

Approach to Nissan’s Long-Term Vision and Goals for 2022

<table>
<thead>
<tr>
<th>Balance between Nissan’s Growth and Social Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunities and Issues in Nissan’s Business Operations</td>
</tr>
<tr>
<td>Nissan Ambition 2030</td>
</tr>
</tbody>
</table>

Sustainability Vision Initiatives and Main Goals for 2022

<table>
<thead>
<tr>
<th>Activities within ESG</th>
<th>Sustainability Vision</th>
<th>Main Goals / Approaches for 2022</th>
<th>SDGs Areas where Nissan’s Environmental Strategy Mainly Adds Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Climate change</strong></td>
<td>Achieve carbon neutrality by 2050 across the life cycle of its products by the early 2030s all new vehicles offering in major markets will be electrified</td>
<td>Reducing products and manufacturing CO₂ emissions: - Product CO₂ emissions reduction: 40% reduction of CO₂ emission from new cars (vs. FY2000; Japan, U.S., Europe, China) - Overall reduction of CO₂ emissions from corporate activities: 30% reduction of CO₂ emissions per vehicle sold (vs. FY2005; global)</td>
<td></td>
</tr>
<tr>
<td><strong>Resource dependency</strong></td>
<td>Zero new material resource use: Using materials that do not rely on newly mined resources for 70% of the materials used in each vehicle in 2050</td>
<td>Minimizing usage of new resources, with the efforts of waste to landfill reduction and waste reduction, etc. - More than 30% (in weight) of a new vehicle to be non-new material resources</td>
<td></td>
</tr>
<tr>
<td><strong>Air quality</strong></td>
<td>Zero impact</td>
<td>Improving exhaust emissions from products and manufacturing: - Cabin air quality improvement: Promote research on technical solutions - Reduce VOC from manufacturing: Promote reduction of VOC per paint area (vs. FY2010)</td>
<td></td>
</tr>
<tr>
<td><strong>Water scarcity</strong></td>
<td>Zero stress</td>
<td>Reducing water withdrawal from manufacturing: - 21% reduction of water withdrawal per global production (vs. FY2010)</td>
<td></td>
</tr>
<tr>
<td>Activities within ESG</td>
<td>Sustainability Vision</td>
<td>Main Goals / Approaches for 2022</td>
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</tr>
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<tr>
<td>Traffic safety</td>
<td>Reduce the number of fatalities involving Nissan vehicles to virtually zero</td>
<td>Promote safety technologies evolution and adoption</td>
<td>3 11</td>
</tr>
<tr>
<td>Diversity and inclusion</td>
<td>Achieve sustainable development by creating innovation through building an inclusive organization where individual employees with diverse backgrounds in terms of race, nationality, gender, religion, disability, age, place of origin, gender identity and sexual orientation can demonstrate their potential to the fullest</td>
<td>For female manager ratio, in principle, we will target to get closer to the same level of female ratio in management as indirect employees. (Japan)</td>
<td>5 8 10</td>
</tr>
<tr>
<td>Quality</td>
<td>Product quality</td>
<td>Strive for top-level quality from the customer’s perspective</td>
<td>12</td>
</tr>
<tr>
<td>Social</td>
<td>Sales and service quality</td>
<td>Achieve top-level quality in all focus markets and maintain top-level quality for sales and service over the longer term</td>
<td></td>
</tr>
<tr>
<td>Supply chain</td>
<td>Aim to establish a sustainable supply chain with due regard to the environment and human rights</td>
<td>All of our suppliers follow Renault-Nissan CSR Guidelines for Suppliers. Aim to reduce our collective environmental footprint through environmental data survey and collaboration with suppliers</td>
<td>8 12</td>
</tr>
<tr>
<td>Learning and development</td>
<td>Nurture an ability to cope with a range of potential future developments</td>
<td>Create a continuous learning culture at Nissan by: - Launching an integrated development framework - Optimization of Leadership Development Programs - Providing digital solutions to realize “anytime, anywhere learning” utilizing great digital solutions</td>
<td>4</td>
</tr>
<tr>
<td>Employees</td>
<td>Realization of a bright and vibrant workplace free from disasters and illnesses</td>
<td>Occupational accident frequency rate to be continuously maintained below previous year’s results. Aim to eliminate fatal accidents Promote health management and aim to remain a company where each and every employee can work with enthusiasm</td>
<td>3</td>
</tr>
<tr>
<td>Occupational safety and health</td>
<td>Realization of a bright and vibrant workplace free from disasters and illnesses</td>
<td></td>
<td>3</td>
</tr>
</tbody>
</table>
Internal Efforts to Promote Sustainability

Companywide management of specific activities under Nissan’s sustainability strategy, from setting goals to monitoring progress, is the responsibility of the Global Sustainability Steering Committee chaired by the company’s Chief Sustainability Officer (CSO). The committee meets biannually and includes management representatives from functions for each of the ESG areas. Each function is responsible for advancing its own activities and progress is reported to the committee. Nissan implements the PDCA cycle in pursuit of improved sustainability performance. As in past years, two committee meetings were held in fiscal 2021.

Discussions at the Global Sustainability Steering Committee are reported and proposed to the Executive Committee (EC), Nissan’s highest decision-making body, which then uses that information to make decisions on sustainability policies and future initiatives.

Nissan’s Sustainability Decision-Making Process

Executives’ Roles on Sustainability and Its Performance Assessment

In fiscal 2021, the company added new performance indicators for sustainability in performance-based cash incentive that form a part of the long-term incentive program. Based on our corporate purpose of “Driving innovation to enrich people’s lives,” the Company will enhance long-term corporate value and social value and become a sustainable corporation. These items are particularly important in terms of business strategy and are also drawing attention of stakeholders, among sustainability challenges the Company tackles in order to improve its mid- to long-term corporate value and social value.

- For Environment: External evaluation on carbon neutrality
- For Social: External evaluation on respect for human rights (Reflect 10% of performance indicators for performance-based incentive compensation program.)

Please refer to the 2021 Securities Report (P059-067) for details of the performance indicators for performance-based incentive compensation program.

* Click here for more information of the “Compensation Committee”.

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Managing The Advancement of Sustainability

PDCA Cycle to Promote Sustainability

At Nissan, sustainability activities are promoted through the plan–do–check–act (PDCA) cycle. After the Global Sustainability Steering Committee and Executive Committee (EC) decide the overall direction on sustainability initiatives, progress on activities is managed, societal views are incorporated into corporate activities, and external trends are analyzed.

### PDCA Cycle

**Plan**
- Nissan's Global Sustainability Steering Committee and EC define overall direction and measures for the company's sustainability activities.

**Do**
- Based on the decisions of the two committees, the divisions represented in the Global Sustainability Steering Committee take action and manage progress.

**Act**
- Nissan defines priority areas of focus based on analysis of social trends, external evaluations, and research on competitors.

**Check**
- Nissan considers society's feedback, such as rating agencies and ESG investment.

Stakeholder Engagement

**Dialogue with Stakeholders**

Nissan defines stakeholders as those individuals and organizations that influence or are influenced by the company’s business. The company aims to align its corporate activities with societal needs. Nissan gathers and integrates stakeholder feedback into its operations to build trustworthy relationships. To incorporate as many opinions as possible, the company provides various opportunities for dialogue with stakeholders and seeks to identify opportunities and risks in their early stages. These interactions take place at its global headquarters and other facilities in Japan and globally. Nissan established this structure to ensure feedback reaches the company. For specific examples of dialogue with stakeholders, please refer to the company’s sustainability strategy section.

**Nissan’s Stakeholders and Engagement Opportunities**

- Customers
- Employees
- Shareholders and Investors
- Suppliers and Dealers
- Governments, Industrial Associations and Business Partners
- NGOs and NPOs
- Local Communities and Future Generations
- Nissan's Stakeholders
- Suppliers and Dealers
- Governments, Industrial Associations and Business Partners
- NGOs and NPOs
- Local Communities and Future Generations
**Nissan’s Approach to Shareholder and Investor Engagement**

Nissan’s shareholders and investors are partners in the creation of a more sustainable society. To that end, and to facilitate deeper understanding, the company has an active investor relations (IR) program that provides transparent information promptly. The company, along with its chief financial officer (CFO), conducts constructive dialogues with shareholders and investors. In order to build trustworthy relationships, the company communicates its long-term vision, innovations applied to enhance competitiveness and the latest market trends on a timely basis. The company also established a department dedicated solely to investor relations. The IR department gathers materials from relevant functional sections, such as corporate planning, finance, accounting, and legal, and discloses appropriate information. Questions and feedback from shareholders and investors are reported to executive management and reflected in the company’s corporate decision making. In order to mitigate the risk of insider trading, the company refrains from communicating with investors during the period beginning on the quarter-end date and ending at the time of the announcement of the earnings results.

**Communication with Shareholders and Investors**

The IR department conducts quarterly results briefings and meets frequently online with institutional investors and analysts from securities companies. The department proactively communicates about the company’s operations and initiatives at business briefings and equity conferences hosted by the various securities companies. Topical information is also available on the IR website. Each year we hold events to present our business activities to investors and analysts, focusing on themes most relevant to them and making available our
divisional and regional managers to actively provide the required information. In fiscal 2021, we had sustainability seminar in July, in addition to the Chief Sustainability Officer having held a Q&A session on sustainability initiatives in September, the announcement of the long-term vision Nissan Ambition 2030 resulted in its accompanying Q&A session being given by the CEO and COO in November. In December, a briefing session on the current status of and initiatives in business in the United States was given by the concurrent Americas Management Committee chairman and Nissan North America president. As in the previous fiscal year, we hosted an independent outside director roundtable for institutional investors in March. The company will continue to disclose information to its stakeholders and investors in order to increase their understanding of Nissan.

Shareholders Meeting

The General Meeting of Shareholders provides an opportunity for Nissan’s executive management and its shareholders to communicate directly with each other. Through this meeting and other gatherings, the company aims to develop trust with its shareholders and enhance their understanding of Nissan. The 122nd Ordinary General Meeting of Shareholders was held at its global headquarters on June 22, 2021, and was attended by 186 shareholders. In addition to those who attended on site, the meeting was broadcast by internet for more viewers.

Click here for more IR information. https://www.nissan-global.com/EN/IR/

## External Assessment

Today, companies are assessed on their environmental and social performance as well as their financial performance. An increasing number of investors use these assessments to guide their ESG investment decisions. To meet these investor needs, Nissan takes a focused approach to sustainability activities and proactively discloses information about its business operations.

### FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index

Developed by global index provider FTSE Russell, the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index measure the performance of companies demonstrating strong ESG practices. They are widely used to create and assess sustainable investment funds and other financial products. The FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index were created exclusively for Japanese companies. In the 2021 assessment, Nissan continued to be selected as a constituent of the FTSE4Good Index Series, as well as a constituent of the FTSE Blossom Japan Index for the sixth consecutive year.
Nissan was selected as a constituent company on the FTSE Blossom Japan Sector Relative Index in 2022, when the index was newly established.

* Click here for more information on the FTSE4Good Index Series. [https://www.ftserussell.com/products/indices/ftse4good](https://www.ftserussell.com/products/indices/ftse4good)
* Click here for more information on the FTSE Blossom Japan Index. [https://www.ftserussell.com/products/indices/blossom-japan](https://www.ftserussell.com/products/indices/blossom-japan)
* Click here for more information on the FTSE Blossom Japan Sector Relative Index. [https://www.ftserussell.com/products/indices/blossom-japan](https://www.ftserussell.com/products/indices/blossom-japan)

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Nissan Motor has been assessed according to the FTSE4 Blossom Japan Sector Relative Index criteria, and has satisfied the requirements to become a constituent of the FTSE4 Blossom Japan Sector Relative Index. The FTSE4 Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

CDP Climate Change and Water Security 2021

Our efforts to tackle climate change and water security, as well as the disclosure of information on those initiatives in fiscal 2021 resulted in Nissan being certified as a highly rated “A-List” company in the Climate Change and Water Security categories by CDP, an NGO and world-class authority on the environment. This is the second occasion since 2019 that Nissan has obtained A-List certification in CDP’s Climate Change and Water Security categories at the same time.

Named as one of the world’s most socially impactful brands by the Laureus Sports for Good Index

Nissan is the only company in the transportation industry to have been selected for the Laureus Sports for Good Index, which is given to brands that have a positive influence on society and the environment through sports. While having a positive impact on the sports world through our participation in the Formula E championship, Nissan is encouraging the adoption of electric vehicles (EVs) and working with partners. Nissan was also praised for building Europe’s largest energy storage system that utilizes second-life EV batteries at the Johan Cruijff ArenA in Amsterdam.
# Environmental

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<tr>
<td>Strengthening Our Business Foundations to</td>
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<td>Address Environmental Issues</td>
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Environmental Principles

We provide customers with innovative products and services, by promoting the effective use of energy and resources, by diversifying our sources, and by making active use of renewable energy and recycled materials. These are just some of the ways in which Nissan is striving to achieve “a Symbiosis of People, Vehicles, and Nature.”

To this end, we have clearly defined our ultimate goal: “To reduce the environmental impact and resource consumption of our corporate operations and vehicles throughout their life cycle to a level that can be absorbed naturally by the Earth.” and set what we want to be. This means endeavoring to leave as small an ecological footprint as possible.

Beyond deepening our awareness of the environment, we strive to conduct all business activities with consideration and kindness for people, society, nature and the Earth, as a means of contributing to the development of a better society.

Nissan’s Environmental Philosophy: A Symbiosis of People, Vehicles, and Nature

In addition to deepening our understanding of the environment, we conduct all of our operations, including production and sales, with consideration for people, society, nature and the earth, as a means of contributing to the building of a better society.

Ultimate Goal

We will manage the environmental impact caused by our operations and products to a level that can be absorbed by nature and pass on rich natural capital to future generations.

What We Want to Be: A Sincere Eco-Innovator

Sincere: Proactively address environmental challenges and reduce our impact on the environment.
Eco-Innovator: Develop a sustainable mobility society through innovative technology in products and services.
Nissan’s Understanding of Environmental Issues

Environmental and social issues are attracting more and more attention in recent years. With the world’s population expected to reach 9.7 billion by 2050, society faces problems in areas such as poverty and hunger, energy, climate change, and various conflicts. Among these, the problem of climate change is considered to be the cause of widespread natural disasters that occur frequently all over the world every year, thus it is more necessary than ever to curb the effects of climate change. To address these issues, the UN adopted 17 Sustainable Development Goals (SDGs) and 169 targets, and there are high expectations that corporations as well as nations will play a major role in realizing the SDGs. Nissan supports the SDGs, as it recognizes the growing importance of delivering safe, secure, and sustainable mobility for all and providing value to society.

The auto industry is dependent on the global environment in complex and diverse ways, while also having significant impact on the environment. Nissan is tackling a range of issues to promote sustainability by advancing measures to mitigate climate change and conserve energy, preserve air quality and other natural capital, use mineral resources efficiently, properly manage chemical substances, efficiently allocate scarce resources, and promote good health. We are also improving our business to reduce our dependence on fossil fuels.

As a global automaker, we take active steps to identify the direct and indirect environmental impacts of our activities, working with business partners and society to minimize the negative impacts of our products and services throughout their life cycle. We acknowledge that our activities and efforts must be continuously improved and advanced; we seek to provide greater value for society by delivering sustainable mobility for all while alleviating environmental impacts associated with climate change, natural resource dependency, water use, and other issues.
Nissan’s Strategic Approach to Environmental Issues*

To solidly contribute to global environmental issues, Nissan engages in direct discussions with environmental experts, investors, NGOs, NPOs and other organizations throughout the world and identifies, We analyze opportunities and risks facing the Company and decide on material issues recognized as important by both stakeholders and Nissan, contributing to the formulation of Nissan’s medium- and long-term environmental strategies.

We identified three response priority areas as an automobile manufacturer: energy sourcing, mineral material sourcing and water usage. We also selected air quality as the scope of consideration as it is directly linked to people’s healthy lives. These approaches respond to the SDGs* and contribute to their attainment.

* Click here for more information on the Nissan’s materiality including Environmental issues.

Priority Issues for Automobile Manufacturers Regarding the Protection of Air, Water, Soil and Biodiversity

In October 2021, at the 15th Conference of the Parties to the Convention on Biological Diversity (COP15) held in Kunming, China, discussions focused on the various unprecedented and complex crises facing humanity, including significant biodiversity loss, the degradation of land and sea, and pollution. That same year, University of Cambridge Emeritus Professor Sir Partha Dasgupta published *The Economics of Biodiversity: The Dasgupta Review* espousing the idea of introducing natural capital into the economy, which was referenced at the G7 Summit and contributed to influencing international politics.

These international discussions are backed by scientific evidence acquired in the world’s first Millennium Ecosystem Assessment conducted by the United Nations from 2001–2005. This assessment focused on two main points, (1) the deterioration of global ecosystems, which is progressing at an unprecedented rate and scale, and (2) ecosystems that create many services (ecosystem services) such as food, freshwater supplies, climate control and protection from natural disaster, all of which substantially benefit humanity. At the same time, Nissan incorporated the Corporate Ecosystem Services Review*1 method, which considers the necessity of grasping the impact and dependence of corporate activities on ecosystems, and launched assessments of the overall value chain related including vehicle operation. In 2010, the results of research conducted with the United Nations University were published in the report *Ecosystem Services and the Automotive Sector*2. Through these assessments, we identified three priority areas on which we should focus as an automaker: Procurement of Energy, Procurement of Material Resources and Usage of Water Resources. We also estimate that in 2013, the use of water resources in the upstream resource...
procurement process was more than 20 times the amount of water used by Nissan. Ecosystem and biodiversity assessments are reflected in revised materiality^3 decisions and incorporated into specific actions as Nissan Green Program policies and strategies.

^1 Developed by the World Resources Institute (WRI) in cooperation with the World Business Council for Sustainable Development (WBCSD) and the Meridian Institute based on the UN Millennium Ecosystem Assessment (MA).

^2 Click here to read “Ecosystem Services and the Automotive Sector”
https://www.nissan-global.com/EN/DOCUMENT/PDF/ENVIRONMENT/SOCIAL/ecosystem_services_and_the_automotive_sector.pdf

^3 Click here for more information on the Nissan’s materiality including Environmental issues.
Global Environmental Management Framework and Governance System

To promote comprehensive environmental management as a global company while responding to a diverse array of environmental issues, Nissan has a governance system built on dialogue and partnership with each region and many corporate functions, as well as with a variety of stakeholders. The Global Environmental Management Committee (G-EMC), co-chaired by a Board member, determines overall policies and the content of reports put before the Board of Directors. Its meetings are attended by corporate officers chosen based on the issues to be discussed. Executives also clarify risks and opportunities at the corporate level and determine the specific programs to be undertaken by each division, using the PDCA cycle to manage and operate the environmental programs efficiently. Environmental risks are regularly reported in the Internal Control Committee meetings to strengthen corporate governance.

Corporations today are expected to disclose their environmental initiatives and related decisions in a reliable and transparent manner. We actively communicate with a broad range of stakeholders through our Sustainability Report and by answering inquiries from various environmental rating agencies.

Environmental Management Organization

- **Board of Directors**
- **Global Environmental Management Committee**
- **Plan**
- **Do**
- **Check**
- **Act**

Major Issues

- **Climate Change**
- **Resource Dependency**
- **Air Quality**
- **Water Scarcity**

Organizations

- **Customers**
- **Employees**
- **Stakeholders and Partners**
- **NGOs / NPOs**
- **Governments**
- **Future Generations**
Environmental Action Plan: Nissan Green Program (NGP)

We first announced the Nissan Green Program (NGP) medium-term environmental action plan in 2002 to achieve our environmental philosophy of “a Symbiosis of People, Vehicles, and Nature” and to ultimately reduce our environmental dependence and impact to levels that nature can absorb. Under NGP2016, launched in fiscal 2011, we fully achieved our targets for the four key initiatives of zero-emission vehicle penetration, fuel-efficient vehicle expansion, corporate carbon footprint minimization, and natural resource use minimization. New plan NGP2022* was launched in fiscal 2017.

* Click here for more information on NGP2022.
https://www.nissan-global.com/EN/SUSTAINABILITY/ENVIRONMENT/GREENPROGRAM/
NGP2022 Key Issues and Challenges

Based on environmental materiality analysis, Nissan has identified “climate change,” “air quality,” “resource dependency,” and “water scarcity” as important issues under NGP2022. Furthermore, in order to contribute to the resolution of these four important issues and create new value, we are also working to strengthen the business foundation related to environmental issues through stakeholder engagement aimed at understanding the needs of stakeholders.

NGP2022 discloses indicators and progress on initiatives related to the four identified material issues every year. In addition to the development and production departments involved in car manufacturing, the sales and service departments and Nissan as a whole are also accelerating efforts related to environmental issues while strengthening our business foundation and working to create social value.

Under NGP2022, we will take on the challenge of addressing the following key issues, striving not just to attain compliance but also to meet society’s expectations and to realize our long-term vision.

- Climate Change: We aim for carbon neutrality.
  Promote society’s decarbonization through vehicle electrification / intelligence and innovative future monozukuri

- Resource Dependency: We aim to eliminate the use of new material resources.
  Create systems for using resources efficiently and sustainably, as well as services able to effectively utilize vehicles. (circular economy)

- Air Quality: We aim for zero impact.
  Ensure cleaner exhaust emissions and create a comfortable in-cabin environment to protect human health and reduce the impact on ecosystems

- Water Scarcity: We aim for zero stress.
  Reduce water consumption and manage water quality with monozukuri that is considerate of impact and dependency on ecosystems
NGP2022 Action Plan

### Climate change (Product)

**Long-term vision:** Realize carbon neutrality by 2050

<table>
<thead>
<tr>
<th>Activities</th>
<th>NGP2022 Objectives</th>
<th>FY2021 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Product CO₂ emission reduction</td>
<td>40% reduction of CO₂ emissions from new cars (vs. FY2000; Japan, U.S., Europe and China)</td>
<td>Reduced by 42.5%</td>
</tr>
<tr>
<td>2. Solid EV leadership</td>
<td></td>
<td>Nissan LEAF is the first global mass market EV and accumulated sales over 580,000 units, boasts the top EV sales in Japan. Started sale of new innovative EV Nissan ARIYA and plan to sale of new Kei EV Nissan SAKURA in FY22</td>
</tr>
<tr>
<td>3. Support driver’s behavior</td>
<td>Promote development to improve actual fuel consumption</td>
<td>Completed development of practical fuel efficiency improvement technology by individual driver air conditioning besides automatic support for driving</td>
</tr>
<tr>
<td>4. Expansion of vehicle usage</td>
<td>Global expansion of V2X for energy management (Japan, U.S. and Europe)</td>
<td>Promoted expansion of usage, including demonstration experiments for commercialization</td>
</tr>
</tbody>
</table>

### Climate change (Corporate)

**Long-term vision:** Realize carbon neutrality by 2050

<table>
<thead>
<tr>
<th>Activities</th>
<th>NGP2022 Objectives</th>
<th>FY2021 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Overall reduction of CO₂ emissions from corporate activities</td>
<td>30% reduction of CO₂ emissions per vehicle sold (vs. FY2005; global)</td>
<td>Reduced by 32.9%</td>
</tr>
<tr>
<td>6. Reduction of CO₂ emissions at manufacturing sites</td>
<td>36% reduction of CO₂ emissions per vehicle produced (vs. FY2006; global)</td>
<td>Reduced by 23.4%</td>
</tr>
<tr>
<td>Activities</td>
<td>NGP2022 Objectives</td>
<td>FY2021 Results</td>
</tr>
<tr>
<td>------------------------------------------------</td>
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<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Proper use of chemical substances</strong></td>
<td>Implementation of the Alliance policy on chemical substance management</td>
<td>Strengthened Alliance policy and continuous steady implementation</td>
</tr>
<tr>
<td><strong>New resource usage minimization</strong></td>
<td>More than 30% (in weight) of a new vehicle to be non-new material resources</td>
<td>Promoted activities toward NGP2022 target</td>
</tr>
<tr>
<td><strong>Expansion of remanufactured parts</strong></td>
<td>Duplication of remanufactured item coverage (vs. FY2016)</td>
<td>Promoted activities toward NGP2022 target</td>
</tr>
<tr>
<td><strong>Expansion of battery reuse</strong></td>
<td>Expansion of the EV battery reuse business</td>
<td>Promoted EV battery reuse</td>
</tr>
<tr>
<td><strong>Adoption of die-less forming</strong></td>
<td>Plan and implement technical development</td>
<td>Adoption to heritage parts</td>
</tr>
<tr>
<td><strong>Waste reduction (manufacturing)</strong></td>
<td>BAU 2% (Japan) and BAU 1% (overseas) reduction of waste</td>
<td>Reduced by 9.0% (Japan) Reduced by 9.6% (Overseas)</td>
</tr>
<tr>
<td><strong>Waste to landfill reduction</strong></td>
<td>Landfill ratio reduction</td>
<td>Reduced waste to landfill ratio To 4.3% (global)</td>
</tr>
<tr>
<td><strong>Water withdrawal reduction</strong></td>
<td>21% reduction of water withdrawal per global production (vs. FY2010)</td>
<td>Reduced by 11.1%</td>
</tr>
<tr>
<td><strong>Governance enhancement</strong></td>
<td>Implementation of our environmental compliance policy</td>
<td>Adhered to environmental compliance policy</td>
</tr>
<tr>
<td><strong>Further application of LCA</strong></td>
<td>Measure lifecycle environmental impact of vehicle and new technology</td>
<td>Continuously monitored lifecycle impact for environment from 3 new models on 2021 and implemented LCA management process on product engineering</td>
</tr>
<tr>
<td><strong>Engagement with suppliers</strong></td>
<td>Implementation of environment data survey to promote engagement and reduce environmental impact</td>
<td>Promote supplier engagement globally through CDP survey and Environmental Activity Explanation Meeting</td>
</tr>
<tr>
<td><strong>THANKS activities promotion</strong></td>
<td>Further promotion of Supplier THANKS activities</td>
<td>Continued to promote THANKS activities</td>
</tr>
<tr>
<td><strong>Nissan Green Purchasing Guidelines</strong></td>
<td>Adoption of updated policy</td>
<td>Strengthen the Nissan Green Purchasing Guidelines and its adoption</td>
</tr>
<tr>
<td><strong>Education program for the next generation</strong></td>
<td>Global expansion of Nissan Waku-Waku Eco school program</td>
<td>Conducted DVD distribution, online education programs and onsite lessons in Japan. Conducted environment program in Thailand</td>
</tr>
<tr>
<td><strong>Collaboration with NGOs for ecosystem conservation</strong></td>
<td>Enhancement of collaboration and partnerships with NGOs</td>
<td>Collaboration with WWF Japan and Care International Japan, which are promoting ecosystem conservation</td>
</tr>
</tbody>
</table>

**Water scarcity**

**Activities**: implementation of the Alliance policy on chemical substance management. **NGP2022 Objectives**: promotion of activities toward NGP2022 target. **FY2021 Results**: strengthened Alliance policy and continuous steady implementation.

**New resource usage minimization**

**Activities**: more than 30% (in weight) of a new vehicle to be non-new material resources. **NGP2022 Objectives**: promoted activities toward NGP2022 target. **FY2021 Results**: promoted activities toward NGP2022 target.

**Expansion of remanufactured parts**

**Activities**: duplication of remanufactured item coverage (vs. FY2016). **NGP2022 Objectives**: promoted activities toward NGP2022 target. **FY2021 Results**: promoted activities toward NGP2022 target.

**Expansion of battery reuse**

**Activities**: expansion of the EV battery reuse business. **NGP2022 Objectives**: promoted EV battery reuse. **FY2021 Results**: promoted EV battery reuse.

**Adoption of die-less forming**

**Activities**: plan and implement technical development. **NGP2022 Objectives**: adoption to heritage parts. **FY2021 Results**: adoption to heritage parts.

**Waste reduction (manufacturing)**

**Activities**: BAU 2% (Japan) and BAU 1% (overseas) reduction of waste. **NGP2022 Objectives**: reduced by 9.0% (Japan) reduced by 9.6% (Overseas). **FY2021 Results**: reduced by 9.0% (Japan) reduced by 9.6% (Overseas).

**Waste to landfill reduction (manufacturing)**

**Activities**: landfill ratio reduction. **NGP2022 Objectives**: reduced waste to landfill ratio to 4.3% (global). **FY2021 Results**: reduced waste to landfill ratio to 4.3% (global).

**Water withdrawal reduction (manufacturing)**

**Activities**: 21% reduction of water withdrawal per global production (vs. FY2010). **NGP2022 Objectives**:. **FY2021 Results**: reduced by 11.1%.
Climate Change

Strategy for Addressing Climate Change

Toward a Carbon-Neutral Society

In 2015, the UN Climate Change Conference (COP21) adopted the historic Paris Agreement to keep the increase in global temperature to “well below” 2°C.

At COP26 in 2021, “1.5°C,” which had been seen as an effort target, was given more emphasis and “Secure global net zero by mid-century and keep 1.5°C within reach” and was added.

Furthermore, the Sustainable Development Goals (SDGs) adopted by the UN in 2015, like the Paris Agreement, also call for concrete measures to address climate change. Nissan is focusing on electrification of vehicles and innovation in corporate activities to promote carbon neutrality throughout the entire life cycle together with our suppliers.

Nissan’s Steps to Reduce CO2 Emissions

The business structure of the automobile industry is changing greatly in the face of demands to reduce CO2 emissions and dependence on fossil fuels. Nissan has been proactively engaged in environmental responsiveness and the creation of social value, such as reducing CO2 emissions and realizing the practical use of electrification technologies. We will further develop these initiatives and promote global activities targeting carbon neutrality in 2050, aiming for 100% electrification by the early 2030s in key markets.

As a global automaker, Nissan considers emissions across the entire value chain it shares with its suppliers, from procurement of raw materials to transportation and operation of vehicles. We understand how important it is to balance environmental initiatives with business activities, and strive to reduce emissions through new technology development, renewable energy, use and other measures.

Climate change also greatly heightens customer needs for energy-efficient mobility. We are meeting those needs by clearing stringent CO2 emissions regulations, as outlined in the Nissan NEXT*1 transformation plan calling for annual aggregate sales of 1 million 100% EV and e-POWER vehicles by fiscal 2023. In our corporate activities, we are actively advancing energy-saving measures, shifting to climate-efficient logistics and introducing renewable energy sources. Viewing these risks as opportunities, Nissan announced it will achieve carbon neutrality in the vehicle life cycle by 2050 as a long-term vision for climate change. We will realize a carbon-neutral future by promoting the electrification of automobiles and pursuing the sustainability of our business activities in line with the expansion of renewable energy and charging infrastructure in society.
In addition, Nissan has established a medium-term environmental action plan NGP2022* as its strategy, which runs through 2022, and has developed various future climate change scenarios to strengthen the resilience of its climate change strategy.

*1 Click here for more information on Nissan NEXT
https://www.nissan-global.com/EN/COMPANY/PLAN/NEXT/

*2 Click here for more information on the Nissan Green Program 2022 (NGP2022)
https://www.nissan-global.com/EN/SUSTAINABILITY/ENVIRONMENT/GREENPROGRAM/

Efforts at Every Link in the Value Chain

As a global automaker, Nissan considers CO₂ emissions across the entire value chain it shares with its suppliers, from procurement of raw materials to transportation and operation of vehicles. We understand how important it is to balance environmental initiatives with business activities, and strive to reduce CO₂ emissions through new technology development, renewable energy use and other measures.

CO₂ Emissions in the Value Chain*

* Actual emissions in 2018.
Climate Change Scenario Analysis to Strengthen Strategies for 2050 Society

Nissan’s efforts toward the environment have achieved continuous results by consistently reaching milestones back-casted from our Long-term Vision. However, compared to 2006 when we formulated the Long-term Vision based on the 2°C scenario from the Intergovernmental Panel on Climate Change (IPCC) report, the threat of extreme weather due to climate change is increasing, thus we believe it is necessary to enhance our strategy and make it more resilient amid growing uncertainties.

The scenario analysis conducted for the purpose of strategic enhancements assumes societies based on the 4°C and 2°C scenarios presented in the International Energy Agency (IEA) time horizon up to 2050 and the 1.5°C scenario in the IPCC special report. Furthermore, in consideration of factors including changes in customer and market acceptance, tightening automobile regulations and the transition toward clean energy, Nissan’s business activities, products and services were examined in terms of strategic resilience to the opportunities and risks posed by climate change in the following four steps.

Four Steps for Review
- Evaluate past materiality, investigate risk factors with a decisive impact on the automotive sector due to climate change in documented studies and define main drivers in categories such as population, economy, geopolitics, climate change policy and technology.
- Categorizing main drivers into physical risks and transition risks, then considering the trade-off relationships of each, we confirmed the degree of risk in three scenarios where the average temperature on Earth increased by 1.5°C, 2°C and 4°C.
  - Based on the degree to which the automobile sector was impacted and the timeline, items with a more substantial impact were screened from the main drivers.
  - Changes, conditions, and effects were adjusted in each scenario to provide guidance based on qualitative evaluation of the elements necessary for enhancing strategies.

As a global automobile company, it will be more than 170 countries and markets where our production facilities operate and our products are provided, therefore we will get the impact from climate change all over the world. When taking a comprehensive perspective of this scenario analysis, even the market infrastructure, regulations and actual usage are different, Nissan’s electrification and other related advanced technologies have the potential to create opportunities for effective capabilities in scenarios other than 2°C. Nissan has come to recognize once again the importance of further accelerating efforts toward this realization as well as the fact that activities integrated with the supply chain are essential for responding to risks.

In particular, the expansion of zero-emission vehicles is not only a major step towards the shift to a carbon-free society as an automobile sector, it is also a technology that contributes to the resilience of society in power management and disaster mitigation and prevention. Nissan believes this will create value for society and business. However, if the societal response to climate change is delayed, possible transition risks include transition additional policies and regulations for a decarbonized society, increases in R&D efforts and changes in market demand or corporate reputation among other transition risks, and physical risks such as an increase in extreme weather and rising sea levels may lead to cost increases and declines in vehicle sales that have the potential to
substantially influence on our financial situation. To avoid risks such as these to the extent possible and create future opportunities, Nissan is leveraging knowledge gained from scenario analysis for use in actual activities and reviewing strategies for expanding resilience. We believe it is important to more clearly and accurately communicate these impacts and the strategies considered to investors and other stakeholders. Nissan supports the TCFD’s recommendations and will strive to disclose information in line with its recommended framework. (TCFD: The Task Force on Climate-related Financial Disclosures)

In fiscal 2021, we have started a financial impact assessment, based on the scenario analysis that we have already disclosed. Below are the results of our assessment of the impact of carbon taxes.

**Background of Financial Impact Assessment Scenario Selection**

Pricing for CO₂ emissions is progressing, and an increasing number of countries and regions are introducing carbon taxes. Although the level of taxation and the industries subject to the tax vary by country and region, this analysis will focus on the financial impact of the carbon taxes due to its significant impact on companies.

**Evaluation of calculation methods and estimated taxes, assumptions**

In our calculations, we referred to the IEA report and other reports on carbon taxes as the basis for our carbon tax projection. The carbon tax on GHG emissions in 2030 was calculated by comparing cases where:

1) Corporate activities as of 2018 have been continued, and
2) The Nissan Green Program promotes environmental activities and the impact of annual carbon tax could be curbed

**Impact on Business Outlook**

We estimated that the carbon tax impact of Scope 1 & 2 could be kept to approximately ¥10 billion if the environmental issues addressed in the Nissan Green Program were implemented, compared to the case where GHG emissions were not reduced.
Response Strategies
Nissan has been promoting the Nissan Green Program for about 20 years to address environmental issues and has achieved a 32.9% reduction in CO2 emissions per vehicle in fiscal 2021 compared to the fiscal 2005 level. The EV36Zero, announced in July 2021, which creates an ecosystem for EV production, and the Nissan Intelligent Factory, announced in October that year, are concrete examples of Nissan's future roadmap. We are working toward energy reduction, making manufacturing facilities more efficient, and applying electrification technology while expanding the use of alternative energy sources such as renewable energy, bioethanol, and solid oxide fuel cells (SOFCs).

In addition, we will assess the impact of the transition to decarbonization, and promote activities that take into account a just transition that does not have negative impacts, thereby achieving carbon neutrality.

We will continue to improve the accuracy of our scenario analysis methods and expand the scope of clients to be analyzed to more accurately ascertain the amount of risk.

We will further enhance our disclosure of information to concretize our vision for 2030, and promote our initiatives while placing importance on dialogue with our stakeholders.

<table>
<thead>
<tr>
<th>Scenario Assumption</th>
<th>Area of impact</th>
<th>Business Activity Opportunities and Risks Related to Ongoing Climate Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5°C Policies and regulations</td>
<td>Respond to further tightening of vehicle fuel efficiency and exhaust gas regulations, develop electric powertrain technologies and may influence production costs</td>
<td></td>
</tr>
<tr>
<td>Technological changes</td>
<td>Cost effects of utilizing next-generation vehicle technologies such as in-vehicle batteries and other EV-related technologies as well as expanding autonomous driving technologies</td>
<td></td>
</tr>
<tr>
<td>Market changes Opportunities</td>
<td>Increased demand will affect supply chains for rare earth metals used for in-vehicle battery material and cause an increase in stabilization costs</td>
<td></td>
</tr>
<tr>
<td>4°C Extreme weather Opportunities</td>
<td>Changes in consumer awareness leads to reduce new vehicle sales due to the selection of public transportation and bicycles and the transition to mobility services.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Expand the provision of power management opportunities with Vehicle to Everything (V2X), an EV energy charging/discharging technology, and redefine the value of EV, especially with Vehicle to Grid (V2G)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The impact on the supply chain and the operation of production bases due to extreme weather such as heavy rain and drought will increase property insurance costs and air conditioning energy costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The need for securing emergency power sources using EV batteries is increasing as a disaster prevention and mitigation measure</td>
<td></td>
</tr>
</tbody>
</table>
Product Initiatives

Policies and Philosophy for Product Initiatives

Our Long-Term Vision

Based on the IPCC Fourth Assessment Report, Nissan made its own estimation, and in 2006, set a scientifically-based long-term CO₂ emission reduction target for new vehicles by 2050. Recognizing that this would require drastic reduction of "well-to-wheel" CO₂ emissions from new vehicles, we set about developing a new scenario for powertrain technologies. Additionally, under the Nissan Green Program 2022 (NGP2022), to remain on track with the 2050 target, we are aiming to reduce CO₂ emissions from new vehicles by 40% compared to fiscal 2000 by 2022 (in Japan, the U.S., Europe and China). As a global leader in technological advancements through the electrification of our products, we believe we can substantially contribute to global efforts to keep the temperature increase ‘well below’ 2°C. These initiatives also reinforce the sustainability of our own business. Although NGP2022 has achieved a certain success, the IPCC’s Special Report published in 2018 pointed out the impact of 1.5°C of global warming and related global greenhouse gas (GHG) emission pathways on the Earth as a whole. Furthermore, governments, municipalities, and customers in each market have even higher expectations for carbon neutrality.

Nissan is working toward higher goals by aiming for carbon neutrality in the vehicle life cycle and all business activities by 2050. As a milestone toward the realization of this goal, in January 2021 we announced that Nissan has set the goal of achieving carbon neutrality across the company’s operations and the life cycle of its products by 2050. As part of this effort, by the early 2030s every all-new Nissan vehicle offering in key markets will be electrified.

CO₂ Reduction Scenario

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Pursuing a Zero-Emission Society

Electric vehicles (EVs) demonstrate that what is good for drivers and the planet is also good for business. Widespread use of zero-emission vehicles, which produce no CO₂ tailpipe emissions during operation, is an effective way of moving toward a sustainable society. The auto industry must go beyond simply producing and selling these vehicles to help establish the infrastructure necessary to make them economical to use. No company can achieve this on its own. We consider the introduction and adoption of zero-emission vehicles one of the pillars of our corporate strategy. We are taking a comprehensive approach that involves boosting production and sales of zero-emission vehicles along with other activities coordinated with a variety of partners to popularize their use. We are committed to becoming a leader in the field of zero-emission vehicles. Not only are we increasing our development and production of zero-emission vehicles, we are forging numerous zero-emission partnerships with national and local governments, electric power companies and other industries to promote zero-emission mobility and explore how the necessary infrastructure can be built.

Increasing uptake of zero-emission vehicles will bring lifestyle changes that lay the groundwork for a new mobility society. We provide more than just EVs themselves; we also embrace the new values that they represent.

Establishing Leadership in the EV Sector

Our commitment to sustainable mobility addresses concerns over climate change and supports the sustainable growth of the company. Our 2010 launch of the first Nissan LEAF made us pioneers of mass-produced EVs. Since then, we have sold more than 810,000 EVs (including joint venture sales) around the world in total, and our transformation plan, Nissan NEXT, calls for even more Nissan EVs, designed to appeal to customers with an ever-wider range of needs.

Furthermore, our history with EVs goes deeper than simply manufacturing and selling the vehicles themselves. We helped to establish an environment allowing EVs to become part of our customers’ lifestyles, and developed the Nissan Energy solution for enjoying life with an EV to the fullest. Together, these initiatives created what we call the Nissan EV Ecosystem.

As we continue to strive for a zero-emission society, we will expand and develop the Nissan EV Ecosystem even further.
Managing Actions through Products

Key Activities in NGP2022

The CO₂ emissions of a vehicle in use are influenced not only by engine performance and fuel type but also by traffic conditions and driving skills. Decarbonizing society will require new vehicle usage patterns. Nissan takes a threefold approach to product development aimed at mitigating real-world CO₂ emissions that addresses vehicle, driver, and new mobility value.

1. Adopt cleaner energy to reduce vehicle CO₂ emissions

Extend electrification across all brands under the Nissan Intelligent Mobility strategy,*1 EV lineup and deploy e-POWER technology in core Nissan products.

2. Promote technology-based driver assistance and accelerate connected car development and commercialization

Develop e-Pedal, which regenerates energy when the driver eases up the accelerator pedal, and e-POWER electric powertrain fusing gasoline engines and electric motors. Promote adoption of route guidance technologies based on real-time information from departure point to final destination.

3. Provide new mobility value

Provide new mobility services and expand the value of vehicle use. Pursue global expansion of V2X*2 energy management solutions (commercialization in the United States and Europe, and expansion of LEAF to Home in Japan) and engage with stakeholders to support V2X device commercialization.

*Nissan EV Ecosystem

Nissan EVs

Nissan Energy

Nissan Energy Supply

Provides a range of charging solutions to promote convenience and peace of mind for EV owners.

Nissan Energy Share

Enables customers to use the electricity stored in the high-capacity batteries of Nissan EVs for various purposes. Electricity can be "shared" with homes, workplaces and local communities to provide new value to everyday life.

Nissan Energy Storage

The lithium-ion batteries used in Nissan EVs are highly functional even after the end of their first life powering an EV. With an eye to further adoption of EVs in the future, we are working on initiatives for secondary use.

*N1 Click here for more information on Nissan Intelligent Mobility.
https://www.nissan-global.com/EN/INNOVATION/TECHNOLOGY/ARCHIVE/NIM/

*N2 V2X: Vehicle to Home, Vehicle to Grid etc. are collectively called as V2X. One example of V2X technology is Vehicle to Grid (V2G), which allows smart optimization of electricity supply according to demand.

Nissan’s Vehicle-to-X (V2X) is a technology that efficiently utilizes the electrical energy stored in the batteries of electric vehicles by transferring it to the Smart Grid via bi-directional chargers. Renewable energy sources such as solar and wind power will drive carbon neutrality. Still, they are also challenging to manage, as fluctuations in power generation can lead to surpluses or shortages. Electric vehicles' batteries can absorb fluctuations by charging and discharging this valuable electricity to be used more stably in Smart Grid. Also, with its application in times of disaster, the value and potential of V2X are expanding.
Product Initiatives: Achievements

Toward a 40% Reduction in New Vehicle CO₂ Emissions

In fiscal 2021, CO₂ emissions in Nissan’s main markets of Japan, the U.S., Europe, and China were 42.5% lower than fiscal 2000 levels. In particular, fuel efficiency has improved compared to fiscal 2020 due to the introduction of new models in the China and Europe. Nissan strives to develop technologies that maximize the overall energy efficiency of conventional internal combustion engines and improve transmission performance. We are also working to boost the efficiency of electrification systems that capture and reuse kinetic energy from braking. Electrification is just one of our concrete monozukuri initiatives in technical innovation. We select the optimal fuel economy technologies for particular vehicles, taking into consideration factors like space within the vehicle, usage, and economics, and bring them to market. Our goal is to reduce both fuel consumption and CO₂ emissions without sacrificing the pleasure and ease of driving.

As a result of these initiatives, we achieved over 40% reduction in CO₂ emission compared to fiscal 2000 levels with 1 year early to target.

* From new vehicles in the Japanese, U.S., European, and Chinese markets
Nissan’s Electrification Technologies for Achieving Carbon Neutrality

Accelerating the Advancement and Promotion of Electrification Technologies

By the early 2030s every all-new Nissan vehicle offering in key markets will be electrified as we pursue further innovations in electrification. Nissan calculations show that electrified vehicles can reduce CO₂ emissions over their entire life cycle relative to gasoline-powered vehicles of the same class—from the extraction of raw materials, manufacturing, logistics, and use to end-of-life disposal. By contributing to the shift to renewable energy, electrified vehicles play an essential role beyond transportation in helping to achieve a low-carbon society.

Nissan is working on advances in electrification technologies that can reduce CO₂ emissions, as well as the development of systems that can be installed in various vehicle models.

EV Evolution from the Nissan LEAF to the Nissan ARIYA

The Nissan LEAF is a zero-emission vehicle, emitting no CO₂ or other exhaust when driving. Since its launch in 2010, it has earned high praise for the smooth, strong acceleration and quiet operation of its electric motor powered by a lithium-ion battery. Cumulative global sales of the Nissan LEAF, which celebrate its 12th anniversary in 2022, has exceeded 580,000 units (as of the end of March 2022).

We believe this is the result of customers appreciating Nissan’s unique EV characteristics, such as zero CO₂ emissions while driving, low driving and other running cost, and excellent driving performance such as acceleration and steering stability.

Nissan LEAF

Nissan ARIYA

* For more information on Nissan LEAF lifecycle assessment.

Nissan’s first crossover EV, the Nissan ARIYA, is a further refinement of technologies cultivated in the Nissan LEAF, resulting in an advanced EV that combines powerful acceleration and smooth, quiet operation to make the most of the EVs unique qualities.

The newly developed powertrain boasts superior performance. The newly developed motor reduces energy consumption during high-speed cruising,
realizing a range of up to 610 km*1 (2WD 90 kWh battery-equipped model WLTC mode, Nissan measurement*1). Supporting quick charges up to 130 kW, the addition of a water-cooled temperature control system keeps the temperature of the battery more constant to enable charging sufficient for distances up to 375 km with a quick charge of 30 minutes *2.

*1 The distance ranges referenced in this report are Nissan measurements prior to certification and are subject to change until the starting sales.

*2 Using a CHAdeMO quick charger capable of 130 kW output or above. Charging times and amounts subject to change based on conditions such as battery state of health.

Lower cost powertrains are essential for broader EV adoption, but battery technical innovations in particular are a major issue. Specifically, Nissan will further promote the development of battery materials that reduce the amount of costly cobalt used. We are also conducting research and development on all-solid-state batteries which have the potential to dramatically improve safety and reduce costs.

Depending on the spreading of EVs, the utilization of used battery will be the next issue and its market will also expand. 4R Energy Corp., which is funded by Nissan, established a plant in Namie, Fukushima Prefecture, and has been developing technologies for the reuse of used batteries. Nissan is already creating a business model in which used batteries collected from the market are sorted according to their condition and performance and supplied to various secondary users, passing on the value of reused batteries to customers. We will drive the increased spread of electric vehicles by expanding this model into a business and further reducing the hurdles to EV ownership for customers.

Enhancing Our 100% Electric Motor-Powered e-POWER Drivetrain

The e-POWER system combines an electric motor, which drives the wheels, with a gasoline engine that charges the vehicle's battery. e-POWER is a technology that achieves both the smoothness and strength of 100% motor drive and top-level fuel efficiency. It also offers driving comfort similar to that of an EV, making e-POWER a new powertrain completely different from the hybrid systems commonly used in previous compact cars.

Also, because the engine and tires are not directly connected, power can be generated at the most efficient engine settings (RPM, load), resulting in top-class fuel economy*.

The driver can accelerate or decelerate simply by using the accelerator pedal, and the regenerative brake system also helps improve fuel economy by charging the battery.

* As of when the model first went on sale, as measured in WLTC mode: Note e-POWER, 29.5km/L.

In November 2016, in Japan, we launched the first vehicle to feature our innovative e-POWER drive system: the new compact Note e-POWER. In March 2018, the e-POWER system was further expanded to the Serena e-POWER, also for the Japanese market. In June 2020, it was expanded to the Nissan Kicks. In December 2020, we launched the all-new Note, equipped with the second-generation e-POWER system. Furthermore, the Note Aura was launched in August 2021.

The Note and the Note Aura won the 2021-2022 “Japan Car of the Year”, “RJC Car of the Year” at the 31st Annual (2022) RJC Car of the Year Awards, and “2021-2022 Japan Automotive Hall of Fame Car of the Year”, while the second-generation e-POWER installed on both models won the “RJC Technology of the Year 6 Best.”
Additionally, global expansion of e-POWER-equipped vehicles is progressing, starting with the addition of e-POWER models on the Slyphy for China and Qashqai for Europe.

Going forward, e-POWER will continue to evolve as a technology that can be installed in a wide range of vehicle models while balancing environmental performance and driving performance at a high level. We are developing technologies that achieve the world’s highest level of 50% thermal efficiency with a next-generation engine dedicated to power generation for e-POWER and we promote technological developments enabling further reductions in CO₂ emissions (fuel efficiency improvement).

The Growing Importance of Commercial Vehicle Electrification

It is estimated that commercial vehicle sales, which account for 25% of automobile sales, will increase to 50% in 2030, thus commercial vehicle electrification is important for carbon neutrality*1. From June 2014, Nissan was first to sell the EV multipurpose commercial van e-NV200 in European countries and Japan. Compared to commercial vehicles based on internal combustion engines, the e-NV200 is able to reduce running costs and offer superior environmental responsiveness, including consideration for the impact of noise on the surroundings. Furthermore, the e-NV200 has power outlets in two locations drawing up to a total of 1,500 W of electricity from the onboard engine for electrical generation, which can be used to secure power on the go in business, for outdoor events and leisure activities, such as for refrigerators when outdoors or camping, as well as a power source in the event of a disaster. On construction sites, noise problems can be alleviated as there is no need to use an engine-powered generator. In Europe, Nissan is proposing a concept combining comfort and practicality through self-sufficient electricity to enhance outdoor activities in winter with the e-NV200 Winter Camper concept making it possible to charge the 220-volt battery using solar panels mounted on the roof.

Additionally, in 2020 the Tokyo Fire Department will begin using a zero-emission EV ambulance based on the NV400. Since ambulances must reduce the physical discomfort for both patients and paramedics, and because they need to be equipped with precision medical equipment, Nissan thinks quiet EVs with low vibration have strong merits. As this vehicle is also equipped with two lithium-ion batteries providing 33 kWh and 8 kWh, it is possible to operate electrical equipment and air conditioners for longer...
periods of time. It also enables these ambulances to be used as a mobile power source in the event of a power outage or disaster.

Going forward, Nissan will continue to expand its lineup of electric commercial vehicles, including the introduction of next-generation small vans utilizing the Renault-Nissan-Mitsubishi Motors Alliance platform, and promote the manufacture of commercial vehicles with zero emissions.

*1 Based on PwC Consulting LLC research

As a mobile power source, the e-NV200 has a range of business applications.

Zero-emission EV ambulance based on the NV400

Progress in Plug-In Hybrid Vehicles

Plug-in hybrid electric vehicles (PHEVs) are hybrid cars that can run on electricity charged from an external source as well as fuel. With this combination of engines and electric motors, they provide motor operation equivalent to EVs. We are actively developing PHEVs, leveraging Alliance technologies with a view to launching them in the future.

Fuel-Cell Electric Vehicles

Powered by electricity generated from hydrogen and oxygen, fuel-cell electric vehicles (FCEVs) are another type of zero-emission vehicle that does not produce CO2 or other harmful emissions. We believe that, as part of building a sustainable mobility society, both FCEVs and EVs are viable options from an energy diversity perspective.

In alignment with Japanese government policies, we joined forces with Toyota Motor Corporation, Honda Motor Co., Ltd., and other companies to establish Japan H2 Mobility, LLC (JHyM), targeting the full-fledged development of hydrogen stations for FCEVs in Japan. Addressing the key issues raised during the initial stage of FCEV promotion, JHyM will ensure that infrastructure developers, automakers, and investors all do their part to support the successful strategic deployment of hydrogen stations and effective operation of the hydrogen station business in Japan.

In June 2016, Nissan unveiled an e-Bio Fuel-Cell system that runs on bioethanol electric power. The new system features a solid oxide fuel-cell (SOFC) power generator. SOFC technology can produce electricity with high efficiency using the reaction of oxygen with multiple fuels, including ethanol and natural gas.

SOFCs can use a variety of fuels, enabling the use of existing fuel
infrastructure, and have the advantage of presenting relatively low hurdles in terms of infrastructure adoption. Because our technology combines the efficient electricity generation of SOFC with the high energy density of liquid fuels, it can enable driving ranges on par with gasoline-powered vehicles. Commercial users that require higher uptime for their vehicles should increasingly be able to take advantage of this solution thanks to the short refueling times it offers.

Weight-Reduction Technologies Supporting Carbon Neutrality

Along with improving the efficiency of batteries, engines, and electric powertrains, reducing the weight of vehicles is important for reducing CO₂ emissions.

Nissan is working on weight reduction in three ways: substituting materials, developing better forming and joining techniques, and optimizing vehicle body structure. In terms of materials, we are rapidly expanding the use of Ultra-High-Tensile Steel realizing high strength and formability, which is used for the body frame components on a wide range of vehicle models, from “kei” minicars to the INFINITI.

In 2018, we adopted 980 megapascal (MPa) Ultra-High-Tensile Strength Steel with High Formability, which features further improvements in collision energy absorption performance, for the INFINITI QX50, and in 2019, SAE International presented Nissan with the “SAE/AISI Sydney H. Melbourne Award for Excellence in the Advancement of Automotive Steel Sheet,” among other accolades. In 2020, we expanded use of 980 MPa Ultra-High-Tensile Strength Steel with High Formability to the Rogue and use of Ultra-High-Tensile Strength Steel with increased strength up to 1,470 MPa to the Note. We use aluminum materials for hoods and doors to the Rogue and Qashqai in a closed loop recycling process*1. The recycling of waste aluminum is an environmentally friendly technology that can save more than 90% of energy required to make a comparable amount of aluminum from raw materials. We are promoting the use of these technologies in a wide range of vehicle models to reduce weight and contribute to the reduction of energy consumption by reducing the amount of materials used and engaging in recycling.

The e-POWER system, which employs a newly designed motor and inverter in line with structural optimization, has been adopted for the new Note released in 2020. This realizes vehicle weight reductions of 15% for the motor and 30% for the inverter while increasing output by 6%. Nissan will continue to proactively develop lightweight technologies to lower CO₂ emissions and reduce dependence on newly mined resources in order to achieve carbon neutrality.

*1 Closed loop recycling process: The reuse of waste and scrap generated during manufacturing and used products collected in-house as materials for parts of the same quality or reuse in similar products.

* Click here for more information about aluminum recycling activities.
Initiatives for Partnerships with Society

Nissan Energy: Solutions that Enrich Life and Society with EVs

As part of our efforts to help build the EV ecosystem, we launched a group of solutions we call Nissan Energy. Nissan Energy has three main components, each of which is designed to support our customers’ lifestyles with EVs in a different way.

Nissan Energy Supply

Nissan Energy Supply includes various electric charging solutions that bring ease and convenience to the lifestyles of our EV customers. The majority of our EV customers find it convenient to charge their EVs at home. To help ensure that our vehicles can be safely charged, we guide customers to use suitable charging equipment and engage qualified installers to install electrical outlets dedicated to EVs. The Nissan LEAF, which offers an ample driving range for daily use, utilizes a fast-growing charging network, providing drivers with confidence during longer distance drives and short outings. Our dedicated EV app lets customers find and check the real-time status of charging stations. This not only makes charging easier and more convenient but also provides a seamless charging experience. As of the end of May 2022, approximately 49,100 quick chargers conforming to the CHAdeMO protocol have been installed worldwide.

Nissan Energy Share

The electricity stored in the Nissan EV’s battery can do more than just power a vehicle; it can be shared with homes, buildings, and local communities through bi-directional chargers. Using inexpensive electricity in the evening during off-peak periods and excess electricity generated by solar panels during daytime reduces electricity costs and helps promote a model of local generation of electricity for local-consumption. Furthermore, Nissan Energy Share makes it possible for EVs to provide backup power during blackouts or emergencies. Local communities can connect multiple EVs to regional power grids to charge or discharge electricity in accordance with power supply and demand balance, which contributes to the stability of a community’s power supply and promotes renewable energy use. EV’s high-capacity batteries have high potential for usage as social infrastructure, by storing renewable energy like solar power for which generation is difficult to control.

Click here for more information about CHAdeMO protocol.
https://www.chademo.com/
Global Spread of Nissan Energy Share

Nissan participates in collaboration with electric power companies and others in demonstration projects around the world to verify how Nissan EV charge and discharge control (V2G or Vehicle to Grid), which is connected to power systems, help stabilize the supply and demand of electricity in society and the extent of economic and environmental benefits.

In the U.K., in conjunction with the electric power company E.ON, we conducted a project to install bi-directional chargers on-site at Nissan Technical Center Europe and verify compatibility between V2G and the efficient operation of company-owned vehicles (e4Future Project). We have also finished a project with the electric power company OVO Energy to install bi-directional chargers in Nissan EV customer homes and verify the economic benefits of optimally controlling household power consumption (Sciurus Project).

Going forward, Nissan will continue to conduct V2G projects including a V2G project (REVS Project) aimed at frequency stabilization in the Australian Capital Territory implemented with the electric power company ActewAGL and the local government, and building energy management services (V2B or Vehicle to Building) in collaboration with U.S. charging service provider Fermata Energy among other initiatives with our partners to increase and disseminate the value of EVs as batteries throughout the world. Based on results obtained from projects in each region, Nissan wants to maximize the efficacy and economic benefits of EV charging and discharging operations and make Nissan Energy Share into a business as soon as possible.

Nissan Energy Storage

Nissan EV batteries offer high performance even after being used in cars. As more and more customers switch to EVs, the supply of batteries capable of secondary use is expected to increase significantly.

In 2010, Nissan, as an EV pioneer, joined forces with Sumitomo Corporation to establish 4R Energy Corporation, which specializes in repurposing lithium-ion batteries. The intention is to fully utilize resources by promoting the four Rs of lithium-ion batteries — reuse, resell, refabricate, and recycle — with the aim of building an efficient cycle of battery use.
Reuse System Realized Using EV Batteries

In conjunction with 4R Energy Corporation, Nissan aims to create secondary usage method business models compatible with the capacity changes of individual Nissan EVs and batteries that will be fully utilized (cascade reuse) throughout the EV life cycle.

In September 2019, Nissan and 4R Energy announced the establishment of a new solution for fixed storage batteries built with used batteries from the Nissan LEAF. To get started, we launched a proof-of-concept demonstration of “procuring electric power from renewable energy” at 7-Eleven stores in 10 locations across Kanagawa Prefecture. Under this scheme, 7-Eleven introduced package consisting of the Nissan LEAF EV and fixed storage batteries built with used batteries from the Nissan LEAF. The Nissan LEAF, which will be introduced as a commercial vehicle, will become a stationary storage battery after its use as a car has ended. The introduction of a package like this facilitates the creation of a circular system that takes into account the reuse of batteries. 4R Energy has developed a stationary storage battery with Vehicle to Everything (V2X) functionality, representing a further advance in the aforementioned stationary storage battery, and in line with CO2 reductions during regular operations, Nissan is promoting the introduction of this package in a wide range of companies and municipalities as equipment to be used in BCP response for emergency situations.

Furthermore, East Japan Railway Company will introduce recycled lithium-ion storage batteries (EneHand Green) as a power source for railroad crossing security equipment, reusing modules from the 24kWh used batteries in the Nissan LEAF. This power supply unit contributes to the realization of an eco-friendly, circular system through the use of recycled batteries, while achieving a longer service life and lower operating costs compared to conventional lead-acid battery power supplies.

Launched Testing to Expanding EV Usage in California

California’s active promotion of five million zero-emission vehicles by 2030 has helped make it the U.S. state with the largest volume of private EV sales. Even so, drivers still tend to use EVs for short-distance travel such as shopping or commuting. At the request of the New Energy and Industrial Technology Development Organization (NEDO), and with the California government’s cooperation, Nissan Motor Co., Ltd. (NML) and Kanematsu Corporation started a project in November 2016 in partnership with U.S. charging infrastructure service provider EVgo to install over 57 fast chargers in more than 26 new locations along one of California’s most important travel arteries. At the same time, the project created information service systems to guide EV users to the most appropriate fast charger. These initiatives are part of a pilot business to demonstrate the efficacy of expanding the driving range of EVs. The project was designed to expand the driving range of EVs to include intercity travel, and ran until September 2020, collecting and analyzing a range of EV data to establish models for further expansion of EV usage.
Corporate Activity Initiatives

Policies and Philosophy for Corporate Activity Initiatives

Reducing CO₂ Emissions from Corporate Activities

Nissan is taking steps to reduce its greenhouse gas emissions from corporate activities by promoting energy efficiency measures and also the use of renewable energy.

Based on calculations incorporating the findings of the Fourth Assessment Report from the Intergovernmental Panel on Climate Change (IPCC), Nissan established the goal of reducing its overall corporate CO₂ emissions by 2050. Also, as part of the Nissan Green Program 2022 (NGP2022), we set the midterm goal of a 30% reduction in overall corporate CO₂ emissions by 2022. Manufacturing is our largest emissions source, but we are also aiming to reduce greenhouse gas emissions from logistics, offices and dealerships, by setting targets and taking action in each area.

Long-Term Vision and Road Map

In January 2021, Nissan set targets for realizing carbon neutrality in the vehicle life cycle by 2050.

NGP2022 Long-Term Vision
Management of Corporate Activity Initiatives

NGP2022 Objectives

Targets for each link in the value chain under the Nissan Green Program 2022 (NGP2022) aimed at achieving our long-term goal of carbon neutrality in the vehicle life cycle by 2050 are as follows:

Overall (Manufacturing, Logistics, Offices, Dealerships):

30% reduction in CO2 emissions from global corporate activities by 2022 (vs. 2005/per vehicle sold)

<table>
<thead>
<tr>
<th>Manufacturing</th>
<th>Logistics</th>
<th>Offices</th>
<th>Dealerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>36% reduction in CO2 emissions from global manufacturing sites by 2022 (vs. 2005/per vehicle manufactured)</td>
<td>12% reduction in CO2 emissions from logistics in Japan, North America, Europe, and China by 2022 (vs. 2005/per vehicle manufactured)</td>
<td>12% reduction in CO2 emissions from global offices by 2022 (vs. 2010/per floor area)</td>
<td>12% reduction in CO2 emissions from dealerships in Japan by 2022 (vs. 2010/per floor area)</td>
</tr>
</tbody>
</table>

Corporate Activity Initiatives: Achievements

32.9% Reduction in CO2 Emissions from Corporate Activities

The scope of management regarding climate change through corporate activities includes all vehicle and parts production sites, logistics activities, office locations, and sales companies within the consolidation scope, including subsidiaries and affiliates. This represents that Nissan has significantly expanded the scope of its CO2 emission reduction activities, which previously covered only production sites, and has broadened the scope of initiatives that have been conducted individually, such as the introduction of highly efficient equipment, energy conservation activities, and renewable energy from fiscal 2011. The objective is to strengthen the management level of the entire company’s activities.

In addition to overall corporate activities, we have set KPIs and targets for each domain that enable us to identify the progress of each. For overall corporate activities, we have established a target of reducing CO2 emissions from corporate activities by 30% per unit of global sales compared to fiscal 2005 by fiscal 2022*. In fiscal 2021, we reduced CO2 emissions (t-CO2/unit) by 32.9% compared to fiscal 2005.

* Global CO2 emissions per vehicle sold by dividing the total volume of CO2 emissions produced through Nissan’s corporate activities globally by the number of Nissan vehicles sold globally.
Energy Inputs and Energy Consumption

The total energy consumption of our global corporate activities during fiscal 2021 was 7.495 million MWh, a 2% decrease from fiscal 2020. This reduction was primarily due to a decline in production volume at each manufacturing site. Production sites globally accounted for 6.875 million MWh \textbullet \text{total energy consumption.}

\footnote{This figure is subject to assurance by KPMG AZSA Sustainability Co., Ltd. For details, please see here.}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{energy_consumption_graph.png}
\caption{Energy Consumption by Region and Year}
\end{figure}

\begin{table}
\centering
\caption{Energy Input (FY)}
\begin{tabular}{|l|c|c|}
\hline
\textbf{Unit} & \textbf{2020} & \textbf{2021} \\
\hline
Total MWh & 7,655,514 & 7,495,492 \\
\hline
By region & & \\
Japan MWh & 3,015,419 & 3,149,380 \\
North America MWh & 1,909,902 & 1,982,066 \\
Europe MWh & 888,089 & 650,003 \\
Other MWh & 1,842,105 & 1,714,043 \\
\hline
By energy source & & \\
Primary & & \\
Natural gas MWh & 3,089,803 & 2,907,420 \\
LPG MWh & 144,478 & 145,717 \\
Coke MWh & 100,144 & 112,154 \\
Heating oil MWh & 69,618 & 69,868 \\
Gasoline MWh & 184,021 & 177,147 \\
Diesel MWh & 25,315 & 23,800 \\
Heavy oil MWh & 22,816 & 22,383 \\
\hline
External & & \\
Electricity (purchased) MWh & 3,851,011 & 3,859,386 \\
Renewable energy*1 MWh & 181,815 & 229,754 \\
Chilled water MWh & 3,530 & 3,598 \\
Steam MWh & 96,960 & 114,506 \\
\hline
Internal & & \\
Electricity (in-house generation) MWh & 65,183 & 59,313 \\
Renewable energy*2 MWh & 65,183 & 59,313 \\
Total renewable energy MWh & 246,998 & 289,067 \\
\hline
\end{tabular}
\end{table}

\footnote{1 Volume of renewable energy in electricity purchased by Nissan.}
\footnote{2 Volume of renewable energy generated by Nissan at its facilities and consumed for its own purposes.}
\footnote{Please refer to the data book for the past 5-year historical trends.}
Carbon Footprint of Corporate Activities

<table>
<thead>
<tr>
<th>Scope</th>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>t-CO₂</td>
<td>754,453</td>
<td>697,851</td>
</tr>
<tr>
<td>Scope 2</td>
<td>t-CO₂</td>
<td>1,631,551</td>
<td>1,541,276</td>
</tr>
<tr>
<td>Scope 1 + 2</td>
<td>t-CO₂</td>
<td>2,386,004</td>
<td>2,239,127</td>
</tr>
<tr>
<td>Japan</td>
<td>t-CO₂</td>
<td>949,269</td>
<td>990,367</td>
</tr>
<tr>
<td>North America</td>
<td>t-CO₂</td>
<td>529,044</td>
<td>507,584</td>
</tr>
<tr>
<td>Europe</td>
<td>t-CO₂</td>
<td>156,442</td>
<td>112,157</td>
</tr>
<tr>
<td>Other</td>
<td>t-CO₂</td>
<td>751,250</td>
<td>629,019</td>
</tr>
<tr>
<td>Scope 3</td>
<td>t-CO₂</td>
<td>135,068,055</td>
<td>127,735,901</td>
</tr>
</tbody>
</table>

*Please refer to the data book for the past 5-year historical trends.

In fiscal 2021, the total of Scope 1 and 2 emissions was 2.239 million tons. Total CO₂ emissions from manufacturing processes were 1.944 million tons* (Scope 1 emissions: 0.622 million tons* Scope 2 emissions: 1.332 million tons*).

*This figure is subject to assurance by KPMG AZSA Sustainability Co., Ltd. For details, please see here.

Manufacturing Activities

Carbon Footprint of Manufacturing Activities

Manufacturing CO₂ per Vehicle Produced

In fiscal 2021, our manufacturing CO₂ emissions per vehicle produced were 0.56 tons, 23.4% less than fiscal 2005.
Next-Generation Vehicle Manufacturing Concept: Nissan Intelligent Factory

In line with the acceleration of vehicle electrification, intelligence, and the Nissan Intelligent Mobility concept promoted by Nissan, vehicle functions and construction are becoming increasingly complex. As further technological innovations will be essential in the production process, we announced the Nissan Intelligent Factory* vehicle manufacturing concept. These innovations include Nissan’s development of a new water-based paint that successfully controls the viscosity of body paint, which had been difficult to control at low temperatures, realizing a low-temperature body paint. This enables the simultaneous painting of the body and bumpers, reducing CO2 emissions by 25% or more. In the past, residual airborne paint was mixed with water and disposed of as waste. However, the adoption of dry booths do not use any water at all and enable the collection of 100% of the residual airborne paint, which is reused as an alternative to auxiliary agents to remove impurities in the iron casting process.

* Click here for more information on Nissan Intelligent Factory.
  https://global.nissannews.com/en/releases/release-ca298f94d2418782118342f5fd0448b6-191128-02-e
  https://www.youtube.com/watch?v=YH5x_wBe1hM (Japanese only)
  https://www.nissan-global.com/JP/INNOVATION/TECHNOLOGY/ARCHIVE/NIF/
EV36Zero, an Electric Vehicle (EV) Hub to Achieve Carbon Neutrality

Nissan is a pioneer in not only the development and production of EVs, but also in comprehensive efforts to utilize the onboard battery as a storage battery and for secondary use, with the aim of achieving carbon neutrality throughout the entire life cycle of a vehicle.

In July 2021, we unveiled EV36Zero as the world’s first hub to create an ecosystem for electric vehicle (EV) manufacturing in order to advance the next phase of the automotive industry together with our partners and achieve carbon neutrality in Europe.

- New-generation Nissan electric crossover to be manufactured at the Nissan Sunderland, U.K. Plant
- Envision AESC will build a new giga-factory with an annual production capacity of 9GWh adjacent to the Nissan Sunderland Plant
- Renewable energy ‘Microgrid’ to deliver 100% clean electricity for the Sunderland Plant
- 2nd life EV batteries used as energy storage for ultimate sustainability
- This comprehensive project represents 6,200 jobs at Nissan and at its UK suppliers

Centered around the plant in Sunderland, U.K., Nissan EV36Zero will supercharge the company’s drive to carbon neutrality and establish a new 360-degree solution for zero-emission motoring. The transformational project has been launched with an initial £1 billion investment by Nissan and its partners Envision AESC and the Sunderland City Council. Comprised of three interconnected initiatives, Nissan EV36Zero brings together EVs, renewable energy and battery production, setting a blueprint for the future of the automotive industry. The experience and know-how gained through the project will be shared globally, enhancing Nissan’s global competitiveness. Nissan will continue to leverage its strengths in electrification to become a company that continues to provide value to its customers and society.
Promoting Renewable Energy

Nissan takes three approaches toward promoting the adoption and integration of renewable energy in line with the characteristics of each region: (1) generating our own power in company facilities; (2) sourcing energy with a higher proportion of renewables; and (3) leasing land, facilities, and other assets to power companies.

As an example of the first approach, our Sunderland Plant in the U.K. introduced 10 wind turbines supplying up to 6.6 MW of power. In 2016, the plant installed 4.75 MW solar power, and in 2021, additional installation of 20 MW capacity has been planned. At our Iwaki Plant, the guest hall for plant visitors is powered by solar energy. By storing surplus electricity in secondhand Nissan LEAF batteries, the plant both stabilizes the energy supply and uses resources more effectively.

At the Huadu Plant of Dongfeng Nissan Passenger Vehicle (DFL-PV) in China, solar panels with a total capacity of 30 MW have been in operation since 2017, providing roughly 8% of the electricity used at the plant.

Regarding the second approach, our first Aguascalientes Plant in Mexico actively uses energy generated from biomass gas and wind power and achieved a renewable energy usage rate of 50% in 2021.

Solar power generators were also installed on a parking structure roof at the India Plant in October 2020 and on a warehouse roof at the Egypt Plant in March 2021, both of which have commenced operation.

We are also installing 5.5 MW of solar power generation at our Thailand Plant starting in January 2022.

Through these efforts, we have enhanced the renewable energy usage rate at our production plants as part of reducing CO₂ emissions. In fiscal 2021, our renewable energy usage rate reached 11.1%.
Saving Energy in Global Production

Most CO₂ emissions in the manufacturing process come from the consumption of energy generated by fossil fuels. We engage in a variety of energy-saving activities in the manufacturing process in pursuit of the lowest energy consumption and CO₂ emissions of any automaker.

Initiatives in automotive production technology

In the realm of automotive production technology, we are introducing highly efficient equipment and improving manufacturing techniques. Other key approaches are the three-wet paint process and low-temperature baking technology used for vehicle painting, which enables the body and bumpers to be painted at the same time. Approximately 30% of CO₂ emitted from manufacturing plants comes from the painting process, thus shortening or eliminating processes and lowering temperatures during the process will lead to a reduction in CO₂ emissions. The low-temperature three-wet painting technology introduced by Nissan enables the body and bumpers, which were previously painted separately, to be painted at the same time. Approximately 30% of CO₂ emitted from manufacturing plants comes from the painting process, thus shortening or eliminating processes and lowering temperatures during the process will lead to a reduction in CO₂ emissions. The low-temperature three-wet painting technology introduced by Nissan enables the body and bumpers, which were previously painted separately, to be painted at the same time, reducing CO₂ emissions from the painting process by 25% or more.¹ Nissan has implemented this technology in the new production line at the Tochigi Plant (launched in 2021) and will gradually expand its roll out as painting facilities become more sophisticated in the future. Also, systems for recycling air expelled from booths for reuse needed dehumidifying processing to ensure that the air was at the humidity required. Dry paint booths can reuse air without dehumidifying it, reducing energy consumption to less than half its previous levels. This technology was adopted for the dry paint booths at our Sunderland Plant in the U.K. (operating since September 2018) and has also been implemented on the new line at the Tochigi Plant.

*¹ Source: Nissan

Initiatives in the field of powertrain production technology

In the powertrain production technology area, Nissan is working to reduce holding furnace energy usage in cast iron melting processes conducted by the Casting Division. Conventionally in the melting process, two holding furnaces were used to store two types of cast iron melts with adjusted carbon and sulfur component contents. Now, intermediate molten metal with a low carbon and sulfur content is stored in one holding furnace. When transporting from the holding furnace to another process, the ingredients are adjusted by adding additive materials, creating two types of molten metal and making it possible to eliminate one holding furnace. As a result, power consumption was reduced by approximately 3,600 MWh per year (CO₂ conversion: Approximately 1,700 tons per year; oil conversion amount: Approximately 900 kiloliters per year). This corresponds to about 11% of the power consumed in the melting processes conducted by the cast iron factory located on site at the Tochigi Plant. In light of this achievement,
Nissan won the Agency for Natural Resources and Energy Award in the Small Group Activities category at the Energy Conservation Grand Prize Awards for fiscal 2019, sponsored by The Energy Conservation Center, Japan (ECCJ).

Cast Iron Melting Process

To reach our defined objectives for CO₂ emissions and energy use, we solicit facility proposals from each global site, preferentially allocating investment based on the potential CO₂ emission reduction compared to project costs. Making the value of carbon a key factor in internal evaluations lets us invest more efficiently and be more competitive. In Japan, we converted outdated facilities into cutting-edge, high-efficiency facilities with investments to improve energy efficiency, including energy-saving roof insulation upgrades. Our plants use finely controlled lighting and air conditioning for low-energy use and low-energy-loss operations. We promote CO₂ emission reduction activities and introduced cutting-edge, energy-conservation technology from Japan in our plants worldwide. Around the globe, our plants learn and share best practices with each other, while Nissan Energy Saving Collaboration (NESCO)*² diagnoses energy loss at plants in regions where it is active and proposes new energy-saving countermeasures. These proposals amount to a potential reduction in CO₂ emissions of some 44,551ton*³ in fiscal 2021, according to our calculations.

When sourcing energy, we consider the balance of CO₂ emissions for the entire company alongside renewable energy usage rate and cost, choosing suppliers best suited for achieving each goal. At manufacturing facilities in fiscal 2021, CO₂ emissions per vehicle produced in were brought down to 0.56 tons, a reduction of 23.4% from the fiscal 2005 level.

*² Established in Japan in 2003, then in Europe, Mexico, and China in 2013
*³ Source: Nissan
More Efficient Logistics and Modal Shifts

Nissan is working to optimize the frequency of deliveries and transport routes, and improve packaging specifications (load shapes) for better loading ratios so fewer trucks are required, while expanding cooperative transport with other companies to achieve even more efficient transportation. We work from the design stage of new vehicles to reduce transportation distances by sourcing necessary production components as close to our plants as possible. In addition, we incorporate parts shapes and transfer units that take transportation efficiency into consideration during parts design, thereby reducing the amount of parts procured per vehicle, which in turn reduces transportation volume.

In response to social trends in workstyles, such as driver shortages and shorter working hours, we are constantly reviewing our logistics methods and promoting a modal shift to rail and marine transport. In Japan, parts shipments from the Kanto area to our plants in the Kyushu are nearly all conducted by rail and ship. The Japanese Ministry of Land, Infrastructure, Transport and Tourism (MLIT) has recognized Nissan as an outstanding enterprise for this modal shift to sea transport.

At Nissan sites outside Japan, transport methods are selected to best match the local geographical conditions. Transport of completed vehicles is increasingly shifting from truck to rail or ship, depending on the destination. In China, we are increasing the proportion of completed vehicles that are transported domestically by ship or rail.

In the future, we will actively collaborate with carriers that are working on environmental measures to establish logistics with a lower environmental impact. Since 2010, we have also been promoting the use of energy-efficient vessels for sea shipments of our vehicles. Today, our fleet has grown to include seven energy-efficient car carriers.

As we expand our global logistics operations, we will continue to increase efficiency and effect a modal shift in transportation, targeting a 12% reduction in CO2 emissions by fiscal 2022 compared to fiscal 2005 levels, as measured by the index of CO2 emissions per vehicle.*1 In fiscal 2021, CO2 emissions per global vehicle were 0.29 tons, a reduction of 27.9%.

*1 Total CO2 emissions from transportation of parts to our manufacturing bases in Japan, North America, Europe, China, Thailand, and India, and transportation of vehicles from our manufacturing bases to dealerships, divided by the number of vehicles produced.

* Data related to climate change (initiatives through corporate activities) is also available here.

CO2 Emissions from Logistics

<table>
<thead>
<tr>
<th>CO2 Emissions from Logistics</th>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>t-CO2</td>
<td>900,234</td>
<td>874,936</td>
</tr>
<tr>
<td>Inbound*</td>
<td>t-CO2</td>
<td>397,822</td>
<td>366,190</td>
</tr>
<tr>
<td>Outbound*</td>
<td>t-CO2</td>
<td>502,412</td>
<td>508,746</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mode</th>
<th>%</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sea</td>
<td>19.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Road</td>
<td>66.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rail</td>
<td>6.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air</td>
<td>7.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1 “Inbound” includes parts procurement from suppliers and transportation of knockdown parts;
*2 “Outbound” includes transportation of complete vehicles and service parts.
* Please check the data book for the past 5-year historical trends.

In fiscal 2021, CO2 emissions from logistics were 874,936 tons, down approximately 3% from the previous fiscal year.
CO₂ Emissions per Vehicle Transported

In fiscal 2021, CO₂ emissions per vehicle transported were 0.29 tons.

Green Building Policy

Based on ISO 14001 management processes to evaluate environmental impact, we make it a key task to optimize our buildings during construction or refurbishing to make all our structures greener. Evaluation metrics in this area include environmental footprint, such as CO₂ emissions; waste and emissions from construction methods; and use of hazardous materials and other quality control issues. Furthermore, one performance index for Nissan in Japan is MLIT's Comprehensive Assessment System for Built Environment Efficiency (CASBEE). *

Among our current business facilities, our Global Headquarters in the city of Yokohama, Kanagawa Prefecture, has earned CASBEE's highest "S" ranking, making it the second Nissan structure to do so following the Nissan Advanced Technology Center (NATC) in Atsugi, which is located in the same prefecture.

Our Global Headquarters gained a Built Environment Efficiency Rating of 5.6, the highest CASBEE rating for a new structure, making it one of Japan’s greenest office buildings. The building’s use of natural energy sources to reduce its energy usage and its CO₂ emissions were evaluated highly, as were its methods of water recycling and its significant reduction in waste produced.

*Comprehensive Assessment System for Built Environment Efficiency.

Office Initiatives

We promote efforts to reduce CO₂ emissions at Nissan offices in Japan, North America, Europe, and China. In Japan, through Nissan Trading, we operate the Nissan Power Producers and Suppliers (PPS) scheme, sourcing clean energy for which CO₂ emissions and costs have been taken into account through Japan’s PPS system.

Nissan Energy Saving Collaboration (NESCO) teams have also expanded the scope of their activities beyond production plants to contribute to reducing emissions in the Nissan Technical Center in Atsugi.

Our efforts for environment go beyond just CO₂ management. Employees are encouraged to use online meeting tools as much as possible to reduce the number of business trips required worldwide, which also improves workplace efficiency and reduces the costs.
Dealership Initiatives

Nissan promotes CO₂ management at dealerships with the aim of reducing total CO₂ emissions per floor area by 1% each year. Our retail outlets also work continually to increase energy efficiency. Many have adopted high-efficiency air conditioning, insulation films, ceiling, fans and LED lighting. During renovation work, some outlets have installed lighting systems that make use of natural daylight, as well as insulated roofs. Since April 2000, we have run a unique environmental facility certification system based on ISO 14001 for dealerships called “Nissan Green Shop.” Our environmental policy requires all dealerships in Japan to meet certain standards and undergo annual audits performed by our teams. The dedicated evaluation sheet has a total of 84 key performance indicators (KPIs) and is regularly revised to reflect the requirements of national legislation, local communities, and the Nissan Green Program (NGP).

Solar panels installed on the roof of a Kanagawa Nissan dealership. Power from the panels is supplied to dealerships through the Nissan PPS system.
Air Quality Policies and Philosophy

Nissan approaches air quality by focusing on two points: greener exhaust emissions and providing a pleasant in-cabin environment to customers. In this way, we will strive to consider ecosystems while pursuing mobility that provides more comfort and security to customers. According to the State of Global Air 2018 report issued by the U.S.-based Health Effects Institute (HEI), 95% of the world’s population currently live in regions where particulate matter smaller than 2.5 μm (PM2.5) exceeds the 10 μg/m³ basic level specified by World Health Organization (WHO) Air Quality Guidelines. Furthermore, the Organisation for Economic Co-operation and Development (OECD) predicts that the global population will exceed nine billion by 2050, with around 70% of people concentrated in cities, making air pollution in urban areas an even more pressing issue. For an automaker, air pollution stands alongside climate change and congestion as an issue for cities in particular that must be remedied. Nissan is advancing its efforts to improve air quality with two approaches:

1. Promoting Zero-Emission Vehicles

EVs such as the Nissan LEAF, which has cumulative global sales of 580,000 units (as of the end of March 2022), are an effective tool for reducing air pollution in urban areas. As a leader in this field, we are promoting zero-emission mobility and infrastructure construction in partnership with national and local governments, electric power companies, and other industries.

2. Enhancing Internal Combustion Engines

We have proactively set voluntary standards and emission-reduction targets for internal combustion engines. With the ultimate goal of making automotive emissions as clean as the atmosphere itself, we have developed a wide range of technologies and achieved the results listed below through cleaner combustion technologies, catalysts for purifying emissions, and countermeasures against gas vapors from gasoline tanks. We will continue our efforts to ensure cleaner exhaust emissions from internal combustion engines, which remain the most commonly used in the automotive market.

• Sentra CA (released in the U.S. in January 2000): The world’s first gasoline-powered vehicle that satisfied all the exhaust gas requirements set by the California Air Resources Board to receive Partial Zero Emissions Vehicle (PZEV)*1 certification.
• Bluebird Sylphy (released in Japan in August 2000): The first passenger vehicle made in Japan to achieve Ultra-Low Emission Vehicle (U-LEV)*2 certification.

*1 PZEV: Certification set by the California Air Resources Board
*2 U-LEV: Vehicle that produces 75% less nitrogen oxide (NOx) and nonmethane hydrocarbon (NMHC) than the 2000 emission standards level in Japan.
Improving In-Cabin Air Quality

With circumstance of spreading advanced driver assistance systems and developing fully autonomous driving technologies drivers are expected to spend more time in their vehicles, making it even more important for that space to be pleasant and safe. Nissan Green Program 2022 (NGP2022) is calling for research and development not just to make exhaust emissions cleaner but also to improve in-cabin air quality as well. As part of our continued efforts concerning volatile organic compounds (VOCs)* such as formaldehyde and toluene, Nissan is further reviewing and reducing materials for seats, door trim, floor carpet, and other parts as well as adhesives. We voluntarily set more stringent standards than those of the Japanese government and automotive industry body regulations, and have applied them to all new vehicles introduced to the market from July 2007 onward.

Reducing VOC Emissions from Production

Nitrogen oxide (NOx), sulfur oxide (SOx), and VOCs are recognized as common forms of emissions created by vehicle manufacturing facilities. We are taking firm measures to ensure that management standards and systems for atmospheric emissions are thoroughly followed; and working to reduce both VOC exhaust volumes and the use of VOC-emitting substances to levels lower than required by national regulations.

We are actively working to increase the recovery of cleaning solvents and other chemicals in order to reduce the amounts of these substances emitted from our plants ahead of the implementation of new regulations in each country where we operate. Also, we are systematically introducing water-based paint lines that emit fewer VOCs and improving thinner-solvent recycling rates to reduce our use of VOC-emitting substances. As one example, the water-based paint line in the Nissan Motor Kyushu Plant has VOC emissions of less than 20 grams per square meter of painted surface, which is top-class in the industry. These lines have also been adopted at two Aguascalientes plants in Mexico, the Resende Plant in Brazil, the Smyrna Plant in the U.S., the Huadu Plant in China, and other plants. Additionally, we have adopted low-NOx burners as the heat source for the ovens and boiler equipment used in the car painting process and promote the switch from heavy oil and kerosene to fuels with low SOx emissions to reduce the emission and concentration of NOx and SOx.

* VOCs: Organic chemicals that readily evaporate and become gaseous at normal temperature and pressure conditions.
Air Quality: Achievements

Compliance with Emissions Regulations (Passenger Cars Only)

Nissan not only works to develop and promote zero-emission EVs but continues to promote cleaner exhaust emissions from all of our engines. For example, the Qashqai released in Europe in October 2018 has a new fuel-efficient 1.3-liter turbo gasoline engine fitted with a particulate filter that meets the Euro 6d-Temp* emissions standard. In Japan, our product with electrification technology, e-POWER has achieved 75% reductions in exhaust emissions from 2018 standards and improved fuel economy at the same. As part of these efforts, our compliance with emissions regulations goes far beyond current legal requirements to meet more stringent specifications. The following table shows the percentage of Nissan vehicles in each location produced to the strictest local standards.

* Euro 6d-Temp: All Euro 6 standards and the initial Real-Driving Emissions (RDE) limit for new car models.

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### Compliance with Emissions Regulations (By Region) *1 (FY)

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<thead>
<tr>
<th>Region</th>
<th>Emission Standard</th>
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<tbody>
<tr>
<td>Japan</td>
<td>50% lower than 2018 standard</td>
<td>% 89.8%</td>
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<tr>
<td>Europe</td>
<td>Euro 6d</td>
<td>% 100%</td>
</tr>
<tr>
<td>U.S.</td>
<td>U-LEV / SULEV / ZEV</td>
<td>% 100%</td>
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<tr>
<td>China</td>
<td>National 6</td>
<td>% 100%</td>
</tr>
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</table>

*1 Passenger cars only.
Plant Emission Management

We thoroughly implement systems and control standards at our production plants to reduce the amount of air pollutants emitted during operation. Our air pollution control targets are more stringent than those mandated by the countries in which we operate.

In Japan, we have promoted strict countermeasures for emissions of NOx and SOx as air pollutants. We have lowered NOx and SOx emissions by introducing low-NOx burners in the ovens and boilers that provide heat for painting lines, and by switching the fuel used by those burners from heavy oil and kerosene to alternatives with low SOx emissions.

Lower VOC Emissions

Volatile organic compounds (VOCs), which readily evaporate to become gaseous in the atmosphere, account for approximately 90% of the chemicals released as the result of our vehicle production processes. Lowering VOC emissions is a challenge that we are working to address. We strive to increase our recovery of cleaning solvents and other chemicals in order to limit the amounts of these substances emitted from our plants ahead of implementation of new regulations in each country where we operate, while also advancing planned measures to increase the recycling rate for waste solvents. We are also introducing water-based paint lines that limit VOC emissions to less than 20 grams per square meter of painted surface. We have adopted these lines in the Nissan Motor Kyushu Plant as well as at two plants in Aguascalientes in Mexico, the Resende Plant in Brazil, the Smyrna Plant in the U.S., the Huadu Plant in China, and the Sunderland Plant in the U.K. We achieved a reduction of 39.3% in fiscal 2021 in VOC emissions per painted surface area compared with fiscal 2010 levels.

* Click here for more information on air quality.

>>> P205
Resource Dependency Policies and Philosophy

With the world’s population forecast to exceed nine billion by 2050, demand for natural resources such as minerals and fossil fuels is set to rise. This makes it even more important to maximize the value obtained from these resources. The Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 also emphasize the importance of managing resources sustainably and using them efficiently.

Automobiles are made of many components, incorporating a diverse range of resources. The combination of these resources creates new value. Nissan has increased its resource diversification, using more renewable resources and recycled materials. While caring for ecosystems, Nissan became more competitive as we targeted green growth. In working toward the long-term vision of using materials that do not rely on newly mined resources for 70% of the materials used in each vehicle in 2050, we will strive to minimize the use of natural resources and maintain new resource usage at 2010 levels.
### Resource Dependency Management

In order to use the earth’s precious and limited resources efficiently, the environmental impact when extracting these resources must be kept to a minimum. At the same time, waste generated during vehicle production and scrap from end-of-life parts must be recycled as extensively as possible without compromising quality, producing materials that can be used in the same types of products. Based on this approach, known as closed-loop recycling, we have focused our efforts on recycling steel, aluminum, and resin—three kinds of material which account for a large proportion of vehicle content yet also have a major impact on the environment.

As part of the Nissan Green Program 2022 (NGP2022), Nissan is developing systems for using resources efficiently and sustainably across their entire life cycle, and has adopted the concept of the “Circular Economy” to maximize the value it provides to customers and society. In an attempt to use resources efficiently with less energy, we will promote the use of recycled materials and recycling end-of-life vehicles, and strive to incorporate reusable resources in our activities at the design, purchasing, and manufacturing stages. We are using fewer resources overall, both through appropriate use of chemical substances and making vehicles more lightweight. We will continue to promote the efficient use of resources with further reduced energy requirements and the expanded use of repaired and remanufactured parts as well as the secondary use of EV batteries in the vehicle use stage, and foster the development of biomaterials and dieless forming technology for practical use. We will also increase the value cars manufactured in this way provide to society and ensure that cars can be put to best use by promoting electrification and autonomous drive in our products, pursuing connectivity and providing mobility services such as ride sharing.

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#### Nissan’s Circular Economy Concept

<table>
<thead>
<tr>
<th>Promote reuse and resource efficiency</th>
<th>Less energy, more efficient material usage</th>
<th>Wider range of applications for cars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>Recycle Remanufacture Reuse Repair</td>
<td>Mobility services</td>
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<tr>
<td>Manufacturing</td>
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Resource Dependency: Achievements

Reducing Dependence on Newly Extracted Resources to 70% by 2022

Demand for mineral and fossil resources is rising rapidly with the growth of emerging economies. According to forecasts, if growth in extraction volumes continues, all currently known mineral resources will have been extracted by 2050. There are some existing mining sites and others under exploration that are located in areas with vulnerable local ecosystems, generating concern about the environmental effects of topsoil excavation, deforestation, and wastewater.

To address these issues, Nissan has implemented a policy of minimizing the use of newly extracted natural resources and maximizing the use of recyclable materials from the early development stage while also making structural improvements to facilitate recycling. We are also reducing the use of resources in the manufacturing process and making more efficient use of resources.

In NGP2022, our goal is to cut the use of newly extracted resources to 70% per vehicle in fiscal 2022. We intend to increase the use of recycled materials in our vehicles on a global scale, including Japan, Europe, and North America, in cooperation with our suppliers.

Initiatives to Expand Use of Recycled Materials (Ferrous and Nonferrous Metals)

In fiscal 2021, ferrous metals accounted for 60% of the materials used in our automobiles by weight. Nonferrous metals made up another 14% and resins 15%, with miscellaneous materials making up the final 12%. To further reduce our use of natural resources, we are advancing initiatives to expand the use of recycled materials in each of these categories.
We are taking steps to reduce the steel and aluminum scrap left over in the manufacturing process, and working globally with business partners to collect and reuse this scrap as material for new vehicles through closed-loop recycling initiatives.

Currently, at Nissan Motor Kyushu and plants in North America and Europe, where new X-Trail, Rogue and Qashqai are manufactured, we are collaborating with aluminum manufacturers to adopt a closed-loop recycling process that recycles aluminum scraps generated during manufacturing into aluminum alloy sheets for automobiles. The sorting and collecting of scrap in this process control impurities, realizing horizontal recycling without quality deterioration, which contributes to reductions in the amount of new mined resources (aluminum ingots) used.

**Initiatives to Expand Use of Recycled Materials (Resins)**

In addition to our initiatives to expand the use of recycled steel and aluminum, Nissan also strives to use more recycled resins.

As a closed-loop recycling initiative, we are collecting finished bumper scrap generated at our plants and sending it to our Oppama Plant, where we process it by removing the paint film and recycling it. These recycled resins have been given new life as bumpers in the Nissan LEAF and many other new vehicles. This initiative was expanded to Dongfeng Motor Co. (DFL), our joint venture in China, where they have been used to produce replacement bumpers since 2014.

Additionally, exchanged bumpers collected from dealerships are being recycled as materials used in under covers and for other components. We collected and recycled approximately 93,000 bumpers in fiscal 2021, representing 63.0% of bumpers removed at Japanese dealerships. Furthermore, 30% of the automotive shredder residue (ASR) processed at dedicated processing plants is made from resins. In order to use these resins in automobiles, we are running a number of R&D projects on topics such as like optimizing the recycling process for resins recovered from ASR, and conversion of auto waste plastic into oil.*

* These R&D projects are undertaken as part of our recycling optimization support business using surplus money from recycling fees deposited for three specified components (refrigerant, airbags, ASR) based on Japan’s End-of-Life Vehicle Recycling Law. Click here for more information on the implementation of Nissan’s project to advance recycling (in Japanese only).

https://www.nissan-global.com/JP/SUSTAINABILITY/ENVIRONMENT/A_RECYCLE/R_FEE/SAISHIGEN
End-of-Life Vehicle Recycling

Nissan considers the three Rs — reduce, reuse, and recycle — from the design stage for new vehicles. Since fiscal 2005, all new models launched in the Japanese and European markets have achieved a 95% or greater recyclability rate.*1

We have also joined forces with other automotive companies to promote the recycling of end-of-life vehicles (ELVs) through dismantling and shredding. Based on Japan’s End-of-Life Vehicle Recycling Law, Nissan has achieved at least 95% effective recycling rate of ELVs in Japan since fiscal 2005. In fiscal 2021, we achieved a final recovery ratio for ELVs of 99.4%*2 in Japan, greatly exceeding the target effective recycling rate of 95% set by the Japanese government.

ELV processing consists of four phases. First, Nissan ELVs entering the dismantling process are recycled, including flat steel, cast aluminum, bumpers, interior plastic parts, wire harnesses, and precious rare earth metals. Second, specific items such as lithium-ion batteries are collected individually and directed to a dedicated recycling process. Third, residues from the dismantling process are crushed and the metallic portions recovered. Fourth, the resulting ASR is turned into recycled materials. Since 2004, Nissan and 12 other Japanese auto manufacturers have supported ASR recycling facilities, as called for in Japan’s End-of-Life Vehicle Recycling Law, as an integral part of a system to recycle ASR effectively, smoothly, and efficiently. Nissan is taking an important role in this joint undertaking.

We have also established a take-back system for ELVs in Europe. This network of Authorized Treatment Facilities was developed for individual countries in collaboration with contracted dismantlers, contracted service providers, and governments in alignment with a European ELV directive. Additionally, Japan Automobile Manufacturers Association, Inc. (JAMA) established a common scheme for recovering used lithium-ion batteries along with a system for processing these batteries appropriately, and put both into operation in fiscal 2018.

*1 Calculated based on 1998 JAMA definition and calculation guidelines (in Japan) and ISO 22628 (in Europe).

*2 Based on Nissan research
Developing Biomaterials

Nissan is promoting technical research to replace plastics and other resin materials used in automobiles with biomaterials derived from plants. NGP2022 contains concrete goals for biomaterials development, and these materials are already being used in cars. For example, the coverings on the seats in the Nissan LEAF are made using biomaterials.

Proper Use of Regulated Chemical Substances

Nissan revised its standard for the assessment of hazards and risks in the Renault-Nissan Alliance, actively applying restrictions to substances more stringent than existing regulations in areas of growing concern around the world. As a result, the number of substances covered by the Nissan Engineering Standard in fiscal 2021 rose to 5,304. These steps are thought to be necessary for future efforts in the repair, reuse, remanufacture, and recycle loop for resources.

* Click here for more information related to our governance system for chemical substances.

Defined Chemical Substances
(Substances)

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<tr>
<th>Year</th>
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</table>

2017 2018 2019 2020 2021 (FY)
Expansion of Remanufactured Parts

Parts with the potential for recycling include those reclaimed from ELVs, as well as those replaced during repairs. In Japan, we collect and thoroughly check the quality of these secondhand parts. Those that receive a passing grade are sold through our retail outlets as Nissan Green Parts. We sell these parts in two categories: remanufactured parts, which are disassembled and have components replaced as needed, and reusable parts, which are cleaned and tested for quality before sale.

In NGP2022, we are enhancing the deployment of Nissan Green Parts in Japan, and are also strengthening management to deploy similar kinds of activities in Europe and North America, aiming for twice the parts coverage in 2022 compared to 2016. This initiative provides customers who seek to use cars for a long period of time with the new option of using remanufactured parts.

Type of Nissan Green Parts in Japan

Joint Venture to Promote Second-Life Use for Batteries

Lithium-ion batteries used in Nissan’s EVs retain capacity well beyond the useful life of the vehicles themselves. The “4R” business models—which reuses, refabricates, resells, and recycles lithium-ion batteries—allows for their effective use as energy storage solutions in a range of applications, thus creating a much more efficient energy cycle of battery use.

As the EV market expands, we anticipate a need to utilize reusable lithium-ion batteries more effectively. In 2010, we launched 4R Energy Corporation, a joint venture with Sumitomo Corporation that is engaged in establishing EV battery reuse and refabrication technologies. With the establishment of these technologies and an increase in the number of used batteries collected, in March 2018, operations commenced at Japan’s first base and plant for the reuse and refabrication of used lithium-ion batteries located in the town of Namie, Fukushima Prefecture.

4R Energy is actively engaged in the development and production of various battery storage systems built with used Nissan LEAF batteries at the Namie facility. One example of these efforts is the development of stationary power storage systems that reuse 40 kWh batteries used in the Nissan LEAF for the purpose of enhancing resiliency. Since September 2019, this reuse stationary power storage system has been used in trials for procuring electricity using renewable energy at ten 7-Eleven convenience stores in Kanagawa Prefecture. Additionally, in conjunction with IKS Japan Co., Ltd., we are developing new models with Vehicle to Everything (V2X) functions that can also utilize electric power from EVs, sales of which launched in fiscal 2020 and are proceeding apace.
Overview of Proof of Concept for Procuring Electricity through Renewable Energy

In addition, recycled lithium-ion storage batteries “EneHand Green (the trading name of 4R Energy)” were developed for East Japan Railway Company (JR East) as a power source for railroad crossing security equipment by reusing modules from the used 24kWh batteries recovered from the Nissan LEAF. The system features longer service life and lower operating costs compared to conventional lead-acid battery power supplies. Field trials began in January 2021 on the Joban Line, followed by trial installations (5 units) at train crossings on the Joban and Mito Lines, and advanced installations (10 units) of the production version. Plans are underway to install approximately 1,600 units of the production version in 24 railway line sections in JR East’s service area from fiscal 2022 onward.

At the same time, 4R Energy acquired the world’s first UL1974*1 certification in June 2019, which is an international evaluation standard for evaluating repurposing batteries, and has been certified by a third-party organization for reusage and refabricating processes and product manufacturing with an emphasis on safety. Furthermore, in recognition of these activities, in October 2019 4R Energy was presented with the Frost & Sullivan*2 “2019 Strategy Innovation and Leadership Award,” and in March 2020, in conjunction with Nissan, 4R Energy and Nissan won the “Sixth Annual Japan Resilience Award 2020,” sponsored by the Association for Resilience Japan.*3

Furthermore, in December 2021, 4R Energy and Nissan received the 2021 Minister of the Environment’s Award for Climate Action in the development and commercialization category in recognition of their initiatives to reduce CO2 emissions.
We are extensively involved with 4R business model activities globally as well.

*1 The UL1974 Standard for Evaluation for Repurposing Batteries defines the process for determining and classifying the suitability of usage when battery packs, modules, or cells used to drive EVs have finished their intended period of use. Evaluating reused batteries in accordance with this process enables the provision of reused batteries that are safe and give a clear understanding of remaining capacity to meet a variety of demands.

*2 Frost & Sullivan provides research and consulting services in 80 countries and over 300 major markets through a global network of more than 40 locations.

*3 In light of the results of the National Resilience Minister’s Private Advisory Committee National Resilience Roundtable, to ensure the Fundamental Plan for National Resilience is executed smoothly, the Council aims to build a resilient nation with cooperation among industry, academia, government, and the private sector.

4R Concept

Battery module structure will be redesigned to create new packages that satisfy the varying voltage or capacity needs of customers.

Refabricate

After their primary automotive use is over, the lithium-ion batteries retain enough energy capacity for secondary use.

Recycle

Refabricated batteries can be used for multiple purposes, such as clean energy storage or as backup batteries in case of emergency.

Resell

Used batteries can be recycled to recover useful resources.

Reduce Use of Scarce Resources

Rare earth elements are scarce resources that are necessary for electrification. Reducing their usage is important because rare earth elements are unevenly distributed around the globe, and the shifting balance of supply and demand leads to price fluctuations. Since their adoption in the Nissan LEAF, we have continuously reduced heavy rare earth elements in motors for hybrid vehicles. In 2020, the Note e-POWER adopted magnets with 85% less heavy rare earth elements compared to 2010. Furthermore, the 2022 Nissan ARIYA has a magnet-free EV motor. As a new initiative, Nissan is also promoting the development of rare earth metal recovery technologies from drive motor magnets. Up to now, in order to recycle magnets used in motors, multiple processes including manual disassembly and removal of the magnets have been required, making economic efficiency an issue. Nissan and Waseda University collaborated to establish technologies for recovering rare earth metals in highly pure states through direct dissolution using borate as a flux, eliminating the need to dismantle the motor rotors. Going forward, we will conduct trial testing aimed at practical implementation.

In these ways, with respect to motors, which are a key technology, Nissan is engaged in developments corresponding to the circular economy concept, from reducing the amount of rare earth metals used to reuse that utilize resources efficiently and sustainably.
Resource Dependency: Achievements in Waste Reduction

Thorough Measures for Waste Materials

Nissan actively promotes measures based on the 3R (Reduce, Reuse, Recycle) approach in its production processes whenever possible, striving to minimize the waste generated and maximize recycling efficiency by thoroughly waste sorting. At the end of fiscal 2010, we achieved a 100% Recycling rate at all of our production sites in Japan, including five manufacturing plants, two operation centers, and five affiliates. Overseas, we have reached 100% Recycling rates at plants in Mexico, Brazil, and elsewhere. We are striving to bring Recycling rates to industry-leading levels in each global region.

We have been making great efforts to reduce the number of wooden pallets and cardboard used in import and export parts shipping. Foldable plastic and steel containers are used as returnable containers*1 for the distribution of parts between overseas bases for repeated use. We have also been working with Renault to expand use of globally standardized returnable containers. We contribute to reduce packaging material wastage by optimizing the package volume during transportation.

To accomplish it, we have also optimized parts shape at parts design stage which called logistics simultaneous activities. In addition, we contribute to waste reduction by selecting recyclable materials at the packaging material selection stage.

Nissan is also actively engaged in the development of recycling technologies for CFRP*2, which contributes to the weight reduction of automobiles. Through such efforts, we plan to reduce waste from our production factories by 2% annually in Japan and by 1% annually worldwide as compared to business as usual (BAU*3), that is, waste levels expected if no special steps had been taken.

*1 Returnable containers: Containers for packing parts that can be returned to the sender after parts delivery and used repeatedly. Nissan has adopted a folding structure in consideration of transportation efficiency at the time of return.
*2 Carbon Fiber Reinforced Plastics
*3 BAU (Business As Usual)
Waste

Waste generated globally in fiscal 2021 amounted to 158,199 tons, an increase from 153,160 tons in fiscal 2020. Waste generated globally from production sites in fiscal 2021 was 150,945 tons.

★ This figure is subject to assurance by KPMG AZSA Sustainability Co., Ltd. For details, please see here.

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<tr>
<th>FY</th>
<th>Unit</th>
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</table>

★ Click here for more information on Resource Dependency (Facility Waste).
Water Scarcity

Policies and Philosophy for Water Resource Management

Demand for water is expected to continue to increase globally, driven by rising populations and economic development. With rain patterns also changing due to extreme weather events, the stability of water supplies is likely to become a more pressing social concern with every passing year. Forecasts suggest that the world will face a 40% shortfall in water supplies by 2030, and “Extreme weather events,” “Human-made environmental damage,” and “Natural resource crises” and other water-related risks are ranked highly in the annual Global Risks Report issued by the World Economic Forum. For example, “Natural resource crises” include serious risks related to water, such as the depletion of water resources. “Clean Water and Sanitation” is also one of the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015. The 1.5°C Special Report* released by the Intergovernmental Panel on Climate Change (IPCC) in 2018 reported that risks and effects from extreme weather events, such as heavy rain and drought, would increase if temperatures rose by 1.5°C, and that such risks and effects would be even more severe and become widespread if temperatures rose by 2°C. Water resource management to mitigate water shortages, flooding, and many other challenges is a key factor in promoting sustainable development.

Globally, the agricultural sector accounts for the largest share of water consumption at roughly 70%. The industrial sector comes second, consuming around 20% of water globally, and the municipal sector accounts for the remaining 10%. Automakers are not considered to face particularly high water risks within the industrial sector. However, we believe that reducing dependence on water resources is important to being a sustainable company and are taking steps to improve water quality management and reduce water usage across our production sites.

Water Resource Management

Nissan manages wastewater quality to even stricter standards than required by local regulations at each of its production sites. At sites in Japan, we have further strengthened measures against water pollution by attaching water quality sensors to the discharge points of our wastewater treatment facilities to automatically suspend water discharge if water quality problems are detected. Processing recycled water using reverse osmosis (RO) membrane* has allowed some sites to achieve zero wastewater discharge.

Under the Nissan Green Program 2022 (NGP2022), by 2022 we aim to reduce water usage per vehicle produced at global production sites by 21% compared to 2010. In order to achieve this, we are taking steps to reduce water usage, such as sharing best practices among plants, investing in equipment, and expanding the Nissan Energy Saving Collaboration (NESCO) team into “resource NESCO” (r[esource] NESCO).

Additionally, since the water resource situation varies considerably from region to region, we assess water risk using our own methods for each of our production sites throughout the world. At sites where a high level of risk is found, we prioritize measures to expand dedicated water sources by building reservoirs to collect rainwater, improving wastewater recycling efficiency, and reducing external water intake.

Global Water Risks

* Reverse osmosis (RO) membrane: The RO membrane is a type of filtration membrane that filters impurities such as ions and salts from water.

Created based on the World Resources Institute’s Aqueduct Water Risk Atlas (aqueduct.wri.org).
Water Resource Achievements

Reducing Water Used in Corporate Activities

Plants producing Nissan vehicles and parts are located throughout the world, and they all use water as part of the production process. Nissan strives to manage and reduce water usage at every plant, aiming to achieve a 21% reduction in the amount of water used per vehicle produced by fiscal 2022 compared to 2010 levels. In fiscal 2021, reductions amounted to 11%.

Water Usage per Vehicle Produced (Global)

To help achieve this goal, we built reservoirs to collect rainwater at the Chennai Plant in India and the second Aguascalientes Plant in Mexico, and installed wastewater recycling equipment at the Chennai Plant, the Huadu Plant in China, and the Oppama Plant in Japan. Our efforts at the Chennai Plant, in particular, were recognized as an excellent example of water resource management by the Confederation of Indian Industry (CII). At Nissan North America (NNA), plants are competing among themselves to find new ideas for reducing water usage, such as by filtering wastewater from pre-painting processes and thus improving water quality.

We are also working to reduce water usage at Nissan’s Global Headquarters in Yokohama, Japan, by processing rainwater and wastewater from kitchens and other internal sources to be reused for flushing toilets and watering some plants.

Examples of Efforts to Reduce Water Usage at Manufacturing Plants

We installed a sewage treatment facility at the India Plant in 2019 to reduce water consumption. After treatment, wastewater was recycled and reused for flushing toilets and watering plants. Next, we added a treatment method using RO membranes to further improve water quality to be reused for cooling for the manufacturing process and cooling towers. As a result, we are able to reduce approximately 78,000 kiloliters of water consumption per year, which is equivalent to the amount of water used by about 320,000 households a day.
Examples of Efforts to Reduce Water Usage at Offices

Since 2014, the service centers of Nissan Motor India (NMIPL) have offered customers car washes that utilize an advanced foam washing technique. A traditional car wash requires about 160 liters of water for one car, but NMIPL’s new service cuts consumption to approximately 90 liters—a 45% reduction in water use. Along with reducing water consumption, the foam wash service is environmentally friendly due to the non-use of hard chemicals, shortens washing time, and even enhances the gloss of cars by roughly 40%.

Water Input for Corporate Activities

In fiscal 2021, water input for corporate activities was 20,090 thousand m³, a 5.1% decrease compared with the fiscal 2020 level. In fiscal 2021, water input from production sites was 19,495 thousand m³.*

Water Discharge from Corporate Activities

Nissan thoroughly processes wastewater at its various plants. Wastewater from two Nissan plants in Aguascalientes, Mexico, is used to maintain landscaping on the sites, with no off-site discharge. We also are strengthening water pollution prevention measures in our Japanese plants. In preparation for unexpected occurrences, such as the discharge of oil, we have attached water quality sensors to the discharge points of wastewater treatment facilities. Discharge of water outside the sites is automatically suspended if water quality problems are detected. In addition, we installed water quality sensors on rainwater drainage outlets which automatically close floodgates even for heavy rains.

<table>
<thead>
<tr>
<th>(FY)</th>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>thousand m³</td>
<td>13,624</td>
<td>13,986</td>
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<tr>
<td>Japan</td>
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<td>North America</td>
<td>thousand m³</td>
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<tr>
<td>Europe</td>
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<td>1,094</td>
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</tr>
<tr>
<td>Other</td>
<td>thousand m³</td>
<td>1,705</td>
<td>1,577</td>
</tr>
</tbody>
</table>

Quality

| Chemical oxygen demand (COD) Japan only* | kg | 18,017 | 19,941 |

* The calculation method has been revised and the figure for 2020 has been updated.
* Click here for more information on water resource management.
Water Consumption in Corporate Activities

The total amount of water consumed in corporate activities in fiscal 2021 was 6,103 thousand m³, a decrease of 19.0% compared to fiscal 2020.

* Based on GRI 303, total water consumption is total water withdrawn minus total water discharged as calculated by Nissan.

<table>
<thead>
<tr>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>7,535</td>
<td>6,103</td>
</tr>
<tr>
<td>Japan</td>
<td>2,323</td>
<td>1,546</td>
</tr>
<tr>
<td>North America</td>
<td>1,537</td>
<td>1,481</td>
</tr>
<tr>
<td>Europe</td>
<td>279</td>
<td>331</td>
</tr>
<tr>
<td>Other</td>
<td>3,396</td>
<td>2,745</td>
</tr>
</tbody>
</table>
Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

/s/
Kazuhiko Saito
Kazuhiko Saito, Partner, Representative Director
KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
July 15, 2022

Notes to the Reader of Independent Assurance Report:
This is a copy of the Independent Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.

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[Remarks] Basis of calculation for CO2 emissions, waste generated and water input subject to third-party assurance

- CO2 emissions from production sites: Calculated based on Nissan internal standards. The energy use data of each site is based on invoices from suppliers, which are multiplied by a CO2 emissions coefficient publicly available for each production site.
- CO2 emissions from purchased goods and services: Calculated by multiplying the amount of raw material input by CO2 emission factors by item for major raw materials purchased in the production of automobiles. Major raw materials consist of steel, aluminum, plastics, rubber, tyre and others. The Gabi professional database Ver.10.5.0.76 is applied to CO2 emission factors by item. The Tyre LCCO2 Calculation Guidelines Ver.3.0.1 issued by the Japan Automobile Tyre Manufacturers Association, Inc. is referred to the CO2 emission factor for tyre.
- CO2 emissions from the use of sold products: Calculated using the average regional CO2 emissions per vehicle multiplied by the regional estimated average lifecycle mileage and multiplied by fiscal 2021 sales volumes. The average CO2 emissions for the use phase (including direct emissions only) per unit are calculated for each of our main regions (Japan, U.S., EU and China) and extrapolated from average emissions of these markets for other markets. The IEA Mobility Model (MoMo) issued by the International Energy Agency was used to determine estimated average lifecycle mileages.
- Scope 3 emissions figures are estimates subject to varying inherent uncertainties.

- Waste generated from production sites: Calculated based on Nissan internal standards. The discharged waste within production sites is based on data from truck scales at the sites or data reported by disposal contractors. However, materials recycled in-house, used in reproduction (reused by Nissan) or recycled (as salable, valuable materials) are not categorized as generated waste. In addition, non-steady and irregular generated waste, waste generated in canteens, waste from permanently stationed companies at the sites, waste generated by external vendors and waste from construction are excluded.
- Water input from production sites: Calculated based on Nissan internal standards. Water input is the water withdrawal amount according to billing meters or company meters installed on site. The water withdrawal amount includes drinking water (tap water), industrial-use water, underground water (spring/well water) and rainwater or the like.
**Environmental Governance**

* Click here for more information on our Environmental Governance.

Enhancing Environmental Management Based on ISO 14001

As of January 2011, the Nissan Global Headquarters and all other main Nissan facilities in Japan have acquired ISO 14001 certification for environmental management systems. We have appointed an environmental management officer to oversee our environmental activities. Through steady application of the PDCA cycle, we are improving our environmental performance worldwide. The coordinated goals set by the environmental management officer for the Companywide management system are cascaded down to the employees working in all facilities through local offices.

Nissan’s ISO secretariat oversees companywide efforts, while local offices in Japan are responsible for activities at each facility and division, and for coordinating the proposals submitted by employees. By engaging in discussions at least once a month, the ISO secretariat and local offices confirm progress made toward established goals, to share best practices, to improve management systems, to develop plans for the next fiscal year, and to communicate requests from local facilities and divisions. The items discussed are reported to the environmental management officer twice a year (once in the management review conference) so that Nissan can decide on needed improvements.

To confirm that management is functioning properly with respect to environmental management, we periodically retain third-party organizations to conduct audits. Additionally, to strengthen compliance, we conduct internal audits with respect to areas covered by third-party audits as well as all other environmental activities, prioritizing adherence to government reporting requirements and identifying risks. These third-party and internal audit initiatives are aimed at establishing a system capable of detecting human error, however small, and pursuing improved operations.

Nissan’s overseas production plants have also acquired ISO 14001 certification. Nissan’s policy is to establish environmental management systems in all regions where we operate in accordance with the same standards.
Nissan’s Voluntary Operational Standards

Stricter controls on environment-impacting substances are being implemented in countries around the world. Examples include the European ELV Directive, the European Union’s Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation, which went into effect in June 2007, and Japan’s Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture. The Japan Automobile Manufacturers Association (JAMA) has launched a voluntary program to help minimize the potential release of formaldehyde, toluene, and other volatile organic compounds (VOCs)*1 in vehicle cabins. This program utilizes the VOC guidance value established by the Ministry of Health, Labor and Welfare for specific substances in January 2002 to be met for all new models manufactured or sold by Nissan in Japan after April 2007.

Nissan is strengthening its management of environment-impacting substances, adhering to a planned schedule for their reduction and advancing the use of alternative substances. In 2005, we drew up policies regarding the use of substances scientifically recognized as being hazardous or carrying high hazard risks, as well as those identified by NGOs as dangerous. In 2007, these policies, which restrict environment-impacting substances even more than the domestic laws of the countries where we operate, were rolled out globally.

Based on the above-referenced policies, Nissan developed a specific Nissan Engineering Standard (NES) for the Restricted Use of Substances, which identifies the chemical substances whose use is either prohibited or controlled. The NES is applied in material selection and also in the components and parts used in our vehicles from initial development onward. For example, four heavy metal compounds (mercury, lead, cadmium, and hexavalent chromium) and the polybrominated diphenyl ether (PBDE) flame retardant have been either prohibited or restricted in models (excluding OEM vehicles) launched globally since July 2007. To control VOC use in car interiors, Nissan adopted the voluntary targets of JAMA as our own standards for global operations, and we are reviewing and reducing the use of prohibited and controlled chemical substances in materials and adhesives for seats, door trim, floor carpet and other parts.

Every year, we revise the Restricted Use of Substances standards to reflect changes in international laws and regulations and to add new substances covered by our voluntary internal standards. For the 2017 revision, the members of the Renault-Nissan Alliance implemented shared standards based on a reassessment of select criteria for hazards and risks that go beyond the level of compliance, strengthening Alliance activities.

We build and maintain communication and management systems throughout the supply chain. For example, we disclose information to users and submit REACH reports to the relevant authorities about the vehicles and parts produced in or exported to Europe from Japan and other countries (including some from the U.S.). We also comply with Classification, Labeling and Packaging of Substances and Mixtures regulations.

*1 VOCs: Organic chemicals that readily evaporate and become gaseous at normal temperature and pressure conditions.
Sanctions and Government Guidance at Nissan Production Facilities

During fiscal 2021, in relation to the environmental management system, none of Nissan’s production facilities received notifications or sanctions from the government regarding significant violations of environmental laws or regulations.

Raising Employee Awareness

Nissan’s environmental activities are enabled by the knowledge, awareness, and competency of its employees. Based on ISO 14001 standards, we will conduct employee education rooted in the Nissan Green Program 2022 (NGP2022) regarding CO₂ emission reductions, energy, water consumption, and waste. In addition, education regarding environmental accident prevention and the management of hazardous materials is provided every year to all employees, including those from affiliated companies working in our production facilities. Training programs with quantitative evaluation are deployed to improve the skills and knowledge of each employee on how to reduce environmental impact in their activities. The content of these training programs is updated every year.

In Japan, we have original educational curriculums to deepen their understanding of NGP2022 and environmental issues surrounding the auto industry through an orientation for new employees, seminars for middle managers and town hall meetings between managers and employees. Employees can stay up to date on our latest environmental attempts through features in the intranet, internal newsletters, and in-house video broadcasts. Overseas, we provide information and education to employees through the intranet, videos, events, and various other communication approaches suited to each region.

Employee-Initiated Activities and Evaluation System

In fiscal 2008, we added “environment” to the range of kaizen issues addressed by quality control (QC) circles. This offered opportunities for employees to think proactively and propose ideas to improve environmental aspects of our business. Managers encourage the active participation of employees by communicating how these activities of QC circles are linked to the achievement of our midterm business plan. The ideas proposed by employees are evaluated by managers and QC circle secretariats for their potential contribution to environmental improvement, among other factors, after which we may implement those with the highest potential.

The knowledge and skills of the frontline employees on CO₂ emission reduction, energy management, water conservation, and waste and landfill reduction have been compiled in a best-practices manual and shared among global facilities. We hold contests in some facilities during officially designated months in Japan to keep employees motivated about participating in environmental activities. These include the Energy Use Reduction Idea Contest in February (energy-efficiency month), the Water Usage Reduction Idea Contest in June (environment month), and the Waste Reduction Idea Contest in October (3R promotion month).

We also use various methods to reward employees for their contributions to environmental improvement activities. These activities are included in the annual performance goals used at some Japanese and overseas locations. This system assesses employees’ achievement of goals, reflecting this in performance-related elements of employee bonuses.

Employees are also recognized for environmental improvement through Nissan prizes presented by the CEO or other executives, awards given by plant heads, and “THANKS CARD” recognition from managers for excellent work or achievements.
Life Cycle Assessment to Reduce Environmental Impact

Nissan conducts environmental risk management based on solid environmental policy by assignment personnel in each facilities, validation by supervisors and regularly inspections. We also identify potential risks by conducting life cycle assessments (LCAs). The LCA method is used to quantitatively evaluate and comprehensively assess environmental impact, not just when vehicles are in use, but at all stages of their life cycle, from resource extraction, manufacturing, and transport to disposal.

During the period of NGP2022, we are applying the LCA method to ensure steadfast implementation of our environmental activities, such as by identifying their progress and examining ways to further reduce our environmental impact. We are also carrying out LCAs for new technologies to develop environmentally friendlier vehicles.

Our LCA methods have been certified by the Japan Environmental Management Association for Industry since 2010 and since 2013 by third party TÜV Rheinland in Germany (renewal on of November 2021). The latter certification is based on ISO 14040 / 14044 standards and validates the environmental impact calculations in our product LCAs.

We will use the calculations above during the NGP2022 period to conduct LCAs of new vehicles and technologies and enhance efficiency during both the manufacture and operation of vehicles with the aim of further reducing environmental impact during the life cycle of Nissan vehicles.
Global Top-Selling Model’s Life Cycle Improvements

We have been expanding the application of the LCA method and enhancing the understanding of the environmental impact of our products in quantitative terms, especially our best-selling models worldwide. Coverage on a unit basis has reached approximately 80% of models globally and approximately 90% in Europe. With the Rogue (X-trail) and Qashqai, for example, improvements in internal combustion engine efficiency and vehicle weight reduction have led to both enhanced safety features and lower CO₂ emissions.

LCA Comparison for e-POWER Models

Nissan introduced its new e-POWER powertrain in 2016, marking another significant milestone in the electrification strategy with life cycle emission improvements.

Compared to their gasoline-powered counterpart models, the Note e-POWER and Serena e-POWER have achieved a 19% and 27% reduction in CO₂ emissions, respectively.

Electrified e-POWER vehicles use a system in which a gasoline engine operates only under certain circumstances and is used to generate electricity. As a result, e-POWER vehicles achieve lower exhaust emissions and better fuel efficiency for driving than conventional gasoline engines. Also, since an e-POWER vehicle only requires a small battery (unlike one that is 100% electric), emissions from the manufacture of dedicated EV parts such as batteries can be kept at a level only slightly above that for parts for conventional vehicles.

There is future potential for further reductions in CO₂ emissions through additional weight reductions and the optimization of “running energy management by e-POWER”.

Lifecycle CO₂ Equivalent Emissions (CO₂, CH₄, N₂O, etc.)
LCA Comparison of EV Models

The Nissan LEAF reduces its lifecycle CO₂ emissions by approximately 32% compared to conventional vehicles of the same class in Japan. The Nissan Ariya launched in 2022 achieves both further improvement of EV product performance and reduction of environmental impact. It extends EV driving range and reduces lifecycle CO₂ emissions by approximately 18% compared to same segment gasoline-powered models in Japan. Nissan has enhanced carbon reduction attempt through Nissan Ariya’s vehicle life cycle.

Nissan keeps continuously to reduce CO₂ emission from EV production process by improving the yield ratio of materials and increasing the use of recycled materials. On top, by introducing the Nissan Intelligent Factory to our Tochigi-plant, Nissan accelerate carbon neutrality in manufacturing with improving productivity in vehicle assembly, energy efficiency and electrification with uses of electricity generated from renewable energy sources.

To reduce environmental load in vehicle use, Nissan continually reducing CO₂ emissions by improving efficiency of electric powertrains including battery, power savings on accessories and increasing renewable energy usage.

Nissan is also promoting vehicle battery reusing to realize the decarbonization of whole society as a stationary battery for distributed power supply to storage various renewable energies.

Nissan will keep reducing the environmental impact from the entire life cycle of electric vehicles.

Life Cycle Improvements beyond Climate Change

Nissan is expanding the scope of LCAs to include not just greenhouse gases but also a variety of chemicals amid growing societal concerns over air quality and ocean acidification and eutrophication. Our calculations show that, compared to conventional gasoline engines, the Serena e-POWER is significantly more environmentally friendly, achieving 11% and 27% emission reductions for all targeted chemical substances and achieving environmental benefits throughout its life cycle.
Stakeholder Engagement

Working with Suppliers

As part of NGP2022, we are working to improve suppliers’ environmental performance via the following three initiatives:

• We encourage all our global suppliers to manage parts and materials with a shared environmental philosophy in alignment with the Nissan Green Purchasing Guidelines. These guidelines are based on The Renault-Nissan Purchasing Way and the Renault-Nissan Supplier CSR Guidelines and provide detailed information regarding environmental matters. In August 2018, based on NGP2022, we revised the content of the guidelines, adding requests that suppliers undertake their own environmental activities. In May 2019, in order to strengthen the management of environment-impacting substances, we added rules that include supplier self-diagnoses pertaining to the management of environment-impacting substances. To realize carbon neutrality in 2050, we clarified the Nissan Green Purchasing Guidelines in May 2022, requesting that suppliers systematically promote autonomous activities while Nissan works with suppliers on issues related to plan execution.

• We also participate in the supply-chain program of CDP, an international nonprofit, through which we request information on climate change and water from suppliers and conduct comprehensive performance reviews. During fiscal 2021, we asked our large contract suppliers to take part in the supply-chain program to provide responses on their environmental activities; 80% of them participated in the CDP program on climate change data and 72% in the CDP program on water security. Based on the results from these surveys, we engaged with a number of suppliers in order to incentivize work on the ongoing improvement of their environmental initiatives.

• We are promoting THANKS (Trusty and Harmonious Alliance Network Kaizen activity with Suppliers) activities, a joint improvement program that emphasizes trust and cooperation with suppliers. Regarding energy use (electricity and gas) and CO2 emission reduction in particular, we are taking the lead in cooperating with our main suppliers as part of the energy-efficient THANKS activities, based on the initiatives of our internal production facilities.

Working with Consolidated Production Companies

We encourage our consolidated production companies in a variety of markets to acquire ISO 14001 certification and to undertake other environmental initiatives based on their respective policies. Meetings with major consolidated production companies in Japan are held to exchange views on cooperation toward the goals outlined in NGP2022. The meetings lead to a deeper shared understanding of the details of NGP2022 and the initiatives undertaken by each company.

Working with Dealerships

Our dealerships in Japan have introduced an original approach to environmental management based on ISO 14001 certification called the “Nissan Green Shop” certification system. This program is managed through internal audits conducted by the dealerships every six months, in addition to annual reviews and certification renewal audits carried out every three years by Nissan Motor Co., Ltd. (NML). As of the end of March 2022, the system has certified approximately 2,700 dealerships of 151 dealers, including parts dealers, as Nissan Green Shops.
Working with Future Generations

Today’s youths are the future leaders of our society. We are working to share information on environmental issues with the younger generation, and to raise awareness among tomorrow’s leaders. We have been conducting environmental programs for students in school visits in Japan since 2008 in which more than 112,400 students had participated as of March 2022. In NGP2022, we will further expand the program in Japan and in other countries.

Key Activities in NGP2022

Youth education programs, such as Nissan Waku-Waku Eco School, an interactive program delivered by Nissan employees to schoolchildren, will be expanded globally to:

- Share knowledge of global environmental issues
- Introduce our environmental initiatives, such as the Nissan LEAF EV and our other green technologies

Through environmental education, the program encourages participants to adopt eco-friendly activities in their daily lives.

Working with NGOs

Nissan believes that environmental activities are critical in social contribution activities, thus we are engaged in various activities to realize a low carbon society, including implementing educational programs to deepen understanding of global environmental issues. At the same time, in order to respond to the increasing complexity of environmental issues, we believe that it is effective to collaborate with NGOs, NPOs, governments, and various other stakeholders to enhance these activities while making the most of our mutual strengths.

Our Corporate Philanthropy Goal is to realize a cleaner, safer, and more inclusive society. NGP2022 seeks to support local communities through various projects by collaborating globally with NGOs to respond to issues such as climate change and water scarcity.

Key Activities in NGP2022

- Fostering employees environmental awareness through participation in World Wide Fund for Nature Japan (WWF Japan) campaigns
- Continue participation in WWF Japan’s worldwide Earth Hour environmental awareness-raising campaign toward greenhouse gas emission reduction
- Support the “Walk in Her Shoes” campaign organized by Care International Japan to build awareness of water scarcity and human rights issues in developing countries, and promote employees to participate in the campaign.
Further Alignment with Governments and Partner Companies

Since 2006, Nissan has estimated long-term CO2 reductions based on the latest Intergovernmental Panel on Climate Change (IPCC) reports, set retroactive medium-term goals in the Nissan Green Program, and made efforts to realize a society that is “a Symbiosis of People, Vehicles and Nature” by ensuring these goals are achieved every year.

The Paris Agreement was adopted at COP21 in 2015, at which time Nissan recognized the importance of the common goals of “holding the increase in the global average temperature to well below 2°C and pursuing efforts to limit the temperature increase to 1.5°C above preindustrial levels,” and reaffirmed the consistency between these goals and Nissan’s long-term vision.

In addition to support and endorsement of the Paris Agreement, from the IPCC special report Nissan recognized the need to further enhance its vision. In January 2021, Nissan declared the goal of carbon neutrality in 2050 across the product life cycle including business operations. Nissan announced Nissan Ambition 2030 in November 2021, which includes promoting electrification initiatives that combine ambitious actions. Activities included the creation of an EV ecosystem require collaborations with governments, and a wide range of partners including companies in other industries.

With regard to coordination with governments, Nissan made the decision to participate in the GX League* in order to expand opportunities for collaborations. As one of 440 member companies participating in the GX League, Nissan strives to enhance the efficacy of its climate change initiatives.

We also reviewed the stances of our industry associations on climate change and were able to confirm that they are in alignment with the direction Nissan should be heading. We will continue to collaborate within the automotive industry through the activities of our industry associations and take on the challenge of becoming carbon neutral together with our partners.

* Click here for more information on “GX League” in Japanese Only. [https://gx-league.go.jp/](https://gx-league.go.jp/)

Results of Reviews of Stances at Industry Organizations to Which Nissan is a Member

<table>
<thead>
<tr>
<th>Group</th>
<th>Paris Agreement Stance</th>
<th>Nissan stance alignment with Paris Agreement</th>
</tr>
</thead>
</table>
| Japan Automobile Manufacturers Association (JAMA) | • All out to achieve carbon neutrality (CN) in 2050  
• CN by 2050 is not achievable without breakthrough technologies, premised on inexpensive and stable CN electricity and requiring strong support incl. policy and financial measures  
(21.04.08: Probing deeper into energy conservation, issues and requests targeting CN in 2050) | • JAMA’s goal of CN in 2050 aligned with Paris Agreement goals and Nissan’s Vision  
• CEO Uchida is the JAMA Vice Chair, Nissan executive officers are subcommittee chairs  
• Developing fair and equitable LCA evaluations for autos focused on CN, promoting LCA international standardization through its subcommittee  
• Nissan and JAMA aligned and will continue to cooperate toward CN in 2050 |
| Japanese Business Federation (Keidanren)    | • Environment is the foundation of business activities and daily life; a sustainable society is the business community’s top concern.  
• Keidanren works with the government toward “CN by 2050” with unwavering determination  
(20.12.15: Toward CN by 2050 (“Society 5.0 with CN”) Determination and Actions of the Business Community) | • Confirmed Keidanren’s goal of CN in 2050 is consistent with Paris Agreement and Nissan’s Vision  
• Nissan and Keidanren aligned and will continue to cooperate toward CN in 2050 |
| Alliance for Automotive Innovation (AAI)    | • Auto industry is poised to target a 40–50% EV ratio by the end of this decade  
(21.10.12: President and CEO John Bozzella) | • AAI’s ambitious EV ratio of 40-50% consistent with Nissan’s goal for a 40% EV ratio in U.S. by 2030  
• Nissan and AAI aligned and will continue to cooperate to achieve these goals |
Social Policies and Philosophy ............... 095
Human Rights ...................................... 096
Traffic Safety ...................................... 102
Diversity and Inclusion .......................... 108
Product Safety and Quality ..................... 124
Supply Chain Management ..................... 133
Human Resource Development ................ 140
Labor Practices .................................... 145
Employees' Health and Safety ................. 151
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Nissan’s business activities are supported by various stakeholders. As well as respecting the rights of all stakeholders, as a global company we conduct our business activities with a constant awareness of society’s needs and social responsibility in order to contribute to the sustainable development of society.

Through an assessment of various business risks and opportunities, we have set six key areas in the Social dimension as part of Nissan Sustainability 2022, and we are conducting related initiatives in these areas. The six areas are Traffic Safety, Diversity and Inclusion, Quality, Supply Chain, Employees, and Community Engagement.

In Traffic Safety, our goal is zero fatalities: reducing the number of deaths from accidents involving Nissan vehicles to virtually zero. To this end, we continue working to help reduce traffic accidents.

Regarding Diversity and Inclusion, we are proactively hiring more diverse talent with different backgrounds to embrace gender and diverse nationalities as a strength for the organization. We also aim to be a truly inclusive company so that employees can demonstrate their potential to the fullest.

Quality is fundamental to Nissan’s activities. Employees at all levels of the organization are sincerely listening to each one of our customers to improve quality.

We are strengthening our sustainability initiatives in all phases of our Supply Chain, from the procurement of raw materials to manufacturing, distribution, sales, and aftersales service, covering all the activities involved until the finished product reaches our customers.

With respect to Employees, we are expanding opportunities for our employees to learn so that they can each achieve their maximum potential. We aim to make continuous learning a part of our corporate culture to encourage talent development and achieve sound labor practices and thus create a dynamic work environment where the health and safety of our staff is a top priority.

Furthermore, Nissan recognizes local communities are an essential part of its business in every region, and is working to promote Community Engagement around the world in three strategic areas: environment, traffic safety, and diversity.

In this Sustainability Report, we report on activities in those six areas and the human rights initiatives which are fundamental principles to all of them.
Human Rights

Human Rights Policies and Philosophy

As the value chains of global corporations expand, social interest is growing with regard to respect for human rights and how business affects these rights. The automobile industry is also recognizing the issues of human rights as they relate not only to business processes such as the work environment for its own employees but also to the supply chain, such as the procurement of parts and materials. The response by industry participants to addressing these rights is attracting attention.

Nissan has long regarded valuing people and respecting human rights as fundamental to its management, and this stance is clearly stated in the Global Code of Conduct established in 2001. All Nissan employees share the recognition that compliance with the laws, regulations, standards, and company rules applicable in all countries and regions is fundamental to conducting business, that the human rights of all stakeholders are respected, and that it is essential that they act in accordance with the highest ethical standards.

We do not condone discrimination on the basis of race, nationality, gender, religion, disability, age, place of origin, gender identity, sexual orientation or any other characteristic nor infringement on human rights in the supply chain, such as forced labor and child labor.

This respect for human rights is reflected in our corporate purpose, “Driving innovation to enrich people’s lives”. In addition, the NISSAN WAY (revised in 2019), a guideline for action common to all employees, defines “Respect others, respect society” as one of the five values, positioning respect for human rights as the foundation of our corporate culture.

In the process of formulating the long-term vision Nissan Ambition 2030 announced in November 2021, many executives, including the CEO, engaged in lively discussions on various issues and initiatives related to human rights. The participants reaffirmed their commitment to further strengthen their efforts to respect human rights and ensure that they are put into practice in order to realize our corporate purpose.

In fiscal 2021, a special project team for human rights was established reporting directly to the CEO. For about eight months, team members selected from various departments across the company exchanged opinions with external experts, confirmed social trends and demands, and discussed the direction Nissan should take. The team’s proposal was submitted to and approved by the Executive Committee, the company’s highest decision-making body. The proposal defines “Nissan’s Human Rights Want-to-be Statement” and clarifies key issues, measures, and internal systems for strengthening human rights management. Going forward, Nissan will work to instill the “Nissan’s Human Rights Want-to-be Statement” throughout the company and promote even fuller respect for human rights on a global scale.

Nissan’s Human Rights Want-to-be Statement

- To address various issues and risks through proactive and open communications with our stakeholders and ensure that human rights are respected and naturally incorporated into our daily work.
- To allow each individual, including Nissan employees and business partners, to maximize their abilities in a diverse and inclusive workplace with a peace of mind.
Human Rights Policy Statement

In addition to being a signatory of the UN Global Compact, Nissan is committed to respect all human rights as set out in the Universal Declaration of Human Rights (UDHR), as well as the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), and the International Labour Organization Declaration on Fundamental Principles and Rights at Work (ILO Core Labour Standards).

Based on the UN Guiding Principles on Business and Human Rights (UNGPs), we formulated and published the Nissan Human Rights Policy Statement*1 (First Edition) in June 2017 to actively prevent adverse human rights impacts and updated it in July 2021.

Also in 2021, Nissan formulated and published the Nissan Global Guideline on Human Rights,*2 which outline specific measures for employees regarding respect for human rights, with the aim of ensuring compliance with and thorough implementation of the Nissan Human Rights Policy Statement. The guideline is intended to help Nissan employees in the countries and regions where Nissan operates feel more secure in their work and to ensure consistency between Nissan’s activities and the way the company addresses human rights issues as required by international and local communities.

Under the revised policy statement and newly formulated guideline, Nissan is fulfilling its corporate responsibilities, practicing its mission, conducting business activities, and promoting initiatives to respect human rights in order to realize its corporate purpose.


*M2 Click here for download the Nissan Global Guideline on Human Rights https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/HUMAN_RIGHTS_GUIDELINE/

Milestones Related to Respect for Human Rights

<table>
<thead>
<tr>
<th>Year</th>
<th>Policies and Philosophy</th>
<th>Approaches</th>
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<tbody>
<tr>
<td>2001</td>
<td>Formulates Global Code of Conduct</td>
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<tr>
<td>2004</td>
<td>Signs United Nations Global Compact</td>
<td>Establishes Diversity Development Office</td>
</tr>
<tr>
<td>2010</td>
<td>Publishes Renault-Nissan CSR Guidelines for Suppliers</td>
<td></td>
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<tr>
<td>2013</td>
<td>Formulates Action Against Conflict Minerals</td>
<td>Starts the research for conflict minerals and publishes research results annually thereafter</td>
</tr>
<tr>
<td>2015</td>
<td>Publishes revision to Renault-Nissan CSR Guidelines for Suppliers</td>
<td></td>
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<tr>
<td>2016</td>
<td></td>
<td>Starts third-party assessment of suppliers’ sustainability activities</td>
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<tr>
<td>2017</td>
<td>Formulates and publishes Nissan Human Rights Policy Statement</td>
<td>Introduces SpeakUp system</td>
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<tr>
<td>2018</td>
<td>Announces Nissan Sustainability 2022</td>
<td>Implements Corporate Impact Assessment</td>
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<tr>
<td>2019</td>
<td></td>
<td>Conducts a human rights assessment at Nissan South Africa (Pty)</td>
</tr>
<tr>
<td>2020</td>
<td>Updates Global Minerals Sourcing Policy Statement</td>
<td>Conducts a human rights assessment at Nissan Motor Thailand (NMT) and group companies (Nissan Powertrain (Thailand) Co., Ltd. and SNN Tools &amp; Dies Co., Ltd.)</td>
</tr>
<tr>
<td>2021</td>
<td>Publishes Nissan Global Guideline on Human Rights</td>
<td>Conducts a human rights assessment at Nissan North America Inc. (NNA) Launches a special project team for human rights reporting directly to the CEO to strengthen human rights management</td>
</tr>
<tr>
<td>2022</td>
<td>Publishes &quot;Renault-Nissan CSR Guidelines for Suppliers’ Supplementary Handbook for Nissan Suppliers</td>
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Human Rights Management

Governance Related to Human Rights

At Nissan governance related to human rights is directed by the Global Sustainability Steering Committee chaired by the Chief Sustainability Officer (CSO) in accordance with the Nissan Human Rights Policy Statement. Discussions at the Global Sustainability Steering Committee are reported and proposed to the Executive Committee (EC), the highest decision-making body at Nissan, to ensure that respect for human rights is instilled and established at all levels of Nissan's business activities.

Furthermore, Nissan regularly reviews Nissan Human Rights Policy Statement and the Nissan Global Guideline on Human Rights in accordance with relevant internal policies and rules as well as external laws, regulations, guidelines, and social demands.

It continuously conducts human rights due diligence based on these policies, in order to enhance its efforts to respect human rights and reduce risks of human rights issues.

We also disclose and report the status of these human rights initiatives both internally and externally in a timely and appropriate manner. In addition, we have also incorporated “human rights” into our corporate risk map based on the Global Risk Management Policy.

* Click here for more information on “Risk Management Enhancement Efforts”.

Human Rights Management for Employees and in Collaboration with Suppliers

The Nissan Human Rights Policy Statement and the Nissan Global Guideline on Human Rights are applicable to all of Nissan’s executives and employees.

Nissan’s fundamental ethical expectations from society are also clarified in the Global Code of Conduct. All executives and employees recognize the importance of applying the aforementioned statement beyond Nissan’s own operations. At every level of our global supply chain, we aim to conduct ethical, social, and environmentally conscious business activities. We also work together with suppliers, contractors, and other business partners to achieve this goal.

Since 2006, Nissan has shared a set of common values and processes around purchasing known as The Renault-Nissan Purchasing Way with its worldwide network of suppliers. Common values regarding human rights and labor are also shared via the Renault-Nissan CSR Guidelines for Suppliers. It details our expectations and request implementation regarding respect for human rights and prohibition of child labor and forced labor. We also evaluate our suppliers’ sustainability activities including respect for human rights through third-party assessment. In addition, we require businesses we deal with to take the initiative and carry out due diligence on responsible minerals sourcing.

Please refer to the Supply Chain Management section for further information on human rights initiatives in the supply chain.

We are also strengthening communication with our sales companies and promoting consistent sustainability management, including on human rights issues.

At the same time, Nissan has grievance mechanisms and processes in place and it allows collecting and remedying various types of complaints, including complaints related to allegations of potential human rights abuses. The whistleblowing system provides for anonymity where legally allowed. We are committed to investigating, addressing, and responding to concerns raised, and employees who make inquiries are protected from retaliation as defined in whistleblowing processes.
Human Rights Due Diligence

Nissan has established and operates the human rights due diligence process in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD* Due Diligence Guidance for Responsible Business Conduct. We conduct regular human rights assessments to identify, prevent, and mitigate human rights risks, take corrective actions, track implementation and results, and communicate how we have addressed impacts, thus implementing a PDCA cycle for human rights management.

Human Rights Achievements

Nissan recognizes the need to take a comprehensive approach to managing human rights. After respecting local laws and identifying actual or potential risks related to human rights that we might have inadvertently caused or contributed to cases of human rights violations, we consider it vital to monitor and assess such risks, as well as to develop appropriate response strategies.
In fiscal 2017, in addition to formulating the Nissan Human Rights Policy Statement, we cooperated with Business for Social Responsibility (BSR), a U.S. organization promoting sustainability to implement a human rights assessment that identified areas of requiring focus in Nissan’s efforts to respect human rights.

Specifically, in order to identify factors that impact human rights as an automobile manufacturer, we conducted a human rights impact assessment from two perspectives: the impact on human rights risks and the potential impact caused by Nissan, and classified them into priority areas and areas requiring a response.

Four priority focus areas that Nissan should address by incorporating business strategies and business activities from among the elements identified as priorities were identified, namely 1) employee labor conditions, 2) supplier labor conditions, 3) product safety and 4) customer privacy.

Based on the results of this impact assessment, as part of human rights due diligence, we worked with BSR to conduct human rights assessments at Nissan South Africa (Pty) in fiscal 2019 and again in fiscal 2020 at Nissan Motor Thailand (NMT) and group companies (Nissan Powertrain (Thailand) and SNN Tools & Dies). We confirmed human rights risk was generally low at all companies assessed.

We formulated action plans to remediate items requiring improvement identified in the assessments and are improving them on an ongoing basis by executing those plans.

In fiscal 2021 we conducted human rights assessments at Nissan North America (NNA) in collaboration with BSR as part of human rights due diligence in accordance with the Nissan Human Rights Policy Statement and the newly formulated Nissan Global Guideline on Human Rights. In the human rights assessment of NNA, we continued to gain support from BSR, leveraging their expertise. We conducted a self-assessment using a questionnaire, as was done in the previous assessments, then gained more comprehensive knowledge of the situation through interviews with local employees. In selecting interviewees, we considered attributes such as employment status, job title, gender, and race in order to include diverse perspectives. The assessment criteria incorporated international standards from the International Labor Organization (ILO) and the Organization for Economic Cooperation and Development (OECD), as well as the Nissan Global Guideline on Human Rights while also incorporating compliance with local laws and regulations.

The assessment did not suggest any inconsistencies with local laws. The assessment identified potential areas NNA could consider revising to better reflect the seven themes* outlined in the Nissan Global Guideline on Human Rights. We will consider and implement mitigation measures for each of those that are recognized as being at actual risk. As a specific example, in relation to the theme of labor management systems, the interviewees raised the concern that employees were not fully aware of the existence of an Employee Handbook containing work rules and regulations. In response, we have decided to once again review our internal communications and training regarding the handbook to ensure that all employees understand its contents. In deciding on improvement activities, we engage in dialogue with the relevant local employees who are affected and make proposals which are reviewed and approved at the Global Sustainability Steering Committee.

Going forward, for each theme, we will check the progress and effectiveness

of the improvement activities with the local employees, while at the same time monitoring and managing the process through the Global Sustainability Steering Committee.


Employee Education and Training Related to Human Rights, Internal Reporting System

Nissan holds an “Unconscious Bias e-learning” course to raise human rights awareness among employees which has been completed by approximately 16,400 people cumulatively. In addition, approximately 730 people have taken part in our LGBT seminars, held annually since fiscal 2014. Since fiscal 2016, all senior managers have been required to take an e-learning program about LGBT issues. In fiscal 2020 the content of the e-learning program was updated and made mandatory training not only for managers but also for all staff. We also have proactive initiatives to support LGBT staff.*1 From fiscal 2021, “Nissan Human Rights e-Learning” for all global employees is newly established as a compulsory training program. This training focuses on introducing the content of the Nissan Human Rights Policy Statement and the Nissan Global Guideline on Human Rights and includes messages from the CEO/CSO, the definition of human rights, business and human rights, respect for human rights at Nissan, case studies, and knowledge checks. Through the training, participants learn basic knowledge of human rights systematically and work to respect human rights in their daily business activities.

Furthermore, as described in the Global Code of Conduct, employees can submit inquiries related to human rights issues via the SpeakUp global reporting system.*2 We are committed to investigating, addressing and responding to any concerns reported, and employees who make inquiries are protected from any form of retaliation.

*1 Click here for more information on initiatives to support LGBT staff.
*2 Click here for more information on our global reporting system.
Click here for more information on Responsible Minerals Sourcing.
Click here for more information on Global Code of Conduct training.
Traffic Safety

Traffic Safety Policies and Philosophy

The automobile has transformed people’s lives, bringing mobility, convenience, and the pleasure of driving. In recent years, the automotive industry has made significant advances, particularly in autonomous driving technologies and driver-assist features. The world is also undergoing major structural shifts due to aging populations and the rapid progression of urbanization. Technological innovation in the automotive sector is expected to help realize societies with less urban traffic congestion and more ways for senior citizens to move about safely.

Nissan designs and engineers cars that embody the pleasure and richness of driving while offering a high level of safety. More than 90% of traffic accidents are caused by human error. Our goal is zero fatalities: reducing the number of deaths from accidents involving Nissan vehicles to virtually zero. To this end, we continue working to help reduce traffic accidents.

Traffic Safety Management

In 2021, there were 2,636 fatalities in Japan caused by traffic accidents. While this is 203 fewer than in 2020, there are still more than 2,000 deaths per year due to traffic accidents. According to the World Health Organization (WHO), approximately 1.35 million people die each year in traffic accidents globally.

Unless significant steps are taken, traffic accidents could become the seventh leading cause of death worldwide by 2030. Nissan is working to develop vehicle control technologies aimed at significantly reduce accidents by utilizing next-generation LIDAR technology. We are working to enhance technologies that help lessen the severity of unavoidable accidents and bolster occupant protection.

While pushing forward with technological advancements on the vehicle side, we are also conducting educational initiatives to help raise safety awareness for the motoring public.
Traffic Safety Achievements

Enhancements to Nissan’s Safety Technology and External Ratings Received

Intelligent Emergency Braking* is available on nearly all vehicle categories sold in Japan, including EVs and commercial vehicles, and standard on all major models. In North America and Europe, Intelligent Emergency Braking* is available on key models.

Our vehicles have earned high safety ratings on many public and governmental tests held in various regions. In particular in Japan, from fiscal 2020 JNCAP (Japan New Car Assessment Program) commenced comprehensive assessments in its ‘Car Safety Performance’ evaluations encompassing the three assessment areas of collision performance ratings, preventative safety performance ratings, and automatic accident emergency call devices. To receive the highest score of five stars, high scores must be achieved in each assessment area (automatic accident emergency call devices are a fitment requirement). Following on from the Nissan DAYZ in fiscal 2020, in ‘Car Safety Performance 2021’ for fiscal 2021 the Nissan ROOX, Note/Note Aura, and Nissan Kicks received five stars, a testament to their overall safety performance. Furthermore, a certification system for advanced safety technology was launched by the Ministry of Land, Infrastructure, Transport and Tourism in fiscal 2018. In fiscal 2020, the scope of devices subject to this system was expanded, and by fiscal 2021 10 models and 29 types equipped with intelligent emergency braking and pedal misapplication prevention devices (Nissan DAYZ, Nissan ROOX, Note, Serena, Nissan LEAF, March, Clipper series, and Elgrand) had been approved.

* Automatic Emergency Braking in North America

Major External Safety Ratings (Based on 2021 Assessments)

<table>
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<tr>
<th>Regions</th>
<th>External Assessments</th>
<th>Models</th>
<th>Rating</th>
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<tbody>
<tr>
<td>Japan</td>
<td>JNCAP*1 Car Safety Performance 2021</td>
<td>Nissan ROOX</td>
<td>5★ (Highest score)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Note/Note Aura</td>
<td>5★ (Highest score)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nissan Kicks</td>
<td>5★ (Highest score)</td>
</tr>
<tr>
<td>U.S.</td>
<td>NCAP*2</td>
<td>Nissan LEAF, Nissan LEAF Plus, Murano, Altima, Maxima, Sentra, Versa, INFINITI QX50, TITAN (Crew Cab), Rogue, Nissan Kicks</td>
<td>5★ Overall Rating (2022 model year)</td>
</tr>
<tr>
<td>IIHS*3</td>
<td></td>
<td>Maxima, Altima, Rogue, Murano</td>
<td>2022 Top Safety Pick+</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sentra</td>
<td>2022 Top Safety Pick</td>
</tr>
<tr>
<td>Europe</td>
<td>Euro NCAP</td>
<td>Qashqai</td>
<td>5★</td>
</tr>
</tbody>
</table>

*1 JNCAP: Japan New Car Assessment Program. An automobile assessment program run by the Ministry of Land, Infrastructure, Transport and Tourism and the National Agency for Automotive Safety and Victims’ Aid (NASVA).


*3 IIHS: U.S. Insurance Institute for Highway Safety.
Aiming for Virtually Collision-Free Cars

Our Safety Shield concept helps support the safety of vehicle occupants in a variety of scenarios from a comprehensive perspective, from accident prevention and avoidance to occupant protection.

For example, during normal driving or parking, sensors and cameras can monitor vehicles and pedestrians that may be difficult for drivers to see; this supports drivers and allows them to drive with peace of mind.

We are committed as an automobile manufacturer to widespread availability of our safety technologies.

Safety Shield

- **Preventative Safety**
  - Risk has not yet appeared
  - Intelligent Around View Monitor, etc.
  - Risk has appeared
  - Blind Spot Warning (BSW), Lane Departure Warning (LDW), etc.
  - Crisis Early Warning
  - Intelligently Emergency Braking, Emergency Brake for Pedal Misapplication, etc.

- **Collision safety**
  - Collision is unavoidable / Crash
  - SRS Airbag System, Zone Body Construction, etc.
  - Post-crash
  - Automated Airbag-Linked Hazard Lamps, etc.

Dissemination of Advanced Driver Assistance Technologies: ProPILOT/ProPILOT Assist

ProPILOT/ProPILOT Assist was originally brought to market in 2016. In September 2019, ProPILOT2.0/ProPILOT Assist2.0 was equipped as standard in the all-new Nissan Skyline hybrid. The technology is highly acclaimed, winning Best Innovation Award in the 2019-2020 Japan Car of the Year awards and the RJC Technology of the Year at the RJC Car of the Year awards.

We are progressively deploying ProPILOT/ProPILOT Assist globally in a wider range of vehicle types. In total, more than 1,630,000 vehicles equipped with ProPILOT/ProPILOT Assist have been sold as of the end of March 2022.

* Click here for more information on Nissan’s Safety Technology Development Concept.
[https://www.nissan-global.com/EN/INNOVATION/TECHNOLOGY/ARCHIVE/SAFETY_TDC/](https://www.nissan-global.com/EN/INNOVATION/TECHNOLOGY/ARCHIVE/SAFETY_TDC/)
Driver-Assistance Technology Leading to a Dramatic Enhancement in Collision Avoidance Performance

Nissan believes that driver-assistance technology, by which some highly complex accidents can be avoided, will be instrumental in enabling its customers to use their vehicles with confidence in the upcoming era of autonomous driving. We have therefore announced ground truth perception technology, which is a driver-assistance technology that can lead to dramatic enhancements in the collision avoidance performance of vehicles. Aiming to complete the development of this technology by the mid-2020s, Nissan will first make ground truth perception technology available on selected new models, and on virtually every new model by fiscal 2030.

Installation of SOS Call (HELPNET)

SOS Call (HELPNET), an advanced automatic accident reporting system that enables data and voice communication to a dedicated operator in case of emergencies such as a traffic accident, sudden illness, risk of an accident, and tailgating and other forms of road rage, is now installed in the Nissan DAYZ, the first in the minicar segment in Japan. We will be gradually expanding the number of models where the system is available. There are two types of notifications: automated notification when the airbag is triggered in a traffic accident, etc., and manual notification using the SOS call switch. After the call is made, a dedicated operator uses the information obtained from the vehicle to quickly contact the fire command center or the police, and supports the driver for example by arranging for ambulances.

Applying NASA Technology to Develop AI for Autonomous Vehicles

To realize fully autonomous city driving, we are developing the Seamless Autonomous Mobility system (SAM). SAM will be able help cars navigate unforeseen situations like accidents, road construction, and other obstacles. When autonomous decision-making is difficult, a remote operator can draw up an ideal route to help manage the situation and sends it to the vehicle for execution.

Promote educational initiatives for traffic safety activities

Traffic accidents are statistically more likely to occur during the dusk hours from 4:00 to 6:00 p.m. As part of the Hello Safety Campaign, Nissan’s Omoiyari Light Promotion urges drivers to turn on their headlights earlier in the evening. We have been involved in this campaign since 2010 and promote civic activities with two-way communication to raise public awareness of traffic safety. Furthermore, we launched a traffic safety project in 2018 together with a research department in Niigata University. One of the outcomes from these efforts is the “Wheel Spinning (Guru-Guru) Exercise,” developed in March 2020, which promotes and encourages safe driving among senior drivers. Furthermore, in March 2021, in collaboration with Niigata University, Kitasato University, and Sagami Women's University, we established a virtual laboratory called the Traffic Safety Future Creation Lab.
We are engaged in a wide range of activities with the aim of realizing a mobile society with virtually zero traffic fatalities. We stand by the members of society who are at a social disadvantage including in the area of transportation, such as small children, the elderly, foreign visitors, and those cut off from public transportation because of depopulation.

* Traffic safety project
ToLiTon (Town, Life, and Transportation) Safety Initiative
This project was named to promote proposals to town, life, and transportation that are not bound by past conventions.

Omoiyari Light Promotion
On November 10, designated “Day of Good Lighting,” we supported people in 16 regions nationwide in taking the initiative to encourage drivers to turn on their headlights before dark. In addition, the TRY-LIGHT ONLINE forum was held in December 2021 to promote safety in a fun way befitting the Omoiyari Light Promotion. This year, under the theme of “Traffic safety created by women, led by women,” an initiative discussed a variety of ideas from the perspectives of called-upon journalists and participants from all over Japan as well as from the side of drivers. This event was also streamed, and we received comments from viewers in support of the movement. Throughout the year, the Global Headquarters Gallery hosts daily presentations at dusk about the Omoiyari Light Promotion during which

Nissan’s “Miss Fairlady” staff members hold up signboards encouraging drivers to turn on their headlights.
By urging greater awareness of, and action on, safety among corporations, NPOs, car-owners, and other stakeholders, these activities have helped our Omoiyari Light Promotion steadily gain broad acceptance among the public.

Traffic Safety Future Creation Lab
The laboratory will prioritize reducing the number of traffic accidents caused by elderly drivers, which has become a major social problem. This year, we announced the prototype of an “effective field of view” measurement system developed with Kitasato University. We also made announcements on research study communications: #1 Visibility evaluation (brightness/line-of-sight analyses) based on differences in mask color, #2 Social design research: Elderly driver driving behavior awareness survey, and #3 a survey on colors of pedestrian clothing.
Also, when we conducted an experiment to verify the effects of the “Wheel Spinning (Guru-Guru) Exercise,” it was proved that this has the effect of improving the flexibility and muscle strength of the body necessary for proper driving operation. For the benefits of the “Wheel Spinning (Guru-Guru) Exercise” to become more widely known, we held a hands-on experience at the “NISSAN CROSSING” virtual gallery in the Metaverse and also released a video on YouTube in which influencers in the Metaverse perform the exercise in a variety of settings.
experiment that had started in November 2021. In addition to expanding the target area of the vehicle dispatch service from Namie town center to the entire town, including the area where the evacuation order has been lifted, the companies will also conduct a proof-of-concept demonstration for mixed cargo and passenger carrying that will combine parcel delivery by a shopping support service. Based on the results of last year’s demonstration, we will contribute to the creation of a comfortable town in a rural area by improving the convenience of mobile services.

Also in January 2022, three companies including Nissan started the Namie Virtual Shopping Street Service proof-of-concept experiment for a new shopping and home delivery model that will turn the local economy around. The three companies are aiming to revitalize the local economy by combining a system that allows people to select products while watching real-time images of multiple stores using VR technology with the efficient mixed delivery of cargo and the carrying of passengers as well as a simple and convenient shopping and home delivery service.

From now on, we will continue to create and disseminate information on traffic safety solutions that will help elderly drivers to drive safely and with greater confidence for many years to come.

* Effective field of view refers to the range at which drivers are able to discern objects that they need to identify.

Field Operation Test of Smart City

In January 2022, five companies including Nissan commenced a proof-of-concept experiment for mixed cargo and passenger carrying in Namie Town, Fukushima Prefecture, to match on-demand vehicle dispatch services with the needs for moving people and goods, thereby verifying the efficiency of the flow of people and logistics. Based on the “Agreement on Collaboration for Community Development Using New Mobility in the Hamadori Region of Fukushima Prefecture,” which was signed in February 2021, this proof-of-concept experiment represented the second phase of the “Namie Smart Mobility” proof-of-concept
Diversity and Inclusion

Diversity and Inclusion Policies and Philosophy

Diversity and Inclusion Mission

Nissan has a global diversity and inclusion mission and promotes diversity and inclusion as one of its corporate key strategies.

Diversity & Inclusion

Foster a diverse and inclusive environment where we value and respect employees to drive innovation in automotive products and services that enrich people’s lives.

Diversity means to embrace having diverse talents with different backgrounds such as gender, nationality, culture, age, gender identity, sexual orientation, career background, education, and lifestyle.

Inclusion means an appreciative environment where employees respect each other and everyone demonstrates their potential to the fullest.

Diversity and Inclusion as Strategy

Promoting Diversity and Inclusion with Everyone Working at Nissan

Nissan is striving to create an environment in which everyone can demonstrate their potential to the fullest. Diversity and inclusion are the strengths of our company, helping it to adapt to the changes in the business environment and remain to be a company that is needed by our customers and society.

- Diversity and inclusion should be considered as a foundation for an organization to express its full capabilities, not just as an objective.
- We aim to create an environment where everyone can work actively, make diversity and inclusion our strength, and enhance competitiveness of our business.
- All of us can promote diversity and inclusion and work on it. Diversity and inclusion would not be promoted only by executives, managers, or diversity-related organizations.

To foster the concepts above and encouraging everyone to think and act proactively, we are working to promote diversity and inclusion at all of our locations.
Respect for Human Rights and Equal Opportunity

Nissan’s respect for human rights and equal opportunity is also clearly stated in our Global Code of Conduct*.

· All employees respect one another’s human rights, and discrimination or bullying on the grounds of race, nationality, gender, religion, disability, age, place of origin, gender identity, sexual orientation or other reasons is unacceptable.
· We respect the diversity of employees, work to maximize the performance of each individual and actively strive to create an environment in which teams can come together and work toward ambitious goals.

* Global Code of Conduct: Describes how employees should act and applies to all Nissan Group companies worldwide. Click here for more information.

Diversity and Inclusion Management

Diversity and Inclusion Actions

Nissan shares the common goal to promote diversity and inclusion with its Mission. It states “Diversity enhancement in the organization” and “Embed diversity and inclusion in our corporate culture” as the pillars of our activities, with “Inclusive workstyles and work-life style enhancement” as the foundation to promote diversity and inclusion.

Mission

Nissan Diversity & Inclusion Mission
Foster a diverse and inclusive environment where we value and respect employees to drive innovation in automotive products and services that enrich people’s lives

Actions

Diversity enhancement in the organization
- Talent development / Career support
- Various seminars and training
- Enhancement of programs, etc.

Embed diversity and inclusion in our corporate culture
- Enhance corporate communication
- Develop leaders with diversity management skills
- Implement diversity and inclusion training, etc.

Foundation

Inclusive workstyles and work-life style enhancement
(Initiatives in Japan)
- Remote work program
- In-house childcare centers, family support leave, maternity / childcare / nursing care leave
- Happy 8 (No overtime day), Happy Friday (Premium Friday)
Diversity and Inclusion: Decision-Making and Action-Driving Bodies

Nissan has constructed a framework to promote diversity and inclusion worldwide with collaboration among the corporate organization and each region.

Global Diversity & Inclusion Council
- Chaired by CEO with executives representing respective divisions and regions as members.
- Makes decisions on diversity and inclusion policies and direction of initiatives globally.

Regional Diversity & Inclusion Council
- Organizations set up in each region to promote diversity and inclusion
- Chaired by respective senior management of each region, with executives representing each divisions as members
- Established a structure to execute the initiatives as corporate actions as well as a structure to handle various diversity and inclusion issues that differ by region.

Diversity & Inclusion Promotion Organizations
We have dedicated organizations to promote diversity and inclusion or a person in charge of within local human resources department in Japan and each regions. We work together to operate Diversity & Inclusion Councils and liaise with respective divisions to implement diversity and inclusion measures.
Diversity and Inclusion Achievements

Enabling Diverse Human Resources

Female Talent Development Initiatives

Nissan is continuing efforts to promote female talent development and has taken gender diversity as an important part of diversity enhancement since the beginning. Expectations for female talent development are growing with the necessity of making decisions based on diverse values in order to meet the diverse needs of our customers. Other factors include the decline in the labor force due to a shrinking population and mounting social concerns over the enforcement of “The Act on Promotion of Women’s Participation and Advancement in the Workplace”.

As a result of these initiatives, the percentage of women among Nissan managers globally has increased from 6.7% in 2008 to 14.9% in April 2022, and women are active at Nissan globally.

Transition in the Ratio of Women in Management Positions

Development and Retention Measures (Japan):
We support women’s careers in terms of recruitment and development enhancement.

Tailored career support
We hold career development meetings for female employees attended by the employee’s manager, the human resources department, and a career advisor to discuss and implement their development plans and measures for these employees, since their career plans are particularly affected by their life stages.

Training and workshops for monozukuri divisions
The “Career Roundtable Career Discussion in Monozukuri Division”, “Career Development Training in Monozukuri Division”, and “Career Workshop in Monozukuri Division” have been held since 2020. In the monozukuri division, where the percentage of female employees is relatively low, these programs provide opportunities for female employees to have a positive view of their future careers and actively think about their own career development.
Roundtables with executives
For female leaders and mid-level female employees, we provide roundtables for dialogue on management and leadership from a closer perspective with senior management. Top management actively supports female talent development, providing opportunities to think about management and leadership.

Networking and introducing role models
We encourage active networking with women outside the company and female managers in Nissan. In addition, through an intranet dedicated to diversity and inclusion, employees can view interviews with female employees who are building their careers in their own way.

Thanks to these various initiatives, women now comprise 10.3% of managers in Japan as of April 2022. This compares favorably to the average of 3.9% for Japanese manufacturers with 1,000 or more employees (according to the 2021 Basic Survey on Wage Structure from Japan’s Ministry of Health, Labour and Welfare). As of April 2022, a total of 8.5% of general managers or higher positions are filled by women 4.3 times larger than the 2008 level of 2.0%. In principle, we will target to have the same level of female ratio in management as indirect employees. For the time being, we will strive to improve the female ratio in management positions (10.3% as of April 2022) to reach that of indirect employees (19.9% as of April 2022). To further increase the female management ratio, we will target to raise the female ratio of indirect employees to 30% by accelerating hiring and development of women to enrich pipeline.

Initiatives at Car Development / Production Sites and Sales Companies (Japan):
Nissan is developing an environment in which women can play an active role in all processes of its business, from the development of new models to production and sales, including at our affiliates and sales companies.

Car development stage
The Serena minivan released in Japan reflects women’s requirements, such as a capless fuel tank allowing drivers to refuel their vehicles without dirtying their hands and dual back doors that require minimal force to open and allow cargo to be loaded even in confined spaces.

Production sites
We contribute to create the manufacturing lines that everyone can work on, regardless of age or gender. In 2017, the Nissan Group’s first female plant manager took up her role at the Oppama Plant in Yokosuka, Kanagawa Prefecture, and others have followed since then.

Sales companies
Many female car-life advisors (CAs) are active at our sales companies nationwide in Japan. As of end-February 2022, 1,265 female CAs are active across Japan, this number continues to rise and accounts for 10.5% of the national total. Additionally, female technical advisors (TAs) have been appointed to bridge between customers and dealer technicians.

“Woman act.” (Japan):
As an activity in collaboration with the local community, Nissan is participating in “Woman act.” for female active participation enhancement in Kanagawa since 2015. CEO Makoto Uchida has published a declaration of this project.
Development of Female Leaders:
At the executive level, the international race driver Keiko Ihara became Nissan's first female outside director in June 2018; Jenifer Rogers followed her in June 2019. “Woman Leadership Program” has been implemented to develop female leaders.

Cross-Cultural Cooperation
Nissan has a global workforce of more than 100 nationalities. The senior management and team leadership levels also include members of diverse nationalities. It is necessary to enhance empathy for others in order to create innovation by taking advantage of differences in culture and nationality. We provide opportunities to enhance skills and experience in working collaboratively across diverse cultures by acquiring knowledge through cross-cultural e-learning and other programs, talent exchanges among overseas offices, and collaborating through projects.

Support for Work-Life Balance (Japan)
Aiming to create an environment in which everyone can play an active role, Nissan has established a framework that provides comprehensive support for employees balancing work with childcare, nursing care, medical treatment, and other activities.

- Trainings and seminars to support the activities of the employees themselves
- Trainings and seminars for managers to support the development of their subordinates who are engaged in balancing work and family life
- Infrastructure development, including programs and facilities

We are introducing effective measures by approaching work-life balance from these three directions. In addition, activities are also conducted from the bottom-up approach, such as “Escargot”, a group set up by working parents themselves as a forum to exchange information.

Creating an Environment Conducive to Work–Life Balance

Comprehensive Support for Employees: For Themselves, Managers, Mindset and Infrastructure

<table>
<thead>
<tr>
<th>Supporting employees: Career development and work–life balance support</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Seminar for expecting parents” before maternity and childcare leave</td>
</tr>
<tr>
<td>“Reinstatement seminar” Providing employees opportunities to think about their career paths and workstyles before and after maternity and childcare leave</td>
</tr>
<tr>
<td>Nursing care seminars</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Supporting managers who have employees engaged in work–life balance</th>
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<tbody>
<tr>
<td>Guidance on offering promotion exams before parental leave</td>
</tr>
<tr>
<td>Seminar for managers with employees returning from childcare leave</td>
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<tr>
<td>Training on balancing work and childcare of staff employees engaged in childcare</td>
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<tr>
<td>Training on paternity leave</td>
</tr>
<tr>
<td>Diversity management training for managers</td>
</tr>
<tr>
<td>Support on paternity leave</td>
</tr>
</tbody>
</table>

Creating program, facilities and other infrastructure conductive to work-life balance

- Remote work program (All employees except those in manufacturing processes are eligible.)
- Super-flextime without core time (There is core time at some sites)
- Short-hour Work Program (for employees engaged in childcare or nursing care)
- Family-Support Leave (special paid holidays for marriage, childbirth by spouse, childcare, nursing care, and fertility treatment)
- Childcare leave, nursing care leave, and maternity protection leave
- Accompanying leave (three years at maximum)

- Re-employment policy
- In-house childcare center (at five sites)
  1. Supports employees by helping them balance work and childcare and perform at their best
  2. Supports employees’ return to work when they wish, rather than when care waiting lists in Japan allow it
- Lending of personal computers to employees on leave (for intranet and email access)
- MM care room (lactation room)
- External nursing care hotline
Creating Programs, Facilities and Other Infrastructure for Employees Balancing Work with Childcare or Nursing Care:

Establishment of in-house childcare centers
The number of centers has been increasing since Nissan opened the first childcare center at the Nissan Technical Center in 2005.
In 2017, the first childcare center in a plant was opened at the Oppama Plant.
In April 2022, we opened our fifth in-house childcare center, “March Land Yokohama,” at the Yokohama Plant. The center’s opening hour is set to adapt to the shift schedule at the plant, thereby helping female employees to continue their work at the plant.

Nissan’s In-House Childcare Centers

<table>
<thead>
<tr>
<th>Name of Center</th>
<th>Capacity</th>
<th>Hours</th>
<th>Established</th>
</tr>
</thead>
<tbody>
<tr>
<td>March Land Atsugi</td>
<td>42</td>
<td>7:30 a.m.–10:00 p.m.</td>
<td>April 2005</td>
</tr>
<tr>
<td>March Land Atsugi Act</td>
<td>10</td>
<td>8:30 a.m.–6:30 p.m.</td>
<td>October 2012</td>
</tr>
<tr>
<td>March Land Minatomirai</td>
<td>15</td>
<td>8:00 a.m.–8:00 p.m.</td>
<td>January 2013</td>
</tr>
<tr>
<td>March Land Oppama</td>
<td>10</td>
<td>5:00 a.m.–7:30 p.m.</td>
<td>April 2017</td>
</tr>
<tr>
<td>March Land Yokohama</td>
<td>10</td>
<td>7:00 a.m.–9:00 p.m.</td>
<td>April 2022</td>
</tr>
</tbody>
</table>

* Capacity determined based on facility area.
LGBT-related Initiatives

LGBT is an acronym for lesbian, gay, bisexual, and transgender, and is used as a general term for sexual minorities. Nissan is making efforts to create a workplace that is comfortable for the LGBT community, both by improving programs and facilities for LGBT employees and by conducting activities to raise awareness of employees to encourage their understanding.

Examples of Activities to Promote Understanding of LGBT:

Nissan is engaged in comprehensive LGBT-related understanding and promotion activities, including those described below. In recognition of these initiatives, the private organization, “work with Pride” awarded Nissan its most prestigious Gold in “PRIDE Index” to recognize corporate initiatives to support LGBT employees. We received a Gold award for five consecutive years, from 2017 to 2021.

LGBT Seminars
Held annually since 2014. Guest speakers from outside the company are invited to provide opportunities for employees to actively learn and think.

LGBT e-learning
Delivered as mandatory training for all employees.

Event participation
We have participated in the “Tokyo Rainbow Pride,” the largest LGBT event in Japan since 2017. (From 2020, we participated online due to the COVID-19 pandemic.)

LGBT employee networking
In fiscal 2016, members of the LGBT community and allies (those supportive of LGBT) within the company launched a self-initiated employee network as part of bottom-up activities.

Initiatives for Older Employees and Those with Disabilities

We also provide a workplace where older employees and those with disabilities can fully participate. Necessary training programs are provided for those who have built up their career at other companies so that they can quickly perform to the best of their ability at Nissan.
Embed a Corporate Culture of Diversity and Inclusion

To leverage diversity as our true strength, create greater value, and meet the diverse needs of customers, we believe it is important to establish a culture of diversity and inclusion, where employees with all sorts of differences, not just of gender and nationality but also sexual orientation, gender identity, disability, age and career history, acknowledge and accept each other without discrimination or prejudice.

Internal and External Communication Activities

By proactively communicating the thoughts and activities of top management regarding diversity and inclusion, we promote a common understanding of the significance of Nissan’s promotion of diversity and inclusion within the company, leading to behavioral change within each individual employee, and to enhance the corporate brand image and recruiting competitiveness outside the company.

Internal Communications:

Interviews with executives
We promote understanding of diversity and inclusion by communicating senior management’s experiences, thoughts, and expectations for employees.

Diversity & inclusion forum
In February 2022, a forum was held and two themes were discussed, “Why does Nissan promote diversity and inclusion” and “Workstyles to maximize the performance of diverse teams” with around 300 Nissan employees participating online. Inviting a guest speaker from outside the company, CEO Makoto Uchida and several executives from Nissan took the stage at the event which became an opportunity to think once again about diversity and inclusion and workstyles.

Diversity & inclusion mission established
We have set a common global mission and are communicating to ensure that everyone including senior management shares and acts in the direction we are aiming for in diversity and inclusion.

Intranet website and Email newsletter dedicated to diversity and inclusion
Notices on various events and training programs, reports, and content related to diversity and inclusion are posted on the website. We also issue an email newsletter on a regular basis to embed diversity and inclusion within the company.

External Communications:

Diversity and inclusion page on the corporate website
Nissan’s vision and initiatives, as well as messages from Nissan’s top management, are disclosed for external audiences on the corporate website and states that diversity and inclusion as one of the key pillars of our business strategy.

“Iku-Boss Declaration”
In February 2022, CEO Makoto Uchida and COO Ashwani Gupta announced the “Iku-Boss Declaration,” led by the Ministry of Health, Labor and Welfare, to create workplaces where diverse employees can perform to their full potential.
* Please visit here for details of the “Iku-Boss Declaration” by CEO Makoto Uchida and COO Ashwani Gupta. (Only in Japanese)
https://global.nissannews.com/ja-JP/releases/release-ea2ada92a067df51a78ce3a3b20900ab-220217-02

* “Iku-Boss” refers to executives and managers who consider the work-life balance of their subordinates and support their careers and lives, while achieving results in organizational performance and enjoying their own work and personal lives. The “Iku-Boss Declaration” is a declaration by the top management and executives of an organization that they aim to become an “Iku-Boss”.

Diversity Management in Leadership

We are developing leaders who can manage diverse talent and maximize the performance as a diverse team.

**Executive workshop**

In November 2021, an external lecturer was invited to speak on “Team Strategies for Diverse Organizations.” Positive discussions ensued, and all executives in attendance made declarations of action. Following the workshop, communication was made to employees in each division from senior management.

**Diversity management training**

This training is incorporated into the training module for newly appointed managers, to deepen their understanding of diversity in management styles and issues at the workplace and to learn skills to deal with them.

**Seminars for managers**

This program is to learn how to be creative in day-to-day management from the point of view of balancing work with childcare and paternity leave.

Fostering Mindsets

We offer diversity and inclusion-themed regional events and training for employees around the world.

Implementation of Training:

Nissan conducts training, e-learning, and events to raise awareness for target audiences, such as for new graduates, managers, employees who joined Nissan after building their careers at other companies, and for all employees.

**“Unconscious Bias e-Learning”**

This training is provided to all indirect employees, in which employees can learn the influence of the unconscious biases that everyone has as well as techniques to mitigate their effects. Following its introduction in Japan in fiscal 2018, this training has been gradually rolled out to global sites.

**“Gender Diversity e-Learning” (Japan)**

The content was updated in fiscal 2019 and is being implemented to realize each individual maximizing their abilities as part of a diverse team.

**“LGBT e-Learning” (Japan)**

Aiming to make everyone feel comfortable at work, we are implementing this as mandatory training for all employees to learn about LGBT (sexual minority).
Promotion of Inclusive Workstyles

We are committed to create a working environment in which diverse employees can maximize their performance.

Nissan’s remote work program has evolved since the introduction of the telecommuting system for employees balancing childcare and nursing care in 2006. Since then, reflecting the opinions of employees and management, we are expanding locations to work, setting minimum increment for working, and widening the scope of eligible employees. In 2021, the upper limit of hours has been removed, moving beyond a provisional measure in response to the COVID-19 pandemic.

Workstyle Reform “Happy 8” Program

Happy 8 program

In 2015 we introduced the “Happy 8” program, a time-conscious workstyle reform emphasizing the ideal of an eight-hour per workday. It aims to increase individual and organizational productivity while also improving work life, private life, and health by increasing awareness among all employees of working for eight hours everyday.

Happy Friday

In February 2017 we introduced our “Happy Friday” program, encouraging employees to leave the office at 3 p.m. on the last Friday of each month. We are thus encouraging an enhanced work-life balance.

Happy 8 survey

We conduct an employee survey on workstyles every year to review and revise the programs that meet employees’ needs and actual conditions conveyed from the survey.
Achievements at Overseas Sites

Initiatives in Americas

At Nissan North America (NNA), diversity and inclusion is embedded in our culture. In November 2021, we introduced our DEI North Star—Better Conversations Lead to Better Actions—and our DEI Strategic Pillars that focus on people, culture and partners. Overall, we are on a mission of building an inclusive culture. DEI is business imperative and our employees, customers and partners expect us to align with their values and be inclusive of their perspectives and needs.

Business Synergy Teams (BSTs)

BSTs are developed by active groups of employees with shared interests and values in tandem with executive sponsorship. Since the first BST launched in 2007, Nissan employees have embraced these groups and formed BSTs at every major Americas location—United States, Brazil, South America, Canada and Mexico.

Acknowledgment and accomplishments

Nissan North America (NNA):

- Since 2020, NNA developed a strategy to assure representation of diverse talent among the candidates for executive roles. As a result of this, 63% of our promotions to director level in the U.S. and over 60% across the Americas region were diverse talent within the last 12 months.
- NNA is not only promoting diverse employees inside the organization, Nissan is also developing leaders of tomorrow with investments in Historically Black Colleges and Universities (HBCUs) in Mississippi and Tennessee along with non-profit organizations committed to uplifting multicultural youth.

Nissan South America:

- Launched a new program, Women’s Talk on International Women’s Day, March 2021, to create an open space to share experiences among the female employees.
- Women executives from the region led topics, such as impostor syndrome (underestimating your own abilities), work–life balance, career, positioning, etc.

Brazil:

- The health teams hosted external experts to approach different topics related to pregnancy and motherhood.
- Also launched its first BST, W-Power, to provide its members with networking, professional development, and community involvement opportunities.
Initiatives in AMIEO
(Africa, Middle East, India, Europe, Oceania)

Since April 2021, AMI (Africa, Middle East, India, Europe, Oceania) came together to form a new AMIEO region. As a result, we operate in 140 countries, which offers a tremendous opportunity to leverage the inherent diversity within the region: 93 nationalities, a number of religions, a number of generations working alongside each other with Generation Y being the most represented, and 11% of females across the entire region.

Our aim is to move to a philosophy driven diversity and inclusion strategy and create an environment where everyone can be authentic and bring their whole selves at work. We intend to take a holistic approach and embed our diversity strategy and activities in our production and supplier relationships, processes, as well as throughout the full employee lifecycle.

In 2021, we decided to focus on two specific strands of diversity, in line with our regional footprint: gender and culture. Within our framework, we defined five key focus areas: attraction, retention, development, engagement and business growth - that have underpinned our key activities, initiatives and achievements, both regionally and locally:

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diverse Pipeline</td>
<td>Enhance our pipeline via graduate &amp; mid-career hires and regularly monitoring gender and the cultural diversity of our succession plans and promotions.</td>
</tr>
<tr>
<td>Talent Development</td>
<td>Diverse participant representation on AMIEO’s newly launched regional mentor program &amp; leadership programs</td>
</tr>
<tr>
<td>Learning</td>
<td>Dedicated ‘Think-Tank’ Workshop led by diversity and inclusion experts, exploring potential barriers and solutions within AMIEO. Additionally, preparation to launch Global Learning for all, including dedicated modules relating to unconscious bias and leading diverse teams in fiscal 2022</td>
</tr>
<tr>
<td>Internal Awareness</td>
<td>Implemented annual celebration calendar, leading to various events and activities for World day for cultural diversity (May), International women in engineering day (Jun), Zero Discrimination Day (Mar) &amp; International women’s Day (Mar)</td>
</tr>
<tr>
<td>External Collaboration:</td>
<td>Various external speaking opportunities to further raise awareness including Expo 2020 and Autocar Great Women podcast. Additionally, AMIEO entities have partnered with various professional institutions as a commitment to enhancing diversity and inclusion including the International Finance Corporation and the American Chamber of Commerce in Egypt</td>
</tr>
<tr>
<td>Nissan Skills Foundation*</td>
<td>Engaged more than 72,000 students in career development and engineering or STEM events. Female students accounted for approx. 49% of participants.</td>
</tr>
</tbody>
</table>

* Established in 2014 at our plant in Sunderland, England, providing a variety of educational programs for students of all ages.
Initiatives in China (NCIC and Nissan China JVs)

In China, we define ‘Diversity & Inclusion (D&I)’ as respecting individuals and their values and embracing each other to come together as one organization.

Diversity and Inclusion Penetration

A penetration campaign was particularly designed in blended approach in NCIC: initiating from e-learning, promoting “diversity and inclusion” concept via corporate culture ambassadors’ propaganda video, following an “I will do” commitment session and displaying customized sign plates with lively tips to avoid unconscious bias during different communication scenes in all conference rooms to facilitate employee behavior change.

Leadership Workshop for Diversity and Inclusion

Intergeneration leadership workshop for NCIC managers was held in July 2021 and Intergenerational leadership insight workshop conducted in November to general managers from NCIC and joint venture companies, which enabled leaders to foster more inclusive and empathetic perspective on young generations to enhance their motivation and engagement.

“Speak my mind” was initiated to cultivate organizational empowerment, diversity and inclusion, and innovation through establishing a mechanism to support open dialogue, empowering the management team by strengthening feedback and listening, improving skills for handling high-risk conversations.

Gender Diversity

Special care was given to female employee such as mental health workshops were organized on International Women’s day, special cubicle setup for new mothers, maternity / paternity leave implemented.

Workstyle

Flexible working scheme has been implemented allowing employees with more work-life balance and better coping with pandemic situation.

Training

· Cross culture training was conducted to inbound and outbound expats for their smooth landing.
· In 2021, Unconscious bias e-learning, with the chairperson’s speech on diversity and inclusion embedded in, was rolled out in NCIC with 100% completion rate, also extended to some joint venture companies.

SUSTAINABILITY REPORT 2022
Initiatives in ASEAN

In ASEAN, we are committed to creating and respecting the value of people through diversity and inclusion. The key activities are as follows:

Women’s Month and International Women’s Day Celebration

We call to action to employees for accelerating gender equality with the theme #BreakTheBias. In order to raise employee awareness and encourage action among employees, we arranged Live the Dare Talk Show with four executives from different backgrounds and functions as well as the delivery of e-learning courses.

Flexible Workstyle

During the pandemic, we promote flexible and remote workstyles. To encourage flexibility and prioritize employees’ well-being, we will launch a post pandemic hybrid work arrangement guideline called F.A.S.T.

Equal Opportunities

We provide equal opportunities to employees regardless of their background to drive their own careers. To encourage employees, we launched ASEAN Career Month, and implemented ASEAN Role-Based Learning Pathways and Learner’s Circle to promote learning environment. The regional program called “IGNITE” contributes to develop local leaders, and women consist 60% of the graduates of this program.

In addition, the Unconscious Bias e-learning was launched to indirect employees to develop knowledge and skills to work effectively across borders of culture, gender, generations, and workstyles.

External Recognition for Diversity and Inclusion at Nissan*

Both Nissan’s diversity and inclusion initiatives and its attitude of placing emphasis on employee diversity, have received considerable external recognition.

Japan

Kurumin certification

In 2015, we 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. Nissan was the first transportation equipment company to be certified.

Eruboshi

The Ministry of Health, Labour and Welfare recognizes companies successfully promoting female participation in the workplace. In 2017, we received the highest third level “Eruboshi” accreditation.

PRIDE Index

This is an award that recognizes efforts to support LGBT employees. Since becoming the first Japanese automotive company to receive Gold in PRIDE Index, the top award, in 2017, we have received this Gold award for five consecutive years.
U.S.

Nissan North America (NNA) wins Gold WBENC Top Corporation in 2021: Recognized annually as one of America’s top corporations for Women’s Business Enterprises (WBEs).

NNA wins Regional Automotive Corporation of the Year 2021.

Canada

Nissan Canada (NCI) was selected for Top 100 Ideal Employer for Interns for the sixth consecutive year.

NCI was certified for A Great Place to Work® for the third consecutive year.

Mexico

NR Finance Mexico is recognized by HRC Equidad MX as one of the “Best Places to Work LGBTQ+ 2022”

U.K.

Nissan Motor (GB) gaining Pride 365 certification.

* Click here for more information on the main examples of external recognition of our diversity and inclusion initiatives to date.

https://www.nissan-global.com/EN/CARDID/COMPANY/DIVERSITY/RECOGNITION/

Nissan is also committed to enhancing diversity and inclusion as one of the focus areas in its social contribution activities. We are promoting diversity and inclusion as an important value with the aim of realizing a cleaner, safer and more inclusive society where everyone is given equal opportunities.

* Click here for more information on our “Community Engagement”.

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Product Safety and Quality

Product Safety and Quality Policies and Philosophy

Product evaluations and automaker brand value are entirely dependent on customer perception of quality. In the automotive industry, rapid technical innovations are seeing customers demand ever-higher levels of quality in the products they purchase. A company can strengthen its brand by consistently providing the value customers expect, but failing to meet expectations even once makes it harder to maintain a platform for providing new value to those customers.

As mobility needs rise worldwide, driven by increased urbanization and structural changes in the global economy, Nissan is fulfilling its mission of offering people everywhere the rich benefits of mobility. At the same time, we believe that automakers have an important responsibility to always offer customers the kind of quality they expect.

Nissan aims to earn its customers’ trust by addressing quality as a companywide issue. This means providing top-level quality to customers at every stage, from the planning of new vehicles through development, manufacturing, logistics, and sales to aftersales service.

Quality Policies and Philosophy

Quality has many aspects, and we seek to provide high quality at all stages of the customer experience: how it feels to use the product itself, the way customers are treated by sales staff in showrooms, the response if problems arise with the product. To achieve this, we pursue effective companywide cooperation at the cross-functional and cross-regional levels.

Based on a customer-centric ethos, Nissan places the highest priority on customer feedback and aims to enhance the quality of products and services that provide customers with a deep sense of satisfaction to ensure they choose Nissan vehicle over the long term through efforts focused on product, sales and service quality.

Vehicle product quality is essential for safe and comfortable long-term use. We aim to provide a high level of quality that meets customer expectations over the entire life cycle of the product. This includes the perceived quality when a customer opens the vehicle’s door in the showroom, sits in the seat, and takes a test drive; the initial quality when the vehicle is delivered to the customer; and the durability that allows the vehicle to provide many years of use.

We also conduct initiatives to increase customer satisfaction (CS) regarding sales and service quality. Our aim is to exceed expectations at every customer contact point, including dealership visit, purchase, maintenance, inspection, and repurchase.

We listen to customers and incorporate their feedback in every process throughout the company in our pursuit of CS.
Product Safety and Quality Management

Ensuring the safety of customers who purchase Nissan cars and consistently providing the quality they expect are both important issues. To achieve sustainable growth as a company that is trusted by its customers, Nissan has created organization to promote quality improvement globally, and all Nissan employees are engaging in activities as one. Clearly defined by an ISO9001-compliant quality management system, the persons in charge are assigned and the processes applied to a wide range of quality improvement activities on a global basis. As of January 2023, 23 out of 24 vehicle production bases*, including consolidated and non-consolidated sites, have acquired ISO9001 certification. One base is proceeding with the process to obtain certification by the end of March.

Management Systems for Product Safety and Quality

To achieve top-level quality, we have assigned a number of Senior Vice Presidents, headed by the Chief Quality Officer (CQO), to focus exclusively on quality issues. A CQO meeting, chaired by the CQO, is held every month and attended by executives representing each division and region. These meetings work to promote the swift solution and improvement of issues related not just to product quality but also to sales and service quality experiences before and after purchase. Additionally, in order to fully implement compliance, we have established a three-layer monitoring and audit system and are working to strengthen our audit activities. The first layer consists of each division implementing monitoring activities to ensure strict observance of laws and standards.

In the second layer, the Conformity Audit Office conducts audits of those efforts to observe laws and standards. And in the third layer, the Internal Audit Office conducts risk-based audits in accordance with annual plans.

Product Safety and Quality Achievements

Reflecting Customer Feedback in Activities to Enhance Quality

Quality reflects how successfully Nissan interacts with its customers. To provide the value that customers expect and respond rapidly if they are not satisfied, we listen to all feedback and put what we learn to use in measures to improve quality at every stage, from product design and development to aftersales service.

Responding Rapidly to Customer Feedback and Timely Sharing of Information

We receive and respond to customer comments and questions worldwide through a range of contact points, including dealers, call centers, and surveys. Our customer call center in Japan, for example, receives around 200,000 comments and questions from customers annually. To respond rapidly to customer feedback, we are utilizing digitized catalogs and technical materials from the past 50 years and a frequently asked question (FAQ) search system. Opinions and comments received by our customer call center in Japan are anonymized and shared companywide on the intranet, where employees can access and view them at any time. Information is also promptly sent by email to executives and senior managers.
Employees who buy Nissan vehicles are also customers and important stakeholders. Having installed the “Quality Listening Box” on our intranet, we are utilizing employee feedback in promoting activities designed to raise the quality of products and services.

To achieve faster and more accurate customer responses, the FAQ search system underwent complete renovation in fiscal 2021, by which its displays and searchability were greatly enhanced. Some of the FAQs have been made publicly available for customers, and we are devising ways to save customers the trouble of making inquiries by solving them by themselves.

**Incorporating Customer Feedback into Products and Services**

We have implemented a system for reflecting customer feedback in our products and services. Reliable information sharing ensures that this feedback is incorporated in the work of all functions, including product planning, R&D, manufacturing, and sales. Product quality is about more than just a lack of mechanical faults—it includes any factors that could lead customers to feel dissatisfied.

We see these factors as issues requiring action and strive to improve quality across all areas. The value that customers expect from products varies according to their region, age, and personal tastes and can also be affected by market factors, such as product diffusion levels or even climate. Although we have basic specifications for global design, we fine-tune these to meet regional needs. The Chief Quality Engineer (CQE) performs this role, participating in the vehicle manufacturing process from the product planning stage in order to reduce customer dissatisfaction and defects. We glean customer perspectives from market information and employee monitors and prioritize our response to these from the planning and development stages for both products and services.

**Adopting a Customer Perspective**

We believe all employees must have a customer-centric perspective and are implementing a variety of activities, including companywide training to foster this mindset and efforts to provide opportunities to experience customer feedback on a daily basis.

Since 2003, we have also held Nissan Quality Forums for executives, employees, and suppliers. These annual forums use information displays, video presentations and actual vehicles, and parts to showcase our latest quality results, customer feedback, and activities aimed at meeting targets. The forums are organized cross-functionally by all divisions from R&D to service. In recent years, experiential events that lead to actions being taken have been organized to raise all employees’ focus on customers and the importance of quality and to help them think and act from the customer’s perspective. They are held globally in Japan, North America, Europe, China, Southeast Asia, and other regions.

**Improving Product Quality**

Product quality is a basic feature in allowing customers to use a product safely and comfortably over the long term. For Nissan, a leading automaker with a strong history of monozukuri, Japan’s tradition of careful craftsmanship, product quality is the foundation for our sustainability as a company. We consider quality from the customer’s perspective at all times and respond quickly if a defect occurs, striving to prevent recurrence so as not to inconvenience the customer. We ascertain customer dissatisfaction and address it through all possible means, improving quality to increase satisfaction.
Approaches in Development and at Manufacturing Plants

Improving Perceived Quality and Developing Vehicles with Valued Designs

Perceived quality is the quality that customers feel when seeing, touching, and operating a vehicle. For example, when customers come to the showroom, they open vehicle doors, sit in seats, and check things like the texture of interior fittings.

The perception of quality is a particularly subjective matter, and applying objective criteria requires thorough studies. We conduct consumer research around the world targeting customers who have purchased or are considering purchasing a Nissan car in order to understand their perceptions better and incorporate those perceptions in new vehicles. Our perceived quality specialists communicate the voice of customers around the world and support us to develop attractive stylish vehicles that are valued by our customers.

Producing Products of Consistent Quality Worldwide

At Nissan, we will continue to produce products of a quality that exceeds our customers’ expectations. At the Tochigi Plant, we launched the Nissan Intelligent Factory to meet environmental considerations, such as carbon neutrality and the effective use of resources, and to meet the needs for electrified, intelligent cars, and are realizing *monozukuri* that places less of a burden on our employees. The Intelligent Factory will be deployed horizontally to global plants in the years to come.

Including these activities, Nissan will deploy quality initiatives in four areas, make comprehensive efforts from the development stage of new vehicle offerings to the pipeline that delivers vehicles to customers, and stably supply high-quality products.

Four Areas in Nissan Production/Supply Chain Management (SCM)

<table>
<thead>
<tr>
<th>Area</th>
<th>Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Model Quality Initiatives</td>
<td>At the digital stage of a new model, we will simulate a virtual factory, utilize simulation and virtual reality, and collaborate with design departments to create vehicle designs in digital form. The Global Production Engineering Center is also making efforts to realize high-quality vehicle production from the outset at all plants worldwide through the verification of the structural construction method of prototype vehicles.</td>
</tr>
<tr>
<td>Power Train Quality Initiatives</td>
<td>To complete quality manufacturing in each process, we set Quality Gates for each process, establish non-defective product conditions, and carry out activities designed to deliver non-defective products to the next process. We will also reflect the opinions of our customers in product and process designs, work to further improve the quality of new products, and contribute to the realization of stable quality.</td>
</tr>
<tr>
<td>Production Vehicle Quality Initiatives</td>
<td>Having developed highly reliable forming and joining techniques and tools that can reliably comply with quality requirements, we are improving the Built in Quality of each process. In addition, to leverage the Global Training Center and to devise ways to stabilize the quality brought about by manual labor, we are promoting the global development of advanced skills through the Master Trainer training program, and aiming to realize stable quality at all global plants.</td>
</tr>
<tr>
<td>Logistics Quality Initiatives</td>
<td>In the transport process that delivers completed vehicles to customers, we utilize the same global evaluation index to rate the quality of the accessory installation work and logistics transport operations. Through benchmarks at each site, we are promoting further improvements, maintaining factory shipping quality, and promoting the provision of high-quality vehicles to our customers.</td>
</tr>
</tbody>
</table>
Implementing Quality Tests Envisioning a Myriad of Situations

Each of our production cars and development models is evaluated using a system called AVES* to monitor quality on a daily basis. Feedback from customers is incorporated in standardized evaluation criteria, which are used to train quality assessment specialists. Only these company-certified experts, known as “AVES Masters,” can perform our strict daily assessments. The assessment process evaluates the vehicle’s interior and exterior and tests it while it is in operation, focusing on whether it meets quality standards defined in terms of customer requirements. During the running tests, carried out on actual roads, assessors check the vehicle in areas including unexpected noise, vibration, stability of handling, and the functionality of its various advanced systems. Final responsibility for overall quality is the responsibility of the CQE, who envisages different use scenarios for Nissan vehicles and carries out stringent quality checks accordingly.

Activities to Improve Market Quality

Swiftly Improving Quality in Local Markets

We are strengthening direct communication with sales companies and customers to promptly identify and respond to customer dissatisfaction and defects. Our Total Customer Satisfaction Function Division (TCSX) addresses customer dissatisfaction and quality issues based on information from sales companies and the customer call center. It shares information with the R&D and manufacturing divisions to investigate the causes and come up with countermeasures. These countermeasures are incorporated in production models on the market. In this way, we seek permanent solutions to prevent outflow of quality issues.

The global expansion of our corporate activities has increased our potential exposure to customer dissatisfaction and quality issues in more regions around the world. In response, we have established Field Quality Centers (FQCs) with the goal of promptly gaining an understanding of regional quality issues and analyzing their causes locally. There are now 18 FQCs in Japan, the U.S., Europe, China, Mexico, Brazil, South Africa, India, Australia, Thailand, Malaysia, and other locations.

Our FQCs conduct market quality research and analysis in five phases. First, they recall problem products from the market to clarify the facts and conduct detailed interviews to replicate the defects (Phase 1). Next, they bring suppliers together with our R&D and manufacturing divisions to share information, decide on areas for further investigation, and assign responsibilities (Phase 2). Based on the findings of these detailed studies, staff members gather again to scientifically pinpoint the cause of the problem and decide on specific countermeasures (Phase 3). These measures are incorporated in future R&D and manufacturing activities and new management structures are put in place to prevent recurrence of reliability issues or incidents (Phases 4 and 5).

* AVES stands for “Alliance Vehicle Evaluation Standard.” AVES is a quality evaluation system used across the Renault-Nissan-Mitsubishi Alliance, in which specially trained experts assess vehicles using more than 300 quality assessment criteria established from the customer’s perspective.
Conceptual representation of the five phases of market quality research and analysis

Phase 1
Clarification of the fact
- Collecting and analyzing information
- Confirmation of the phenomenon with parts and vehicles

Phase 2
Sharing the fact and decision of investigation items and responsibilities
- Sharing the facts with R&D / manufacturing / suppliers
- Agreement on investigation items/responsibilities with R&D / manufacturing / suppliers

Phase 3
Root cause analysis & planning countermeasure proposal
- Identification of the root cause from failure cause analysis & Test result
- Planning countermeasure proposal based on technical standard (design / manufacturing) and failure effect analysis

Phase 4
Validation of countermeasure content
- Agreement and decision of countermeasure with R&D / manufacturing / suppliers
- Countermeasure adoption at production line and deployment in market

Phase 5
Recurrence prevention and horizontal deployment
- Revision of the technical standard (design / manufacturing)
- Revision of the management process

Improving Initial Quality
We are strengthening our efforts to deliver high-quality new vehicles to our customers.
The Chief Vehicle Engineer (CVE), who is responsible for development, meets with the COE to share information from the market in order to promptly respond to customers’ wishes and potential satisfaction concerns. We confirm quality improvements for each process and explore necessary risk-reduction measures by visualizing potential risks at the planning stage. Applying all of these processes with transparent criteria lets us ensure that new models offer high quality from the outset.

Enhancing Durability
So that our customers are able to continue enjoy driving in our vehicles for many years, we are promoting efforts to address the deterioration caused over time by long-term vehicle use, such as the discoloration or deformation of resin, abrading of the surface materials, stripping away of chrome plating, and abnormal noises due to material fatigue. We consistently obtain data of warranty after the initial sale and conduct quality checks on recovered vehicles and parts actually used by customers to identify defects earlier. Analyzing this data helps us develop technologies that are more resistant to durability issues.
Fair and Prompt Response to Material Quality Issues

As an automobile manufacturer, Nissan's primary responsibility is to do its best to prevent product defects from occurring. At the same time, it is our responsibility to be prepared for worst-case scenarios in the manufacture of automobiles, which are extremely complex industrial products. Nissan’s basic stance on recalls is to respond in a transparent, fair, and prompt manner. It is our policy that decisions on recalls should be made from the perspective of compliance with laws and regulations, as well as from the perspective of how the issue affects customer safety. Specifically, Nissan makes decisions on recalls with the highest priority on ensuring customer safety, minimizing customer inconvenience, and complying with laws and regulations. When the recall decision is made, Nissan encourages customers to receive prompt repair information and visit repair facilities.

If a problem is found in a vehicle manufactured or sold by Nissan, a recall decision is made in accordance with internal regulations together with representatives from the region closest to the customer. After a recall decision is made, the following measures will be implemented to enable prompt repairs with top priority given to customer safety and security.

- Notification will be sent in a prompt and fair manner by postal mail to customers who own vehicles covered by the recall. Dealers will also contact customers, if necessary.
- Recall notifications will be posted on the website and on the mass media to inform the customer.
- We also make the required reports, including notifications to the authorities in accordance with the laws and regulations of each country.

Recalls in FY2021*1

<table>
<thead>
<tr>
<th>Country / Region</th>
<th>Number of Recalls</th>
<th>Recalled Vehicles (1,000 units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>11</td>
<td>504</td>
</tr>
<tr>
<td>North America</td>
<td>25</td>
<td>3,149</td>
</tr>
<tr>
<td>Europe</td>
<td>9</td>
<td>56</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
<td>381</td>
</tr>
<tr>
<td>Global</td>
<td>47*2</td>
<td>4,090</td>
</tr>
</tbody>
</table>

*1 Since they are sourced from internal data, these figures may differ from data published by government authorities.
*2 The total number of recalls is calculated by counting each recall measure as one case; therefore, the aggregate number of recalls by country / region does not sum to the global total.

Approaches with Suppliers

As our production network expands worldwide, the risk of problems related to the quality and supply of parts increases. Our efforts to ensure product quality include working with suppliers to improve quality at all production sites from the design stage onward.

Promoting Risk Evaluation and Reduction Management Among Suppliers

We promote stronger global management at the head offices of our suppliers with global operations even as we work to enhance our own global quality management. Nissan representatives visit each supplier’s plants and check the quality control conditions on their production lines. We also...
offer support for suppliers’ efforts to meet the quality control standards we require.
In addition to these activities, we have prepared checklists based on successful resolution of past issues and work not only with direct suppliers but also with tier-2 suppliers to implement quality improvement measures.

**Supplier Inspections and Training for Improving Product Safety and Quality**
To ensure product safety, we work together with suppliers and conduct inspections for products as well as components.
Each component from our suppliers represents the end-product of a complex manufacturing process that includes planning and development validation, turning design blueprints into prototypes, performance testing, and, finally, mass production. We have created a system called Alliance New Product Quality Procedure (ANPQP)* for regulating the necessary quality assurance across this entire series of activities. The ANPQP requires tests to be carried out on every component delivered by suppliers to confirm their high quality.
To determine whether new suppliers are able to carry out these tests, we developed the Alliance Supplier Evaluation Standard (ASES)* system. The ASES contains 240 evaluation criteria to determine if a component is defective and analyze the systems in place to prevent problems occurring. The ASES is applied on-site, at the supplier’s factory. New suppliers undergo ANPQP training and are certified as trainers themselves after they reach a specified level. They then conduct training on the supplier’s premises and build a system for supplying precision-built components.
For all Nissan suppliers, we are implementing a “Supplier Score Card” containing an assessment of diagnostic measurements such as delivered quality and market quality as well as the Supplier Health Check (SHC)* supplier audit to check their management system. This ensures that suppliers maintain their systems for consistently delivering high-quality components and conduct new initiatives to further improve quality. We are implementing initiatives to ensure quality in response to changes in the environment, such as remote checks from fiscal 2020.

* Click here for more information on ANPQP, ASES, and SHC
https://www.nissan-global.com/EN/SUSTAINABILITY/SOCIAL/QUALITY/PRODUCTS/ASSURANCE/

**Sales and Service Quality Improvement**
Nissan continues to improve not only vehicle quality but also quality of service at Nissan dealerships seeking to exceed customer expectations at all touch points. Through effective management of sales and service quality at dealerships in major markets around the world, we strive to improve Customer Satisfaction (CS) by adhering to the Nissan Sales and Service Way (NSSW).

**Nissan Sales and Service Way (NSSW)**
NSSW is a set of global guidelines designed to improve sales & service quality. It aims to increase satisfaction with our sales and aftersales service in targeting to achieve top-level CS in key markets including Japan, the U.S., China, and major European markets and we conduct a range of activities based on the NSSW. In particular, we set global standards in hardware and software aspects to provide customers with a consistent sales and service experience.
Updating Global Dealership Standards

In response to the diversification of our customers’ expectations and lifestyles, we introduced the Nissan Retail Concept (NRC) to dealerships around the world to promote standardization for providing consistent brand experience. The new dealership layout and design is intended to appeal to all customers, from those who come to purchase a new car to those who come for vehicle inspection or servicing, creating comfortable, welcoming spaces that offer needed services as efficiently as possible.

NRC also incorporates key Nissan brand elements such as Nissan Intelligent Mobility*, Electrified vehicles, the NISMO performance sub-brand, light commercial vehicles, and Nissan Intelligent Choice (our premium certified pre-owned car program). Adoption of the new standards has already begun in key markets, and more than 2,900 stores had completed the facility standard adoption by the end of fiscal 2021. We continue to deploy the new concept in our stores around the world.

* Click here for more information on Nissan Intelligent Mobility.
https://www.nissanusa.com/experience-nissan/intelligent-mobility.html

Shift to a More Customer-Centric Company

The number of customers who expect a seamless, pleasant online sales and service experience is increasing, but each customer has different needs. We aim to respond to individual needs and provide a customer experience that goes beyond expectations. To ensure the implementation of these initiatives, Nissan Academy, a special team for educating dealers, develops and conducts training for dealership staff and management to go beyond customer expectations. To boost our activities at dealerships, we train area managers and continuously improve our practices. These area managers analyze dealer operations, develop improvement plans based on their individual situations, and support their implementation, to let dealers continue autonomous improvements.

Focusing on the voice of each individual customer and quick problem resolution, we also implemented Quick Voice of Customer (Quick VOC). It is not a survey but rather a powerful tool to capture customer’s feedback with three simple questions and free comment. In case a customer shows any concern, Quick VOC provides the Dealer / Nissan a hot alert and allows the Dealer to quickly resolve the specific customer’s concern and thereby increases customer promotion for Nissan.

We continue to improve the quality of our sales and service in order to improve satisfaction among customers who visit our dealerships.
Supply Chain Management

Supply Chain Strategy

The challenges facing modern societies, such as climate change and energy issues, are increasingly global in their scope. To meet these challenges, it is essential for Nissan to identify relevant issues at each stage along the supply chain and make ongoing efforts to address them. As a business with worldwide operations, Nissan has a supply chain that extends across the globe. We promote consistency in purchasing activities throughout the global supply chain, sharing our vision and policy with business partners and strategically collaborating with them to ensure their adoption.

We aim to achieve sustainable growth built on a foundation of mutual trust with our business partners. We listen closely to and work with our suppliers as equal partners, developing and maintaining cooperative and competitive relations that enable us to implement best practices.

Nissan’s Approach to the Supply Chain

To optimize purchasing activities, the Alliance partners established a common purchasing company, the Renault-Nissan Purchasing Organization (RNPO), in 2001 and have steadily increased the scope of its activities in the years since then. The organization now covers all purchasing domains, incorporates all purchasing functions, and builds mutually profitable business partnerships with all suppliers. Its name was changed to the Alliance Purchasing Organization (APO) in April 2018, after Mitsubishi Motors joined the Alliance. The new organization aims to help each company in the Alliance achieve sustainable performance through the steady development of the Alliance as well as through the advantage of economies of scale.

We use common, transparent processes and criteria worldwide to select suppliers and are open to doing business with new partners, regardless of nationality, size, or transaction ties in the past. Suppliers are selected after the relevant Nissan divisions meet to examine submitted proposals from a range of perspectives. We explain our decisions to every supplier that takes part in the supplier selection process as part of a thoroughly fair, impartial, and transparent system.

Transactions with suppliers are based on the three values that the Alliance regards as important: trust (work fairly, impartially, and professionally), respect (honor commitments, liabilities, and responsibilities) and transparency (be open, frank, and clear).

Nissan and Renault have produced a booklet, The Renault-Nissan Purchasing Way*, outlining the values and processes the Alliance sees as important when doing business. This booklet has been shared with tier-1 Renault and Nissan suppliers since 2006. In Japan, we also adhere to the proper trading guidelines issued by the Ministry of Economy, Trade and Industry for the automotive industry.

* Click here to download The Renault-Nissan Purchasing Way.
The Alliance Purchasing Organization (APO) created by Renault, Nissan, and Mitsubishi Motors

APO
Alliance Purchasing Organization

- Purchasing domains: All (components, materials, equipment, molds, service support)
- Purchasing functions: All (planning, procurement, projects [vehicles/units], vmanagement, supplier quality, etc.)

Processes from Supplier Selection to Mass Production

Choice of supplier candidates → Sourcing → Selection of suppliers → Design Prototype production Evaluation for mass production → Mass production → Performance monitoring

Working with Suppliers

We aim to make our global supply chain sustainable by conducting ethically, socially, and environmentally responsible business at every stage. We collate and manage a database of plant locations, total purchase values, and other basic information for all suppliers. We are working together with all suppliers to promote the sustainability principles set out in the Renault-Nissan CSR Guidelines for Suppliers and the Nissan Green Purchasing Guidelines.

Supply Chain Management Policies and Philosophy

Promoting Widespread Permeation through the Renault-Nissan CSR Guidelines for Suppliers

To effectively implement sustainability practices worldwide, Renault and Nissan revised the Renault-Nissan CSR Guidelines for Suppliers*1 in December 2015. Renault and Nissan distributed the revised guidelines to all their suppliers and have also asked suppliers to share the revised guidelines with their own business partners to ensure they permeate throughout the supply chain. Renault and Nissan drew up the first edition of the guidelines for distribution in 2010 with reference to the CSR guidelines of the Japan Automobile Manufacturers Association, Inc.

Key revisions and clarifications in the 2015 edition included, as a response to new laws and ordinances: (1) updating the procurement policy to include responsible mineral procurement and the elimination of antisocial forces based on new Japanese governmental guidelines and regulations; (2) requiring a shared commitment to sustainability activities with suppliers.
at the time the guidelines are distributed; and (3) beginning third-party assessment of supplier sustainability activities as an Alliance initiative from fiscal 2016. As part of efforts to promote sustainability practices among business partners in emerging countries, the revised guidelines were published in Chinese as well as English and Japanese.

To help suppliers review their corporate activities from a sustainability perspective and take sustainability actions, the guidelines explain expected initiatives in 26 categories across the following five areas:

1. **Compliance**: Complying with laws, preventing corruption, etc.
2. **Safety and Quality**: Ensuring the safety and quality of products and services, etc.
3. **Human Rights and Labor**: Prohibition of child labor and forced labor, complying with working hours and remuneration laws, etc.
4. **Environment**: Environmental management, reducing greenhouse gas emission and industrial waste volumes, and managing chemical substances, etc.
5. **Information Disclosure**: Open and impartial communication with stakeholders, etc.

In addition, suppliers are requested to undergo assessments by third parties. The guidelines mandate that suppliers comply with laws and regulations. If suppliers are found to be in a state of non-compliance, the guidelines prescribe required responses, such as filing a report immediately, conducting an investigation, and formulating corrective measures. In the case of a noncompliance incident, we will take firm action based on our regulations and do everything necessary to prevent a recurrence.

In 2022, “Renault-Nissan CSR Guidelines for Suppliers” Supplementary Handbook for Nissan Suppliers*2 was published for Nissan suppliers to facilitate better understanding of sustainability issues and responses to social demands. Specifically, we clarified important matters that should be considered and addressed regarding human rights and labor, which were made known at supplier meetings and on other occasions.

**Positioning of “Renault-Nissan CSR Guidelines for Suppliers” Supplementary Handbook for Nissan Suppliers**

In fiscal 2021, no human rights violations, such as discrimination, occurred, and no supplier was found to be at serious risk of forced labor or child labor.

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*1 Click here for more information on “the Renault-Nissan CSR Guidelines for Suppliers”. https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SUPPLIERS2015/


* Working with Suppliers in Strengthening Our Business Foundations to Address Environmental Issues >>> P091
Supply Chain Management

Nissan has always been working to improve its supply chain through activities including third-party assessment of suppliers’ sustainability activities and sustainability training for workers in its purchasing department. We have also instituted an awards system to recognize suppliers whose performance is outstanding. This awards system aims to encourage suppliers in the global supply chain to embrace Nissan’s management approach, which balances the economic activities of quality, cost reduction, and technological development with social responsibility and environmental concern.

Working with Suppliers in Strengthening Our Business Foundations to Address Environmental Issues

Evaluation, Monitoring, and Auditing of Suppliers’ Sustainability Practices

Nissan has been confirming suppliers’ acceptance of the Renault-Nissan CSR Guidelines for Suppliers and check their environmental management systems and their willingness to advance environmental activities with us at the time of supplier selection. Among newly selected suppliers in fiscal 2021, 100% of them met both Nissan’s social standards and basic environmental principles.

In 2016 the Renault-Nissan alliance began third-party assessment of suppliers’ sustainability activities to raise standards through mutual confirmation. When results do not meet Alliance standards, suppliers are asked to draw up plans for improvement. We then monitor their implementation. We held a seminar for suppliers, where a rating organization spoke to them directly how to answer assessment questions and formulate improvement plans. By now, more than 90% of Nissan’s purchase demands are covered by a third-party assessment.

We also conduct sustainability training in our purchasing department to ensure that employees conduct checks of suppliers’ sustainability activities in their daily work. In addition, Nissan requires all employees to attend e-Learning courses on the Subcontractors Act*1 and the Anti-Monopoly Act*2 as mandatory training every year in order to maintain fair and impartial relationships with suppliers.

If there are issues with the supply of parts and materials, they may lead to problems not only for Nissan’s production but also the supply chain as a whole. We therefore position the following measures as part of sustainability activities and implement; (1) confirming supply risks under normal circumstances; (2) following up annually on quality, cost, delivery, development, management, sustainability, and risk (QCDDMSR) performance; and (3) working with suppliers to craft response plans for natural disasters to ensure production continuity or early restoration of capacity.

We monitor compliance from the perspective of supplier management, constantly assessing the situation at each supplier based on a range of factors. When high risk is identified, we work with the supplier to rapidly draft and implement countermeasures.

In fiscal 2021, there were no suppliers whose compliance was problematic, and no supplier contract was terminated for such a reason.

*1 Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors
*2 Act on Prohibition of Private Monopolization and Maintenance of Fair Trade
Promotion of Monozukuri Activities with Suppliers

We work to continually improve the competitiveness of our products through the Monozukuri Activities program, a collaboration between suppliers and Nissan that was launched in 2008. Since 2009, these activities have expanded through the joint THANKS Activities initiative, which emphasizes trust and cooperation between Nissan and its suppliers. With the goal of working with suppliers to become cost leaders under today’s challenging market conditions, we strive to improve product quality, reduce costs, and rationalize manufacturing through measures that include increasing production volume per part, promoting localization, and improving logistics. In fiscal 2013, we introduced the Total Delivered Cost (TdC) Challenge, aiming to optimize all fluctuating costs, including for specifications, materials, exchange rates, and logistics. Our various functional departments, together with suppliers, are continuously working to proactively promote the TdC Challenge and improve both quality and supply.

Engagement with Suppliers

Providing suppliers with timely and accurate information is a key task for Nissan. Suppliers’ meetings are held in Japan and overseas to spread understanding of Nissan’s purchasing policy for the fiscal year, midterm business plan, and other matters. In Japan, we hold monthly meetings and directly inform suppliers of our production plans, activities, and requirements. The meetings are also an opportunity for Nissan to respond to supplier questions and requests.

Recognizing Supplier Contributions Worldwide

Each year we recognize the contributions of our suppliers to the development of our business and improvement of our performance with awards presented at the global level as well as in each of the regions where we operate. At the Nissan Global Supplier Awards, we present Global Quality Awards to suppliers showing exceptional performance in quality for the year, and Global Innovation Awards to suppliers whose innovative initiatives improved Nissan’s brand and product power. Global Quality Award recipients are selected by Nissan’s purchasing, quality and other divisions using standard criteria applied worldwide. Global Innovation Award recipients are selected from suppliers nominated by Nissan’s production, development, and other divisions in two categories: product technology and process management. In fiscal 2021, five companies received Global Quality Awards, while Global Innovation Awards went to 16 companies.

THANKS

Trusty and Harmonious Alliance Network Kaizen activity with Suppliers
Responsible Minerals Sourcing

Minerals Sourcing Policy

In 2013, Nissan moved quickly to establish a policy against use of conflict minerals and published the policy on its website. Following this, in July 2020 it formulated and published its new Global Minerals Sourcing Policy Statement and expanded the scope from the conflict minerals known as 3TGs (tin, tungsten, tantalum, and gold) to all minerals including cobalt from conflict-affected and high-risk areas.

Nissan’s goal is to conduct ethical, social, and environmentally conscious business practices at every level of our global supply chain. We monitor our supply chain to assess whether the mineral resources contained in materials or components used to manufacture our products have any harmful social effect, such as on human rights or the environment. When there are concerns about the minerals being used, Nissan actively works to end that use.

Based on its Global Minerals Sourcing Policy Statement, Nissan references to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas to implement due diligence related to minerals sourcing in its supply chain. From 2021, the Renault-Nissan-Mitsubishi Alliance has also joined the RMI* and will work with its suppliers to assess risks and will strengthen its efforts to take corrective actions furthermore whenever issues are identified.

* Click here to download the Global Minerals Sourcing Policy Statement.
https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals_Sourcing_Policy_e.pdf

* RMI stands for Responsible Minerals Initiative, an organization with member companies and associations from the information and communications technology and other industries that works to improve global social and environmental awareness.

Responsible Minerals Sourcing Management

Governance System for Supply Chain Due Diligence

The head of the Purchasing Department is responsible for conducting supply chain due diligence with the cooperation of the R&D Division, Sustainability Development Department, and other related divisions, and reports the results to the Global Sustainability Steering Committee. If necessary, the results are also reported to the Executive Committee (EC), Nissan’s highest decision-making body, for use in determining future initiatives.

Conflict Minerals Management

We began conducting conflict mineral surveys in our major areas of operation (Japan, North America, and Europe) in fiscal 2013. Starting in fiscal 2014, we gradually expanded the scope of these surveys to other areas. Surveys on a massive scale are required to grasp the status of minerals usage throughout the global supply chain. We therefore collaborate with organizations including the Japan Automobile Manufacturers Association, Inc., the Japan Auto Parts Industries Association, and the Japan Electronics and Information Technology Industries Association to hold regular working group sessions to consider methods for investigation and analyzing the results of those investigations.

The surveys track minerals back through the chain of suppliers using CMRT (Conflict Mineral Reporting Template) provided by the RMI. This enables Nissan to identify smelting and refining companies that are not procuring minerals that are a source of funds for armed groups in their regions.

We provide the suppliers we survey with manuals describing how to fill in required forms and what tools to use to collate results. In this way, we work to increase understanding of conflict mineral issues throughout the supply chain.
In fiscal 2021 we conducted surveys in nine markets—Japan, the U.S., Mexico, Europe, China, Thailand, India, South Africa and Brazil. No suppliers were found to be using minerals from smelters/refineries believed to be connected to armed groups.

Going forward, we plan to make our surveys more effective by improving its methodology in conjunction with the member companies of the Japan Automobile Manufacturers Association, Inc., and the Japan Auto Parts Industries Association. We will also continue to seek responses from suppliers that did not reply to the survey.

* Click here for more information on our actions for minerals sourcing.

https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals_e.pdf

Cobalt Management

Nissan is aware that not only geopolitical risk but also environmental impact and human rights issues related to cobalt mining have been pointed out. Together with suppliers, Nissan aims to carry out responsible cobalt sourcing.

Since 2018, Nissan has conducted interviews with its lithium-ion battery suppliers and follows up with them on a regular basis and is identifying its supply chain. We are enhancing our approach to identifying cobalt smelters/refineries by referencing the OECD Due Diligence Guidance. Any identified smelters/refineries will be disclosed on an ongoing basis.

* Click here for more information on our actions for minerals sourcing.

https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals_e.pdf
Human Resource Development

Human Resource Development Policies and Philosophy

We value a self-directed stance toward learning by employees, and are working to foster a corporate culture in which they can demonstrate their abilities and potential and in which both the company and employees can continue to grow together, as well as to develop human resources. We encourage employees to take ownership of their own careers and promote skill development. We also promote active collaboration and teamwork with others, in addition to the development of team members by their supervisors in their respective workplaces. Specifically, the five values of the NISSAN WAY which evolved in fiscal 2020 as a symbol of the new Nissan, and the appraisal system, which emphasizes the development of human resources and promotion of collaboration, was revised in fiscal 2020 to ensure sustainable growth and development of the organization and human resources. In addition, to provide employees with effective learning opportunities even in remote work environments, we provide over 20,000 types of e-learning content on a global basis and are also promoting the expansion of digital learning infrastructure by preparing an environment so that employees can take courses on their own mobile devices.

Human Resource Development Management

Continually Improving Human Resource Systems

Nissan is working constantly to improve its human resource systems to achieve growth for its people and organization over the medium to long term. We updated these systems in fiscal 2020 and established three pillars of appraisal, namely appraisal metrics based on the evolved NISSAN WAY People & Collaborative Leadership to support employee's motivation for growth, self-development, and to enhance teamwork, and expertise.

Based on these, we have introduced "Competency Appraisal" measuring an employee's skills, knowledge, and attitude, and "Performance Appraisal" measuring to what extent the employee achieved their goals. The results of the "Competency Appraisal" are linked to wage or ABS (Annual Basic Salary). And the results of the "Performance Appraisal" are linked to bonus or VC (Variable compensation)*. In addition, we offer an employee stock ownership plan as part of our benefits package.

* Variable incentive compensation
Support for Self-Designed Careers

At Nissan, all employees have an opportunity twice a year to discuss their own careers with their supervisors to support their career designs. Together with “Performance Appraisal” and “Competency Appraisal,” employees and their supervisors reach a consensus through dialogue. Aiming to enhance measures for career development as well as growth in their dialogues, training programs are provided to improve supervisors’ skills. In addition, guides and e-learning are available for employees to voluntarily consider their own career. We use dedicated tools for evaluation to keep track of evaluation records so that even a newly instated supervisor can immediately confirm employees’ growth progress, which makes it possible to maintain consistency within the human resource development. We conduct surveys to gain employee input regarding the evaluation dialogues and to learn their level of understanding and satisfaction with the system. Based on the results, we implement necessary measures and make improvements. We monitor employee satisfaction regarding the dialogues with their supervisors, and there has been an improvement in employee understanding and acceptance of the evaluation system.

Employees in Japan have a chance to take on the challenge of a new position through the Shift Career System (SCS) and the Open Entry System. The SCS enables employees to apply for positions in other departments or areas in which they are motivated to work in, regardless of whether there is a position immediately available. The OES allows them to apply for all openly publicized positions. During fiscal 2021, a total of 279 employees applied for approximately 480 open posts, and 142 of them succeeded in getting the positions they applied for.

Offering Learning Opportunities

Based on our firm belief that employees are our most important asset and that nurturing them is critical, we support them by providing a large number of learning opportunities. We have developed various programs to help employees improve their management and business skills, and to develop leadership skills. In these ways, employees are encouraged to enhance their skills, their knowledge, and their mindset in order to realize their career visions.

Specifically, in addition to mandatory trainings for each career stage, we implement elective trainings which allow employees to choose what they want to learn. We also expand global common e-learning contents to encourage self-learning. With these measures, we strive to foster a corporate culture of continuous learning and development. In response to changing times, we are actively shifting from face-to-face training conducted in groups to online training to build an effective learning environment that enables each individual to learn using their mobile devices under remote working conditions.
Nissan Learning Center
In the automobile industry, in which technological innovation is rapidly advancing, in order to maintain and develop Japanese manufacturing that leads global competition, talents are required who not only understand advanced vehicle manufacturing and technology but also have management skills and maturity. We founded Nissan Learning Center with the aim of continuously developing capable leaders to play a central role in monozukuri and pass down our technologies and skills to future generations. This is another example of how we offer learning opportunities and promote activities to develop human resources.
Nissan Learning Center consists of three organizations: Nissan Technical College, Genba Kanri (shop-floor management) School, and Engineering School. It offers a variety of programs aimed at developing engineers and technicians who carry forward the Nissan DNA and achieve continuous success through the implementation of the evolved NISSAN WAY.
In addition, Nissan Learning Center is responding to remote working by offering online technology training including AI and IoT for approximately 10,000 employees.

Nissan Software Training Center (STC)
In 2017, we established the Nissan Software Training Center (STC) within our Nissan Advanced Technology Center (NATC) and have been working on training engineers to develop skills for both cars and software development. As software holds the key to our competitiveness in an age where CASE is progressively expanding, we continue to develop talent who are well-adapted to digitalization through our STC programs in which we offer necessary knowledge and skills.
To date, a total of 393 employees have joined the program over a period of 13 semesters since the center’s establishment in 2017.

Engineering and Technical Skill Training around the World
To strengthen our efforts to expand our business globally, we must further improve the engineering skills of individual employees working across the globe. We offer 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.

Training for Engineers
Since 2012, we have implemented the Global Training Program (GTP), a common global basic training program for engineers at R&D sites worldwide. Furthermore, in recent years, we have moved forward with plans for more advanced and specialized training, including training in the areas of electric vehicles, autonomous driving technologies and connected car services, in order to develop talent that can lead R&D related to autonomous vehicles and connected cars.

Training for Technicians
In order to improve the day-to-day management skills of foremen and general foremen in all of the plants operated by Nissan, Renault, and Mitsubishi around the world, a common production method known as the Alliance Production Way (APW) has been defined. We are also developing a shared Alliance framework for APW training, which we aim to implement worldwide.
Improving Management Quality

We are working to improve the quality of management at the global level. We have further emphasized strengthening human resource management within the organization by introducing values of the evolved NISSAN WAY and People & Collaborative Leadership into the appraisal system. In the introduction of the new system, corporate officers and general managers themselves acted with strong leadership, holding dialogues and workshops to promote understanding in their respective departments and to communicate the will to change. In fiscal 2021 and afterwards, we include the contents related to expected roles in companywide trainings by job level (for new employees, for newly promoted managers, etc.), and continue to promote understanding of the new appraisal system and encourage employees to take expected actions. In addition, we have revised the existing training program structure in line with the new NISSAN WAY and People & Collaborative Leadership, creating an environment where employees can take training that strengthens relevant skills and leadership.

Training Future Leaders

To continually foster future leaders and specialists who will lead the company, we take a strategic and systematic approach to training, job rotations, and recruitment. Specifically, we identify future business leader candidates at an early stage and implement various training programs by clarifying their strengths and development areas according to their growth stage, including young employees, middle managers, and corporate officers. Staff rotations beyond divisions and regions are strategically and systematically implemented to give candidates for future leaders opportunities to work in management posts or in global functions so that they can acquire experience needed to become a management member or a leader. Furthermore, we are in the midst of a period of transformation from the era of owning a car to the era of creating new mobility services, such as electrification, autonomous driving, car sharing, and connectivity with the internet. We are therefore working to develop leaders who can lead new businesses beyond the boundaries of the conventional automobile business. We are reinforcing our human resources not only through the recruitment of new graduates but also by actively hiring mid-career talent and mid-level management candidates from outside the company. In order to effectively operate these talent management schemes, meetings dedicated to human resources are regularly held with corporate officers. There, talents are identified, then development plans and succession plans are created. In addition, corporate officers have opportunities for direct dialogue with future leader candidates and actively participate in discussions on human resource development measures across divisions and regions. These strategic human resource management systems are also being actively discussed at the regional and departmental levels, with human resources and systems coordinated across regions under a common global framework.

The Nissan Expert Leader System: Passing Down Nissan’s Technologies and Expertise

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 such as purchasing and accounting. In fiscal 2022, the system’s 17th year, 47 Expert Leaders and one Fellow are playing an active role in a total of 86 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 expertise in seminars and training courses.

## Human Resource Development Achievements

### Training Program Achievements at Nissan Motor Co., Ltd.

<table>
<thead>
<tr>
<th>Performance Indicators for Training Programs</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of learners</td>
<td>330,784</td>
<td>304,225</td>
<td>395,448</td>
</tr>
<tr>
<td>Total hours of training</td>
<td>549,490</td>
<td>250,251</td>
<td>328,783</td>
</tr>
<tr>
<td>Hours per learner</td>
<td>24.3</td>
<td>11.1</td>
<td>14.3</td>
</tr>
<tr>
<td>Learner satisfaction (out of 5)</td>
<td>over 4.2</td>
<td>over 4.2</td>
<td>over 4.2</td>
</tr>
<tr>
<td>Investment per employee (¥)</td>
<td>83,000</td>
<td>64,000</td>
<td>67,000</td>
</tr>
</tbody>
</table>

The fiscal year labels in previous reports had been incorrect, and they have been fixed in this report.
Labor Practices  Respecting the Rights of Workers

Policies and Philosophy on Respecting the Rights of Workers

Nissan has been a member of the United Nations Global Compact since 2004, observing its universal principles on human rights, labor, the environment, and anti-corruption. Nissan promotes the management of sustainability strategies pursuant to the Compact’s 10 principles. We have expanded and enhanced our wide-ranging activities to ensure that employees’ basic rights are respected.

* Click here for more information on the Nissan Human Rights Policy Statement.

Management That Respects the Rights of Workers

Under the “Value Diversity and Provide Equal Opportunity” code within the Global Code of Conduct, Nissan requires its employees to respect and value the diversity found among the company’s employees, business partners, customers, and communities, while rejecting discrimination and harassment in all forms, regardless of magnitude. Nissan executives and employees must respect the human rights of others and may not discriminate against or harass others based on race, nationality, gender, religion, disability, age, place of origin, gender identity, sexual orientation, or any other reason; nor may they allow such a situation to go unchecked if discovered. We also work to ensure that all employees, both male and female, can work in an environment free from sexual and other forms of harassment. In addition, we have implemented a system called SpeakUp,* which enables internal reporting of any suspected breaches of all internal policies, including the Global Code of Conduct.

* Click here for more information on the Global Code of Conduct for NISSAN Group.

*1 Click here for more information on the globally integrated reporting system.

* Click here for more information on our human rights initiatives.

* Click here for more information on business ethics: management.
Building a Workplace Environment Where Employees Can Work with Peace of Mind

Based on the idea of fostering a people-centered corporate culture, Nissan is cultivating a workplace environment where employees can work with peace of mind. To that end, it is essential that employees’ human rights are respected throughout the organization, and Nissan is building a framework to address this issue in a systematic way.

In 2021, we released the ‘Nissan Global Guideline on Human Rights’, which is a compilation of specific action points on how to respect employees’ human rights. The document covers seven themes in light of Nissan’s business activities. Based on these guidelines, we are working to further strengthen our initiatives for respecting the human rights of employees throughout our business.

* Click here for more information on the Nissan Global Guideline on Human Rights.
https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/HUMAN_RIGHTS_GUIDELINE/index.html

Achievements in Respecting the Rights of Workers

Diversifying Workstyles with “Happy 8”

Nissan has striven to create workplaces that let individual employees choose from a wide range of workstyles to suit their values and life needs through its “Happy 8” workstyle reform.

* Click here for more information on “Happy 8” workstyle reform.

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Human Rights Due Diligence / Assessment

Nissan conducts human rights assessments as part of its human rights due diligence to ensure that employees’ human rights are respected at each of its global sites and to create an environment where its employees can work with peace of mind and where Nissan respects local laws and incorporates international standards, as necessary. The following process is being implemented at all sites: determining whether improvements need to be made based on the results of the assessment, planning and implementing those improvements, and then disclosing the results outside of the company. In fiscal 2021, a human rights assessment was conducted at Nissan North America (NNA), starting with a self-assessment questionnaire followed by performing a more in-depth assessment with the cooperation of an external NPO organization. The assessment did not suggest any inconsistencies with local laws and identified potential areas NNA could consider revising. The assessment details are being scrutinized internally, and we are proceeding to propose and implement amended standards, as necessary.

*Click here for more information on human rights due diligence / assessments conducted in fiscal 2021.

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Labor Practices Dialogue with Employees

Policies and Philosophy on Dialogue with Employees

For a company to continue offering new value in the face of rapid changes in the social and business climate, it is essential for its employees to embrace the company’s corporate purpose as well as its mission and consciously work toward realizing them.

Nissan conducts its internal and external communication activities with the aim of enhancing and maintaining the company corporate and brand values while at the same time enabling the company to achieve its short- and long-term business goals. In terms of internal communication, we are delivering a variety of information to our employees globally to foster a genuine interest and fondness for the company, which will encourage them to engage in tackling challenges as well as proactively enhance the value of the company as “ambassadors” of Nissan.

Guidelines for Dialogue with Employees

We established two guiding principles for communication that aim to encourage higher employee engagement: “building trust” and “increasing employee motivation.” We utilize various communication tools to deepen employees’ understanding of our business, products, and brand, as well as to explain the direction in which we are heading in order to generate employee confidence in their day-to-day activities and in the future of the company.

By organizing events and offering opportunities for employees to increase their motivation and realize that they are an integral part of the company, we nurture a sense of pride in our employees, which in turn will encourage them to contribute to Nissan’s sustainable growth.
Management of Dialogue with Employees

It is paramount for Nissan, a company with more than 100,000 employees working globally at production sites and offices, to offer enriching internal communication that instills our corporate mission and management strategies in our employees, make each employee more motivated and engaged, and strengthen corporate governance.

The Global Internal Communications Department is playing a key role in deploying messages in a thoughtful manner, such as through the corporate intranet system that delivers information to all employees globally, materials cascaded from senior managers or information shared in each region. Employee–executive exchange is also held on a regular basis with the aim of building trust. Furthermore, we offer opportunities for employees to voice their views and share them with company executives in an effort to promote continuous improvement.

An annual action plan for internal communication activities is created with the aim of improving communication both quantitatively and qualitatively. Surveys are conducted on these communication initiatives on an annual basis, as well as on individual communication activities. Survey results are reflected in future communication activities and action plans for the following fiscal year.

By creating a shared awareness of sustainable growth through communication with employees, the entire organization is united.

Achievements in Dialogue with Employees

For Nissan and its employees to continue to grow together in the face of globally expanding business activities, employees need to understand the direction in which the company is heading and implement their own actions toward the achievement of the company’s objectives. Overcoming challenges to achieve those goals can lead to personal growth for the employee and contribute to the realization of our corporate purpose. Nissan is strengthening its communication with employees in order to enhance their engagement.

Strengthening Communication to Build Trust and Increase Motivation

We are currently working to achieve the objectives of the Nissan NEXT* business transformation plan calling on all employees to embrace our corporate purpose and understand the significance of the plan. Employees’ confidence in the company’s activities and performance is essential for the plan’s success. At the same time, we also need to motivate employees, encouraging them to take self-initiated action. Therefore, internal communication activities focus on building trust among employees and increasing their motivation.

* Click here for more information on Nissan NEXT.
https://www.nissan-global.com/ENCOMPANYPLANNEXT/
Enhancing Communication Channels

To build trust with employees, companies must disclose information in a fair and open manner, so we punctually provide our employees with information on business results including financial announcements.

In order to get employees engaged and motivated, swift communication of information regarding the company’s products, services, and technologies such as on electrification is provided, which enables employees to deepen their understanding of these important initiatives. We proactively inform employees about long-term initiatives such as developing autonomous driving technologies and providing new services using connected technology.

We are enhancing coordination among our various departments and with executives 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 presidential address, reflecting on the past year’s performance and highlighting the direction for the new year. Topics based on employee interest are also broadcast through live web conferences called Management Information Exchanges (MIEs), which encourage engagement between Executive Committee (EC) members and senior managers.

Employee motivation is also raised through participation in new model announcements and seminars, 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. They have been highly effective in developing “ambassadors” for Nissan.

Since we introduced a corporate intranet system accessible by all employees globally called WIN (Workforce Integration @ Nissan), it has been actively used to promote communication, information sharing, and collaboration among employees. WIN has expanded beyond the Nissan Group, and the audience has now begun to include Nissan’s major affiliates as well.

At the end of fiscal 2021, the WIN design was renewed for the first time in nearly five years, improving usability. The Global Internal Communications Department will continue listening to employee opinions with the aim of further improving intranet (WIN) quality.

In fiscal 2014, Nissan began issuing Engagement Kits summarizing its global operations, business performance and major achievements, and corporate direction. These kits are distributed to general managers every month and are used as communication tools for information sharing.

In addition, in Japan, employees are provided with the necessary information in a timely manner through such means as a printed in-house monthly newsletter called Nissan News for employees at Nissan production sites and an in-house broadcast program on TV monitors in employee cafeterias and in offices.
Strengthening Communication between Executives and Employees

In order to achieve a solid recovery and steady growth through the concepts of ‘RATIONALIZE’ and ‘PRIORITIZE & FOCUS’, which are the pillars of Nissan NEXT, and to regain Nissan’s identity in the new era, it is important to increase dialogue with employees and have them understand why Nissan is undertaking structural reform of the business.

In addition to the presidential address and MIEs, we held a Roundtable, where the CEO directly interacted with employees, and a Town Hall Meeting, where the CEO delivered a message to global employees.

In fiscal 2021, after announcing the long-term vision Nissan Ambition 2030, we held Town Hall meetings for employees in all regions. Adopting a form of direct dialogue online between employees, the CEO and COO, responses from the participating employees were extremely favorable with a wealth of positive feedback including “the dialogue increased motivation.”

Additionally, by inputting employee feedback to management in a timely manner after the announcement of important projects and holding of events, internal communications also play a role in providing employee perceptions and thoughts as feedback to management.

Regarding opportunities for direct dialogue with top management, many employees have requested that we increase opportunities for communication, and since fiscal 2020, we have conducted roundtables sequentially in each region to facilitate more detailed dialogues with employees.

Employee–Executive Exchange Meetings

In order to build trust, it is important for Nissan to stay aware of its employees’ thoughts and opinions and ensure that they are shared with top management. We are making efforts to communicate information that will lead to greater employee trust toward the achievement of Nissan NEXT business transformation plan objectives. These efforts are monitored on an ongoing basis through key performance indicators (KPIs) and reflected in internal communication activities. For these activities, we conduct regular surveys of employees, and the results are conveyed to company executives. The survey results are also used to run a PDCA cycle, leading to future planning that clarifies the scope of the audience and content of communications.

Town Hall Meeting on “Nissan Ambition 2030”
Employees’ Health and Safety

Employees’ Health and Safety Policies and Philosophy

To demonstrate that occupational health and safety are the top priorities in Nissan business activities regardless of country, region, or division, as well as cultivate a corporate culture that respects human health and safety in all aspects of business, we established the Global Policy on Occupational Health and Safety.

Our Basic Policy states that “From top management to each individual employee, Nissan recognizes that the health and safety of everyone is our top priority.

The company continuously and aggressively strives toward realizing zero-accidents, zero-illness, and vigorous workplace safety by optimizing the working environment and business processes and promoting individual physical and mental health.”

Nissan also stipulates the following specific policies as the main items in eight areas, as well as the roles and responsibilities of all officers and employees regarding health and safety.

1. Compliance
2. Health and safety activity planning and monitoring
3. Preliminary health and safety evaluations when planning equipment and operations
4. On-site partner company management
5. Health and safety education, work guidance
6. Accident reports and similar accident prevention
7. Health promotion
8. Infectious disease control

At bases in Japan and overseas, Nissan uniformly implements management with regard to workplace environment health and safety based on the Global Policy on Occupational Health and Safety. Nissan places great importance on occupational health and safety promotion in the collective agreements concluded with labor unions and promotes various health and safety practices in the workplace.

Positioning of the Global Occupational Health and Safety Policy
Employees’ Health and Safety Management

In Japan, we hold a Central Health and Safety Committee meeting each year chaired by the executive in charge of human resources 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. The Health and Safety Committee at each facility meets each month, and these meetings are attended by labor union representatives. A health and safety officer and a traffic safety officer are assigned at each workplace to ensure the effectiveness of day-to-day safety activities.

Globally, each facility applies the PDCA cycle. Twice a year, remote meetings with all global Nissan facilities are held to share information and discuss key issues. Regional managers for employee health and safety also meet every other year for a Global Safety Meeting.*1 In the event of an accident, its details and responses are swiftly shared with facilities around the globe in an effort to prevent the recurrence of similar accidents.

Many facilities both in Japan and globally have introduced occupational health and safety management systems including the OHSAS 18001*2, and at the same time compliance with the new standard ISO 45001*3 is also progressing at these facilities. These efforts create a strong structure for ensuring the implementation of employee health and safety activities.

*1 In fiscal 2020 and fiscal 2021, the group meeting was suspended to prevent the spread of COVID-19 infection.
*2 OHSAS 18001: An internationally recognized standard for occupational health and safety management systems. Certification can be obtained from a third-party accrediting body.
*3 ISO 45001: Another internationally recognized standard for occupational health and safety management systems that replaces OHSAS 18001.

Nissan Global Occupational Health and Safety Policy

Shared core value
Health and Safety is a core value and the highest priority at Nissan.

Basic Policy
From top management to each individual employee, Nissan recognizes and shares the importance of respecting each other involved in Nissan’s operations as top priority. The company continuously and vigorously strives toward realizing a zero injury, zero-accident, zero-illness and safe workplace, by optimizing the working environment and promoting individual physical and mental health. We strive to eliminate or where not possible, minimize the hazards associated with our operations by incorporating Health and Safety best practices into our processes, equipment and facilities.

Makoto Uehira
Nissan Motor Co., LTD. Representative Executive Officer, President and CEO
Employees' Health and Safety Achievements

Employee Safety Initiatives

Global Standardization of Occupational Safety Standards

It is essential to create a workplace that takes into consideration the health and safety of each individual in order for employees to reach their full potential. Nissan has introduced its own safety and fire risk management diagnostic method to proactively identify potential occupational accident risks in the workplace and is taking measures to address them. Since 2010, we have been globally standardizing metrics related to occupational safety and are monitoring the status of workplaces around the world.

Creating Safe Workplaces

Two tools developed internally by Nissan to identify the risks associated with work accidents at all sites in Japan and overseas are the Safety Evaluation System (SES), and to identify the risks of fire accidents, 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. The use of these has been effective in achieving these aims. Since 2011, we have continued to systematically carry out Kiken Yochi Training (KYT)—literally “risk-prediction training”—at plants in Japan to raise awareness among individual workers of the risk of accidents and thereby help prevent their occurrence. This training instills an awareness of danger among workers, thus reducing the risk of their becoming involved in work accidents.

In addition, rather than implementing measures after an accident occurs, we introduced risk assessment as a means of identifying potential hazards or harms in the workplace to reduce or eliminate them. This practice has taken root in all workplaces, where it is continuously and systematically implemented on equipment and operations in the workplace. We have established global common standards for reporting on work accidents or outbreaks of fire that occur in any of the production sites. The person in charge where the accident or fire occurred must report without delay to Nissan Motor Co., Ltd. (NML). NML will dispatch information and measures as well as instructions to each company site, compiled based on the report. This helps prevent similar disasters or accidents. Despite these efforts, regrettably, an accident occurred at Nissan Kyushu resulting in the death of an employee. Nissan investigates the causes of all accidents, fatal or otherwise, and implements thorough measures to prevent recurrence at all plants.

Nissan has adopted the occupational accident frequency rate (FR1)*1 and severe accident count (GUR)*2 indicators for the purpose of comprehensive monitoring of occupational accidents, and manages the progress of each. We have set the goal of continuously achieving an occupational accident frequency rate below the previous year’s results for the entire company, and aim to reduce the number of fatal accidents to zero.

*N1 Occupational accident frequency rate (FR1: Frequency Rate 1): Frequency rate of accidents with predefined symptoms (Number of accidents with predefined symptoms) x 1,000,000/total working hours x 1.1

*N2 Severe Accident Count (GUR): Fatal accidents (G: Grave), accidents resulting in residual disability (U: Unrecoverable), number of serious injuries with no aftereffects but with predefined symptoms (R: Recoverable but serious)
Occupational Accident Frequency Rate and Serious Accident Count (Global)

<table>
<thead>
<tr>
<th>(Incidents)</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Severe Accident Count (GUR)</td>
<td>1.18</td>
<td>0.98</td>
</tr>
<tr>
<td>Occupational Accident Frequency Rate (FR1)</td>
<td>51</td>
<td>39</td>
</tr>
</tbody>
</table>

Fiscal 2021 data is until January.

Improved Production Line Environment

Nissan seeks to fulfill its mission of engaging in "human-friendly production" by continuously improving the workplace environment at its manufacturing facilities worldwide. At workplaces with high summer temperatures, for example, the physical burden on employees is heavy and there is the risk of suffering from heatstroke. We have installed internal cold-air ducts and ensured there are set breaks to drink water, particularly in locations with considerable workloads. Constant improvements are being made to allow employees to work in a comfortable environment.

Countermeasures against COVID-19

In response to COVID-19, Nissan formulated the global guidelines for COVID-19 countermeasures. Our basic approach has been to formulate and implement COVID-19 countermeasures that protect employees and their families from infection with preventative measures aimed at avoiding the spread of COVID-19 infections both within the company and in wider society. These efforts have been implemented uniformly at all global sites, with implementation status shared in an effort to promote these countermeasures.

We promote diet, sleep and exercise as the basis for boosting immunity to minimize COVID-19 infections. We are also taking measures that include working from home, encouraging staggered work hours and providing masks. The rules for employees are to check their health condition at home before going to work, and if the employee is not feeling well, they should stay at home or thoroughly monitor their temperature, frequently disinfect and wear a mask while in the workplace. Masks are provided to employees at all sites. In some areas, Nissan distributes COVID-19 Family kits, which contain masks and disinfectants, to support employees as well as their families. In addition, we are proactively vaccinating in the workplace as an effective measure to prevent infections and reduce the severity of symptoms.

At the same time, in terms of internal measures, we ensure physical distance is maintained in all areas, including between desks and in meeting rooms, and if physical distance cannot be maintained, partitions are installed to prevent droplet infection. We also thoroughly disinfect furniture and shared office equipment, as well as disinfect meeting rooms before and after use. Company employee cafeterias are considered to be the place with the highest risk of infection from droplets or human contact thus countermeasures are under way at all work sites.
In Japan, as soon as we know an employee has taken a PCR test, we disinfect the workplace, identify who the employee has been in contact with and ask the employee to wait at home for test results among efforts to thoroughly prevent the spread of COVID-19 infections within the company and throughout society. Additionally, we installed CO₂ monitors and circulators on production lines and in employee break rooms to enhance ventilation measures among efforts to strengthen countermeasures based on market trends.

Going forward, Nissan will maintain efforts to strengthen countermeasures protecting employees, their families and society.

Employee Health Promotion and Management

Basic Approach

Mental and physical health are essential for creating workplaces where employees can work with vitality and lead healthy lives with their families also after retiring from Nissan.

Nissan considers the health and safety of employees to be not only an issue for individuals but also an important issue for Nissan to survive as a company that continues to contribute to society. In the Basic Policy on Health and Safety, we make the Health Declaration: “Health and Safety is a core value and the highest priority at Nissan.” We are thus working on the realization of health and productivity management, in which we consider the health of our employees from a management perspective and implement measures strategically and honestly.

Nissan’s Health and Productivity Management

Organizational Structure for Health Promotion

Nissan’s health promotion activities are carried out to promote the physical and mental health of employees in cooperation with the Nissan Health Insurance Association (Workplace Health Promotion Center), Tokio Marine & Nichido Medical Service Co., Ltd., the Health and Safety Departments of both headquarters and related departments at each site, and other medical professionals.
Approaches to Health Issues

Under the health promotion organization in Japan, we visualize the health status of employees through data, and based on the data we analyze and predict the risk of disease, then implement health promotion activities and individual improvement programs. In order to engage in more effective efforts, we create a health management strategy map to visualize company health issues and promote companywide efforts, while also creating strategy maps for each site to conduct health promotion activities incorporating regional characteristics and conditions at each site. We also hold regular meetings on health management to strengthen the implementation of health promotion efforts.

Health Management Strategy Map

<table>
<thead>
<tr>
<th>Health issues</th>
<th>Health investments</th>
<th>Health investment efficacy</th>
<th>Management issues to resolve with health management</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Indicators regarding health investment implementation efforts</td>
<td>Indicators on employee awareness and behavioral changes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Health investment outcome indicators</td>
<td></td>
</tr>
<tr>
<td>Physical / mental exhaustion causing more employees to take time off</td>
<td>Implement activities based on health management promotion</td>
<td>Event participation rates</td>
<td>- Health surveys</td>
</tr>
<tr>
<td>Insufficient mechanism for increasing health awareness</td>
<td>Create healthy people</td>
<td>Follow-up on results of health checks</td>
<td>- Improvements in diet, sleep, and exercise</td>
</tr>
<tr>
<td></td>
<td>Improved activity rate based on results of stress checks, etc.</td>
<td></td>
<td>- Increase number of thorough medical exams</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Increased satisfaction due to expansion of work-life balance support</td>
</tr>
</tbody>
</table>

Leveraging the best characteristics of each site so the entire company can work as one

Promoting health activities based on strategic maps at each site

1. Work Engagement
   A positive and fulfilling psychological state related to work, meeting the following three criteria:
   - Work makes me feel energetic and alive (vitality)
   - I am proud and feel my work is rewarding (enthusiasm)
   - I am enthusiastic about my work (devoted)

2. Health Literacy
   The power to determine one’s health by making decisions based on health information, defined as follows:
   - Knowledge, motivation and ability to obtain, understand, and utilize health information
   - Judgment and decision-making regarding healthcare, disease prevention and health promotion in everyday life
   - Maintaining and improving quality of life throughout one’s lifetime

3. Presenteeism
   Despite being in poor health, employees come to work and efficiency suffers as a result.

4. Absenteeism
   Chronic leave-taking or absence from the workplace due to poor mental or physical health that prevents work from getting done.
Solid Efforts toward Physical Healthcare

In Japan, Nissan is focusing efforts on the following physical healthcare initiatives:

Prevention of illness
* Health promotion activities targeting COVID-19
* Health literacy improvement activities
  · Introduction and utilization of the health application “PEP-UP”
  · Approach to exercise, sleep and diet
  · Smoking cessation activities

Early detection of illness
* Enhancement of healthcare guidance based on the results of regular health examinations
  · Specific healthcare guidance
  · Health promotion activities for under 40-year-olds
* Thorough promotion of detailed medical exams
* High-risk approach in line with business-site specific issues in medical examination results

Treatment of illness
* Enhancement of balanced support

Due to lifestyle changes caused by COVID-19, weight gain became noticeable in fiscal 2020 medical examination data. In order to prevent an increase in lifestyle-related diseases over time, since fiscal 2021 we have continuously promoted “Lose Your COVID Weight” efforts companywide.

<table>
<thead>
<tr>
<th>Lose Your COVID Weight</th>
<th>Goal</th>
<th>FY2021 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce number of people with a BMI of 25 or higher</td>
<td>2.5% reduction</td>
<td>1.0% reduction</td>
</tr>
</tbody>
</table>

In terms of weight loss measures, with the rapid rise in working from home among other lifestyles, weight gain from lack of exercise is the biggest contributing factor, thus we are promoting activities aimed at increasing the level of physical activity throughout the company leveraging the characteristics of each site.

<table>
<thead>
<tr>
<th>Company-wide and facility-specific walking rally events</th>
<th>Online exercise video streaming</th>
<th>Onsite exercise lessons</th>
</tr>
</thead>
<tbody>
<tr>
<td>🏃️‍♂️ignonday  🔝</td>
<td>🏃️‍♂️ignonday  🔝</td>
<td>🏃️‍♂️ignonday  🔝</td>
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<tr>
<td>🏃️‍♂️ignonday  🔝</td>
<td>🏃️‍♂️ignonday  🔝</td>
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</table>

Due to the protracted nature of the COVID-19 pandemic, Nissan will steadily continue efforts supporting weight loss. We will also continue the steady implementation of physical health care, including preventing illness through a heightened awareness of health, while reducing the number of employees taking leave by strengthening efforts toward the early detection of illnesses through medical examinations and treatments supporting a work-life balance. In this way, we will realize workplaces where all employees can work with enthusiasm.
Comprehensive Mental Healthcare

Mental healthcare in Japan includes the following features:

Achieve the “Four Types of Care” and “Primary, Secondary, and Tertiary Prevention” within the EAP

* Enhancement of “self-care” through implementation of stress checks
* Promotion of “line care,” workplace climate improvement activities based on the results of in-house questionnaires
* Introduction of stratified “zone care”
* Comprehensive reinstatement support program
* Enhanced prevention of recurrence through in-house rework facility

* EAP: Employee Assistance Program

For many years, Nissan has been proactively working on line care, which is an improvement in workplace culture, by analyzing stress levels through using in-house questionnaires.

In promoting improvement activities, the point is for superiors (managers, supervisors) to acknowledge the results of their own organizational analysis and motivate activities according to the results.

Accordingly, in recent years, Nissan has been expanding improvement activities by holding organizational analysis result report meetings in as small a format as possible.

Organization analysis result debriefing sessions

![Graph showing organization analysis result debriefing sessions](image)

Amid close examination of organizational analyses and the promotion of activities, recent mental health leave numbers and the stratified analysis of stress levels reveal a remarkable need for care among some employees. Nissan calls this “zone care” and in fiscal 2021, implemented the following:

- Hotline experience for new graduate and mid-career hires
Online sessions for indirect employees
- Youth round-tables, sessions
- Round-tables and coaching activities as a supervisor zone care

Nissan will expand zone care, further enhance self-care and line care, reduce mental illness and leaves of absence, and strive to create workplaces where all people can work energetically.

Social Evaluation of Health Promotion Activities

In Japan, Nissan positioned the excellent health management corporation certification system of the Ministry of Economy, Trade and Industry as our health management system, and we have been promoting health improvement activities accordingly. As a result, Nissan has been certified as an excellent health management corporation since 2019.

In 2022, the Japan Sports Agency certified Nissan as a Sports Yell Company actively engaged in sports to improve the health of employees. Nissan will continue to pursue health and productivity management to create a workplace where employees can work safely, comfortably and in good health, both physically and mentally, because we believe everyone, from the top to each employee, working with vitality will realize activation of the organization and lead to Nissan's growth and contributions to society.
Community Engagement

Community Engagement Policies and Philosophy

In addition to delivering innovative, exciting vehicles and outstanding services to customers worldwide, Nissan believes it is important to play an active role as a community member, applying its special characteristics to contribute further to society.

When a company provides a range of resources to communities, supporting their development and proactively tackling issues, it is, in part, fulfilling its social responsibility as a good corporate citizen. Such actions also benefit the company’s own operations, fostering a better business environment and creating new markets that can grow sustainably.

We work with a variety of stakeholders, both governmental and nongovernmental, pooling our respective strengths to address increasingly complex social issues. In line with Nissan’s corporate social contribution policies, regional offices and affiliates work on initiatives that address issues relevant to their operations and the communities in which they operate.

Nissan’s Approach to Community Engagement

We reviewed our policies for social contribution activities in 2017, deciding to push forward with activities focused on the three areas of zero emissions, zero fatalities and zero inequality. In addition to zero emissions and zero fatalities, areas where any automotive manufacturer should make sincere efforts, we are promoting zero inequality (in other words, diversity and inclusion) as an important corporate value with the aim of realizing a cleaner, safer, and more inclusive society where everyone is given equal opportunities. We will not only provide financial assistance for activities in these areas but also ensure that those activities are “distinctly Nissan,” making full use of our automotive heritage, expertise, products, and facilities.

We emphasize communicating and working with specialized NPOs and NGOs that have extensive expertise in their fields to ensure that their social contributions are effective. We actively support the involvement of our employees in social contribution activities.
Community Engagement Management

Nissan’s production sites have expanded globally, increasing the company’s engagement with various communities through its businesses. Nissan is active in promoting social contribution activities and recognizes that contributing to the development of communities by sharing its own management resources also enhances the business environment and promotes market growth. In such activities, policies are decided at the global level and implemented in each region.

We developed a wide range of activities to meet the needs of regions centered on the three focus areas of zero emissions, zero fatalities, and zero inequality that were set forth in the policy revision of 2017.

Company Organization for Community Engagement

Nissan’s corporate social contribution policies are discussed and approved by the Global Sustainability Steering Committee and shared globally. These corporate policies provide the basis on which initiatives are implemented across each country and region.

* Click here for more information on the Global Sustainability Steering Committee.

Three Focus Areas for Nissan’s Social Contributions Program

Zero Emissions

Nissan’s environmental philosophy is “a Symbiosis of People, Vehicles, and Nature.” We actively engage in efforts to reduce the environmental burden on the planet and prioritize the environment in our social contribution activities. Central to our approach are educational programs that cultivate a deeper understanding of environmental issues toward achieving a decarbonized society.

Since 2017, we have expanded our partnerships with international environmental protection organizations. We supported climate change education and awareness with the environmental conservation organization WWF Japan through sponsorship of its environmental awareness campaign called Earth Hour 2022.

Zero Fatalities

In addition to making vehicles safer through autonomous driving technology, we also promote traffic safety through activities to raise the safety awareness of drivers and pedestrians and to protect the socially vulnerable, including children and senior citizens.

Zero Inequality

We embrace diversity as a management strategy in recognition of its crucial role in boosting corporate competitiveness. Nissan’s social contribution activities share this awareness and are aimed at mitigating poverty, providing assistance to the financially and socially disadvantaged, and sending emergency relief to disaster-stricken communities. In 2021, we continued our partnership with the NGO Care International Japan and have worked closely to expand our educational program in Thailand, in addition to existing humanitarian efforts in collaboration with Habitat for Humanity.

* Click here for more information on diversity & inclusion.
Nissan as a Community Member

We aspire to be a good corporate citizen that people are glad to have in their community. As such, we strive to be a valuable member of and active contributor to local communities wherever we operate. We support communities in a variety of ways, such as by assisting with local events, sponsoring neighborhood cleanups and other environment-improvement activities near Nissan facilities, and opening those facilities to public tours. Many employees actively participate as volunteers.

We engage in activities during ordinary times and also contribute to resolving social issues by supporting local communities during the natural disasters and pandemics that occur with frequency around the world.

Contributing to Local Communities: Achievements

Social Contribution Achievements in Fiscal 2021

Global social contributions (Fiscal 2021): ¥2.27 billion

Social contributions include:

- Expenses for implementing philanthropic activities (excluding labor costs)
- Monetary donations and NPO membership fees for philanthropic purposes
- Cash equivalents of in-kind donations
- Sponsorship fees for philanthropic initiatives

Breakdown of Fiscal 2021 Global Social Contributions

<table>
<thead>
<tr>
<th>Amount (¥ million)</th>
<th>Philanthropic activities</th>
<th>Monetary donations</th>
<th>In-kind donations (cash equivalent)</th>
<th>Sponsorships, etc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>739</td>
<td>1,112</td>
<td>230</td>
<td>191</td>
<td></td>
<td>2,272</td>
</tr>
<tr>
<td>% of total</td>
<td>32.5</td>
<td>49.0</td>
<td>10.1</td>
<td>8.4</td>
<td>100</td>
</tr>
</tbody>
</table>

Disaster

- Emergency aid to Henan Province (especially Zhengzhou area) to support their flood relief and recovery efforts (China)
- Nissan Motor Co., Ltd., Nissan (China) Investment Co., Ltd. and Dongfeng Motor Co., Ltd. have donated a total of 19.5 million RMB to Red Cross Society of China Zhengzhou and provided rescue vehicles and equipment.

Donations for disaster relief

- Nissan lights up communities affected by Typhoon Rai with the LEAF (Philippines)
- Nissan used the LEAF’s vehicle-to-load (V2L) technology together with Power Mover units for power outages due to disasters and helped distressed communities in Cebu and Tacloban.
- Nissan Philippines has collaborated with the local Navara car club, the Navara Nation, to distribute essential relief goods to communities that were affected by the typhoon.

Support for flood victims in Sukhothai, Chaiyaphum and Lopburi provinces (Thailand)

- A Nissan Care For You caravan was formed together with the media, Nissan customers and Nissan executives to provide 9,000 bottles of drinking water, 5,000 masks, canned food and other daily necessities to flood victims in the Sukhothai, Chaiyaphum, and Lopburi provinces.

<Other Emergency Humanitarian Assistance>

Assistance for the humanitarian crisis in Ukraine: Donation of 1 million euros to non-profit organizations the Red Cross and Japan Platform.
Social Contribution Achievements

In 2021, the future remained uncertain due to the COVID-19 pandemic and many social contribution activities had to be cancelled or postponed. Nissan wanted to continue its support for environmental and social issues even in the face of the prolonged COVID-19 pandemic, so it conducted environmental education and leadership development activities for children in various countries using online and other means.

Here are some representative activities in each field. Please click below for further information on the social contribution activities we have conducted around the world.

https://www.nissan-global.com/EN/SUSTAINABILITY/SOCIAL/CITIZENSHIP/

<table>
<thead>
<tr>
<th>Area</th>
<th>Examples of Activities</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zero Emissions</td>
<td>School-visit program for environmental education: Nissan Waku-Waku Eco School</td>
<td>Japan, U.K. and China</td>
</tr>
<tr>
<td></td>
<td>Sponsorship for an Environmental Awareness Campaign of World Wide Fund for Nature Japan (WWF Japan) and Activities in Around the World</td>
<td>Japan, China, South America and Canada</td>
</tr>
<tr>
<td></td>
<td>Support for The Nature Conservancy’s Tennessee Forest Health Program</td>
<td>U.S.</td>
</tr>
<tr>
<td>Zero Fatalities</td>
<td>Traffic Safety Awareness Campaign: Hello Safety Campaign</td>
<td>Japan</td>
</tr>
<tr>
<td></td>
<td>Support for driving school</td>
<td>U.S.</td>
</tr>
<tr>
<td>Zero Inequality</td>
<td>Leadership development program for teenagers in cooperation with CARE International Japan</td>
<td>Thailand</td>
</tr>
<tr>
<td></td>
<td>International Cooperation Through Walking: Sponsorship of Walk in Her Shoes 2021</td>
<td>Japan</td>
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<tr>
<td></td>
<td>Conveying the Magic of Monozukuri: Nissan Monozukuri Caravan and Nissan Design Waku-Waku Studio</td>
<td>Japan</td>
</tr>
<tr>
<td></td>
<td>Educational Support for Children and Youth: Nissan Dream Classroom</td>
<td>China</td>
</tr>
<tr>
<td></td>
<td>Providing Educational Opportunities to Children: Nissan Skills Foundation</td>
<td>U.K.</td>
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<tr>
<td></td>
<td>Support for the Next Generation: Nissan Children's Storybook and Picture Book Grand Prix</td>
<td>Japan</td>
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<tr>
<td></td>
<td>Partnership with Habitat for Humanity</td>
<td>North America</td>
</tr>
<tr>
<td>Nissan as a Community Member</td>
<td>Foundation Support Activities</td>
<td>U.S., Australia, Brazil and Canada</td>
</tr>
<tr>
<td></td>
<td>Educational Support from the Nissan Global Foundation</td>
<td>Japan</td>
</tr>
</tbody>
</table>
Governance

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Risk Management 179
Compliance 182
Governance Policies and Philosophy

Recent changes in the external environment such as semi-conductor shortage, supply chain disruptions, and raw material price hikes, which were triggered by multiple factors including COVID-19 variants, as well as geopolitical risks such as the friction between the U.S.A. and China and the situations in Ukraine have a major impact on all industries and over the world. As such, the risks that companies face are becoming ever more complex and require finely tuned management.

In order to create unique and innovative automotive products and services, and deliver superior measurable value to all stakeholders, Nissan will enrich people’s lives as a company that is trusted by society, and address improvement of corporate governance*1 as one of its most prioritized managerial tasks. In addition to addressing risks and opportunities associated with climate change, we will conduct our business while considering society’s expectations and our social responsibilities and devote ourselves to the development of a sustainable society by aiming for sustainable growth of our business.

To be a sustainable company, Nissan must display a high level of ethics and transparency, as well as a strong foundation for the organization. It is also expected that we will actively disclose our initiatives to this end. We have extensive global operations with numerous stakeholders around the world. It is essential that we continue to earn their trust while ensuring the high ethical standards and compliance of all employees. In 2001, we established the Global Code of Conduct*2, which is rigorously followed by Group companies around the world.


Corporate Governance System in Detail

Nissan has caused inconvenience and concern to its stakeholders due to the misconduct by the former management that occurred in 2018. We recognize that this was caused by an excessive concentration of authority and a lack of transparency in governance, and we are working to prevent a recurrence by raising awareness within the Company and improving governance to ensure that this will not recur.

In December 2018, we established the “Special Committee for Improving Governance”, which consists of three independent outside directors and four independent third-party committee members. In June 2019, in line with the recommendations of the committee, we transitioned from a company with auditors to a company with three statutory committees. This clearly separates execution, supervision, and auditing. It ensures transparency in decision-making, prompt and flexible business execution, and the effectiveness of internal control, compliance, and risk management systems. The Board of Directors has a majority of outside directors to reflect diverse viewpoints in management and to further strengthen the supervisory function. The Board of Directors has established three committees: the Nominating Committee, which decides on candidates for director positions; the Compensation Committee, which sets compensation for directors and executive officers; and the Audit Committee, which audits the business execution of directors, executive officers, and those with similar responsibilities. Outside directors make up the majority of each committee, with the Compensation Committee in particular comprised only of outside directors. Officers and employees, including executive officers, will sincerely respond to this supervision, oversight and auditing by the Board of Directors and other corporate bodies. Furthermore, we announce clear management targets and policies to all stakeholders and disclose our performance promptly with a high degree of transparency. We have established a corporate governance system that maintains management transparency. The system allows us to implement various monitoring systems, as well as to assess and manage risks that could prevent us from achieving our business goals.

Corporate governance is an important fundamental for Nissan, and we will continuously strengthen our global management system together with our overseas bases. More importantly, in order to make it effective, we also work on awareness-raising for employees and business partners to ensure that it permeates throughout the organization. Under our long-term vision Nissan Ambition 2030, we aim to transform Nissan into a sustainable company that is truly needed by its customers and society, by expanding the opportunities of mobility and society while delivering exciting electrified vehicles and technological innovations. We are committed to regaining the trust of our stakeholders by changing our corporate culture, acting with transparency and an attitude of respect and deference, from executives to employees.

* Click here for more information on the Nissan Corporate Governance Overview.
* [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Overview_EN.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Overview_EN.pdf)
* Click here for more information on the Corporate Governance Guidelines.
* Click here for more information on governance data.
Strengthening Corporate Governance System

Nissan transitioned to a three statutory-committee format, establishing nomination, compensation, and audit committees, and is working to strengthen governance under the following points.

New System Key Points
(1) Separation of management and supervisory functions
(2) Independence of Board of Directors
(3) Transparency of decision-making process
(4) Speedy and flexible business execution

Role of The Board of Directors

The Board of Directors, led by independent outside directors, decides basic management policies by taking a variety of perspectives into account and plays the role of supervising the execution of duties by executive directors and other officers. A majority (seven) of the 12 members are independent outside directors, including the Chairman of the Board, creating an environment driven by independent outside directors. Each director has diversity in terms of nationality, gender, specialization or other traits, and Nissan aims to realize lively discussions and swift decision-making through their inclusion.

Board of Directors’ System

The Board of Directors' System

1. The Board of Directors has primary responsibility to shareholders for the welfare of the company.
2. The Board of Directors, led by the independent outside directors, decides the basic direction of management by taking a variety of perspectives into account and plays the role of supervising the executive directors.

Major authorities of the Board of Directors

- Basic management policy
- Convocation
- Appointment / dismissal of board chair and representative executive officers
- Appointment / dismissal of committee chair and committee members
- Financial statement
- Dividends
- Basic policy for internal control
Board of Director Skills Matrix

The Board of Director Skills Matrix was updated in April 2022 as follows.

*Governance* "CSR": Integrated as "ESG" (aiming sustainable business operations by associating E / S / G)

Digital Transformation "DX": newly added (aiming business operations including CASE*)

*CASE: C = Connected, A = Autonomous, S = Sharing services, E = Electrification

<table>
<thead>
<tr>
<th></th>
<th>Global Management</th>
<th>Automobile Industry</th>
<th>Government</th>
<th>Legal / Risk Management</th>
<th>Finance / Accounting</th>
<th>ESG</th>
<th>Products / Technology</th>
<th>Sales / Marketing</th>
<th>Digital Transformations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yasushi Kimura</td>
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<td>2</td>
<td>Jean-Dominique Senard</td>
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<td>3</td>
<td>Masakazu Toyoda</td>
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<td>4</td>
<td>Keiko Ihara</td>
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<td>5</td>
<td>Motoo Nagai</td>
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<td>6</td>
<td>Bernard Delmas</td>
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<td>7</td>
<td>Andrew House</td>
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<td>8</td>
<td>Jenifer Rogers</td>
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<td>9</td>
<td>Pierre Fleuriot</td>
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<td>10</td>
<td>Makoto Uchida</td>
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<td>11</td>
<td>Ashwani Gupta</td>
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<td>12</td>
<td>Hideyuki Sakamoto</td>
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</table>
Status of Board of Directors’ Activities

The Board of Directors resolves important matters related to Group management based on laws and regulations of the Board of Directors itself, including drafting proposals for the General Meeting of Shareholders, selecting members for each committee, preparing quarterly and full-year financial statements and formulating business plans and product strategies. In the fiscal year under review, agenda item submitted to the Board of Directors included the following.

◦ Business execution status update and progress report on the Nissan NEXT transformation plan
◦ Formulation of long-term vision Nissan Ambition 2030
◦ Activity report on internal control and risk management
◦ Revisions to the Corporate Governance Code
◦ Proposals for transitioning to a new market segment on the TSE, etc.

Additionally, to enhance Board of Director discussions, regular meetings with outside directors that are chaired by the lead independent outside director are held to discuss a wide range of matters related to Nissan corporate governance and business. Examples include executive business briefings, site inspections, sustainability and D&I initiatives and governance lectures. In the fiscal year under review, two meetings were held between independent outside directors and accounting auditors on economic security, market perspectives on ESG and electrification, and new data security legislation.

* Click here for more information on each member of the Board of Directors.
https://www.nissan-global.com/EN/CORPORATE/GOVERNANCE/EXECUTIVE/
* Click here for more information on the Board of Directors’ activities in fiscal 2021.

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Board of Director Member Responsibilities and Duties

Yasushi Kimura
- Independent outside director
- Chair of the Board of Directors
- Director since June 2019

Jean-Dominique Senard
- Director
- Vice-Chair of the Board of Directors
- Nomination
- Director since April 2019

Masakazu Toyoda
- Independent outside director
- Lead independent outside director
- Chair of the Nomination Committee
- Nomination
- Director since June 2018

Keiko Iihara
- Independent outside director
- Chair of the Compensation Committee
- Nomination
- Director since June 2018

Motoo Nagai
- Independent outside director
- Chair of the Audit Committee
- Compensation
- Director since June 2018

Bernard Delmas
- Independent outside director
- Compensation
- Director since June 2019

Andrew House
- Independent outside director
- Nomination
- Director since June 2019

Jenifer Rogers
- Independent outside director
- Nomination
- Director since June 2019

Pierre Fleuriot
- Director
- Compensation
- Audit
- Director since February 2020

Ashwani Gupta
- Independent outside director
- Nomination
- Director since February 2020

Makoto Uchida
- Director
- Representative Executive Officer, President and Chief Executive Officer
- Director since February 2020

Hideyuki Sakamoto
- Director
- Executive Officer, Executive Vice President
- Director since February 2020

*For reasons behind the selection of Board of Director members, please refer to pages 12-15 of the Corporate Governance Report.
https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g_report.pdf
Board Features

Highly independent representation in Board and committee composition

- All chairs of the Board of Directors and three committees are independent outside directors.
- Majority of Board of Directors (7 out of 12) are independent outside directors.

Committee

- Nomination Committee:
  - Majority (5 out of 6) are independent outside directors.
- Compensation Committee:
  - All (4 out of 4) are independent outside directors.
- Audit Committee:
  - Majority (4 out of 5) are independent outside directors.

Diversity of nationality and gender

- Nationality: 5 Nationalities
- Gender: 17% Female, 83% Male

Director Independence Standards

To ensure highly independent representation on the Board of Directors, Nissan strictly defines the qualification of independent directors. They must not fall into any of the following categories:

<table>
<thead>
<tr>
<th>Prohibited categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Executive or employee of Nissan (within last 10 years)</td>
</tr>
<tr>
<td>2. Major shareholder of Nissan (within last 5 years)</td>
</tr>
<tr>
<td>3. Director, corporate auditor, statutory accounting advisor or executive of a company of which Nissan is a major shareholder</td>
</tr>
<tr>
<td>4. Major business partner of Nissan</td>
</tr>
<tr>
<td>5. Executive of an organization that received a significant amount of donations and contributions from Nissan</td>
</tr>
<tr>
<td>6. Director, corporate auditor, statutory accounting advisor or executive of a company that has a director who was seconded from Nissan</td>
</tr>
<tr>
<td>7. Major creditor of Nissan</td>
</tr>
<tr>
<td>8. Certified public accountant or tax attorney appointed as statutory accounting auditor / advisor of Nissan</td>
</tr>
<tr>
<td>9. Attorney, certified public accountant, tax attorney or any other type of consultant who has received significant business from Nissan</td>
</tr>
<tr>
<td>10. Member, partner or any other executive of an accounting firm, tax firm, or consulting firm that has received significant business from Nissan</td>
</tr>
<tr>
<td>11. Family member of any of the above categories</td>
</tr>
<tr>
<td>12. Person who has served as director of Nissan (for more than 8 years)</td>
</tr>
<tr>
<td>13. Person who may otherwise consistently have substantial conflicts of interest with the shareholders of Nissan</td>
</tr>
</tbody>
</table>

Important: All items stated above are summaries of the full qualifications as defined in Nissan Director Independent Standards. For more details for each category, please visit the Nissan website for Nissan Motor Company Director Independence Standards.

Nomination Committee System and Authority

**AUTHORITY / ROLE**

- To determine the content of the General Shareholders Meeting agenda concerning the appointment and dismissal of directors as provided for in the Corporate Law
- To determine the content of the Board of Directors’ meeting agenda concerning the appointment and dismissal of the representative executive officer
- To formulate an appropriate succession plan regarding the president and CEO and review it at least once a year

**RESOLUTION ITEMS**

- Proposal of election / dismissal of director candidates
- Proposal of election / dismissal of representative executive officer
- Succession plan for CEO
- Proposal of appointment / dismissal of Board of Directors’ chair and vice chair
- Proposal of appointment / dismissal of committee chair and members

As of March 31, 2021, the Nomination Committee chaired by independent outside directors consists of six directors, five of whom are independent outside directors (of whom one is a woman). The committee has the authority to determine the content of the General Meeting of Shareholders’ agenda concerning the appointment and dismissal of directors. In addition, the committee has the authority to decide on the content of the Board of Directors’ meeting agenda concerning the appointment and dismissal of the representative executive officer and the authority to formulate an appropriate succession plan regarding the president and chief executive officer.

Nomination Committee: Number of meetings and participation rate in Fiscal 2021

- The Nomination Committee met 7 times in fiscal 2021.*
- Average participation per meeting was 97.6%.

* From April 1, 2021 to March 31, 2022

Main Activities in Fiscal 2021

- Deliberated proposals for representative executive officer appointments
- Deliberated proposals for director appointments / dismissals at the 123rd Ordinary General Meeting of Shareholders
- Deliberated president and chief executive officer succession plan
Compensation Committee System and Authority

<table>
<thead>
<tr>
<th>Authority / Role</th>
<th>Resolution Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To determine the policy of individual compensation of the company’s directors</td>
<td>• Policies and systems regarding compensation for directors and executive officers</td>
</tr>
<tr>
<td>and executive officers and the contents of individual compensation for directors</td>
<td>• Specific amount or (in the case of non-cash compensation) specific content of</td>
</tr>
<tr>
<td>and executive officers</td>
<td>compensation for each individual director and representative executive officer</td>
</tr>
<tr>
<td>• To determine the aggregate and individual amounts of director and representative</td>
<td>• Specific amount of compensation for each individual executive officer</td>
</tr>
<tr>
<td>executive officer compensation.</td>
<td></td>
</tr>
</tbody>
</table>

As of March 31, 2021, all four members of the Compensation Committee are independent outside directors (of whom two are women), including the chair. The Compensation Committee has the statutory authority to determine the policy of individual compensation of the company’s directors and executive officers and the contents of individual compensation for directors and executive officers.

Compensation Committee: Number of meetings and participation rate in Fiscal 2021

- The Compensation Committee met 12 times in fiscal 2021.*
- Average participation per meeting was 100%.

* From April 1, 2021 to March 31, 2022

Main Activities in Fiscal 2021

- Confirm a policy for compensating directors and executive officers
- Select benchmark companies and discuss the level of compensation based on the benchmark results of these companies and the results of surveys conducted by external compensation consultants
- Determine the aggregate and individual amounts of director and executive officer compensation for fiscal year
- Add new performance indicators for sustainability in the performance-based cash incentives that form a part of the long-term incentive program

* Please refer to the 2021 Securities Report (P59-67) for details on the performance indicators of the compensation program.


* Click here for more information on the executives’ role and performance assessment

>>> P019
### Audit Committee System and Authority

<table>
<thead>
<tr>
<th>Authority / Role</th>
<th>Resolution Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To audit (monitor and supervise) executive officers’ business execution and directors’ performance of their duties</td>
<td>• Annual audit reports to be submitted to shareholders meeting</td>
</tr>
<tr>
<td>• To make executive officers and employees / subsidiaries report on business execution and investigate the status of operation and financial conditions</td>
<td>• Audit policy / rules and annual audit plan / budget of the Audit Committee</td>
</tr>
<tr>
<td>• To seek injunctions against illegal acts of directors, executive officers, and employees</td>
<td>• Proposal for shareholders meeting concerning the appointment / dismissal of external auditors</td>
</tr>
<tr>
<td>• To produce annual audit reports</td>
<td>• Assignment of staff employees of Audit Committee secretariat</td>
</tr>
<tr>
<td>• To select / dismiss external auditors (Appointed Audit Committee member) to represent the company in any litigation brought against directors / executive officers</td>
<td>• Annual audit plan, budget and HC of Global Internal Audit Office, assignment and evaluation to the head of Global Internal Audit Office</td>
</tr>
<tr>
<td></td>
<td>• Filing of litigation against directors / executive officers</td>
</tr>
</tbody>
</table>

As of March 31, 2022, the Audit Committee chaired by independent outside directors consists of five directors, four of whom are independent outside directors (of whom one is a woman). As part of audits on business execution including the organization and operation of Nissan’s internal control systems, the Audit Committee receives reports from executive officers, corporate officers, and employees on their business execution for Nissan and its group companies, in accordance with the Audit Committee’s annual audit plan and on an ad-hoc basis as necessary. In addition, the Chair has meetings with executive officers including the president and chief executive officer periodically and exchanges opinions in various areas.

Furthermore, the Chair attends important meetings, etc., to state his opinions, reviews internal approval documents and other important documents, and, when necessary, requests explanations or reports from executive officers, corporate officers, and employees. The Chair shares his collected information with other members of the Audit Committee in a timely manner.

The Audit Committee, in conducting its audits, cooperates with the internal audit department and the independent auditors in an appropriate manner, making efforts to enhance the effectiveness of “tri-parties” audit. Under the leadership of the Audit Committee, collaboration among three parties is contributing to the enhancement of the effectiveness of internal control systems by sharing information on the issues pointed out by their respective audits and the status of their remediation in a timely manner. Furthermore, the Audit Committee supervises the internal audit department, periodically receives reports from them on the progress and results of their internal audit activities conducted in accordance with their internal audit plan and, as necessary, gives them instructions regarding internal audit.

The Audit Committee is the contact point for whistleblowing with doubts regarding the involvement of management such as executive officers, and deals with whistleblowing by establishing a system where relevant executive officers cannot know the whistleblower and the content of whistleblowing.
Audit Committee: Number of meetings and participation rate in Fiscal 2021

- The Audit Committee met 15 times in fiscal 2021
- Average participation per meeting was 100%
  * From April 1, 2021 to March 31, 2022

Main Activities in Fiscal 2021

- Responded to a lawsuit for damages filed by the former chairman and former representative director respectively as the defendants, sought liability for other serious misconduct by the former chairman and implemented appropriate measures to recover from the damage
- Created an internal control system for risk management, cybersecurity, and other areas, held hearing for individual reports on management conditions
- Held hearing on quarterly review results for the current fiscal year reported by the accounting auditor
- Exchanged opinions with the independent auditor on key audit considerations (KAM) and digital auditing initiatives
- Audited by the Board of Directors to confirm auditing function effectiveness
- Visited Nissan facilities as well as major domestic and overseas subsidiaries (2 bases and 21 companies: including virtual visits online)
- Held liaison meetings with corporate auditors of group companies for the purpose of improving the audit quality at each group company (including virtual visits online)

Executive Officer System

Executive officers decide on business activities which are delegated in accordance with the resolutions of the Board of Directors and execute the business of the Nissan Group. Several conference bodies have been established to deliberate on and discuss important corporate matters and the execution of daily business affairs. Furthermore, in the pursuit of more efficient and flexible management, the authority for business execution is clearly delegated as much as possible to corporate officers and employees. As of March 31, 2022, six executive officers (including two representative executive officers) have been appointed.

* Click here for more information on each executive officer.
https://www.nissan-global.com/EN/COMPANY/PROFILE/EXECUTIVE/
Basic Principles of the Internal Control System

We aim to provide superior value to all stakeholders, consider healthy governance the foundation for this, and are engaged in a range of activities to achieve it. In line with this principle, and in accordance with Japan’s Companies Act and its related regulations, the Board of Directors has decided on internal control systems to pursue these goals and its own basic policy. The Board continually monitors the status of implementation regarding these systems and the policy, making adjustments and improvements if necessary. The internal control system that was established in 2007 is chaired by the CEO under the monitoring and supervision of the Board of Directors. All executive officers, corporate officers, and departments, as well as group companies, cooperate closely under the CEO to improve the internal control system.

Audit System

We have adopted a system under which the outside directors, Auditing Committee, department for internal audit, and outside accounting auditors coordinate to improve the effectiveness of our internal control systems. Independent outside directors lead our Board of Directors, deciding the basic direction of management and supervising the execution of duties by directors, executive directors, and others with similar responsibilities. The Audit Committee takes charge of the department for internal audit and instructs it with regard to auditing, and the department for internal audit shall report to the Audit Committee the status of the performance of duties and any findings therefrom on an ongoing basis. The Audit Committee also receives similar reports from the accounting auditors, as well as detailed explanations on the status of the quality control of internal audits, to confirm whether their oversight is at a suitable level.

Independent Internal Audits

The Company has the global internal audit function, as an independent group to conduct internal auditing tasks under the Audit Committee. Regional audit teams are in each regional headquarters, and for sales finance, and IT and monozukuri auditing which requires a higher level of expertise, global specialty audit leadership was set up to conduct related audits across the regions. Under the control of the Chief Internal Audit Officer, all audits are carried out efficiently and consistently on a global basis.

* Please refer to the Nissan Corporate Governance Overview for details on the internal control system (P53).
Nissan’s Corporate Governance System

Delegation of Authority Outline

Delegation of authority (DOA) is a part of Nissan’s decision-making rules that defines who must be involved in important corporate decisions.

Role of DOA

- Clarify decision-making process
- Maintain and enhance management quality

DOA provides a clear framework for the decision-making process and defines who is responsible for the decision. DOA improves overall management quality at Nissan by increasing the speed and efficiency of decision-making.

Scope of DOA

1. DOA covers only important corporate decisions.
2. Besides DOA, there are other decision-making rules such as the business process standard document.
3. DOA also applies to Nissan’s consolidated subsidiaries including foreign companies except where there are special circumstances.
4. DOA is classified as global, regional, or local DOA according to its scope of application.

* BOD: Board of Directors

Delegation of Authority Governance

For the purpose of enhancing management quality as well as clarifying the process of decision-making, fair and transparent delegation of authority (DOA) is appropriately implemented and strictly controlled.

01 Robustness
Any revisions, creation and deletion are strictly controlled by the DOA Committee, which is chaired by corporate officers

02 Transparency
DOA defines the appropriate individuals who must propose, validate and decide, are disclosed in the Nissan group employee’s intranet

03 Fairness
Aside from Proposer and Decider, the Validator, who provides expertise to a Decider in the Validator’s relevant area, is set in the DOA items

04 Effectiveness
DOA representatives and coordinators are assigned in each function and region for efficient operation and for enhancing global management
Avoidance of Conflict of Interest

In case of any transaction that involves any conflict of interest between the company and a director or executive officer, the Board Regulations provide that Board approval, as well as a post-facto report to the Board of important facts associated with the transaction, are required. Given the possibility of conflict of interest, the representative executive officer of the company must not concurrently serve as a director, executive officer, or any other officer or employee of a major shareholder; Mitsubishi Motors Corporation, which is one of the other parties of the Alliance; or any subsidiaries or affiliates of the above. If an executive officer serves in such position at the time of assuming the office of representative executive officer of Nissan, that officer and Nissan shall promptly take the necessary measures for the officer to leave the other company.

Regarding the designation of Audit Committee members, the company’s Corporate Governance Guidelines provide that, given the potential conflict of interest with minority shareholders, it is not desirable that the Audit Committee should include any person who has experience serving as a director, executive officer, or other officer or employee at a major Nissan shareholder or a subsidiary or affiliate of same (except for a person seconded from Nissan).

In addition, in 2019 the company established a Director Conflict of Interest Resolution Policy which defines conflict of interest between a director and the company, conducts annual conflict of interest questionnaires, requires directors to report any actual, potential or perceived conflicts, and also establishes procedures to resolve such conflicts. Further, the Global Conflict of Interest Code came into force in March 2022 and applies to all officers and employees.

Three Key Pillars of Director Conflict of Interest Resolution Policy

* Click here for more information on the Corporate Governance Report.  
https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g_report.pdf
Risk Management

Risk Management Systems

Our Global Risk Management Policy defines risk as “events or situations that could prevent Nissan Group from achieving its corporate purpose, strategies, business objectives.” Accordingly, Nissan promotes groupwide risk management activities. Detecting risks as early as possible, evaluating the magnitude of impact and probability of occurrence, and examining and implementing the requisite measures reduces the probability and likelihood risk events will occur. In the event that risks occur, we strive to minimize losses and ensure the risk is managed commensurately with its magnitude. To respond to changes in our business environment within and outside the company, we have reviewed the risk management process and carried out annual interviews of corporate officers and conducted hearings in each corporate function by department in charge of risk management, carefully investigating various potential risks and revising the “corporate risk map” by evaluating impact, likelihood, and control level quantitatively and qualitatively. The Corporate Risk Management Committee, chaired by the CEO, makes decisions on risk issues that must be handled at the corporate level and designates “risk owners” to manage these risks. Under the leadership of these owners, we design appropriate countermeasures. At the end of each fiscal year, the head of risk management assesses the control level of each risk and determines the effectiveness of each risk management activity. The progress of these activities is regularly reported to the Corporate Risk Management Committee and the Internal Control Committee, and also to the Audit Committee and the Board of Directors, when appropriate.

With respect to individual business risks, each division is responsible for taking the preventive measures necessary to minimize the frequency of risk issues and their impact when they do arise as part of its ordinary business activities. The divisions also prepare emergency measures to put in place when risk factors materialize. In addition, Nissan has established a system to comprehensively respond to business continuity risks by creating specialized department which deals with disasters and operational risks, to take prompt and coordinated responses when a crisis occurs. Nissan Group companies in Japan and overseas are...
strengthening communication to share basic processes and tools for risk management, as well as related information, throughout the Group. In line with the reorganization of management committees in each region where the Nissan Group operates starting in fiscal 2020, we are reassessing and restructuring risk management implementation and cooperation methods between regional management divisions and the Global Headquarters.

The business environment in which we operate has been increasingly volatile in recent years, including such aspects as the widespread adoption of new technologies and growing geopolitical risks. We will continue to bolster our activities in this area so we can appropriately address these changes.

Risk Management Enhancement Efforts

To realize the long-term vision Nissan Ambition 2030 announced in 2021, Nissan is continuously revising and enhancing risk management processes and frameworks.

Annual Process of Corporate Risk Management

Based on the principle “three lines of defense” as a systematic enhancement, the PMO of Risk Management was precisely positioned to function as the second line and the personnel system was enhanced.

To support this new basic company policy, we have positioned the objective of risk management as activities supporting the realization of our corporate purpose from a longer-term perspective rather than limiting it to short-term objectives such as achieving business targets. Accordingly, we have taken a wider view of targeted risks from the perspectives of enhancing corporate value and contributing to the environment, human rights, and sustainability, and also created a system for ascertaining risks in a timely manner.

Regarding the evaluation of risks, in addition to transitioning away from conventional subjective and qualitative evaluations to more objective and quantitative evaluations, we referenced the international framework and engaged in more concrete risk assessments and monitoring activities to control and manage risks.

These process and tool improvements have been appropriately reflected in our Risk Management Manual.
Protecting Personal Data and Reinforcing Information Security

We share our Information Security Policy with group companies worldwide as a basis for reinforced information security, implementing via the Information Security Committee measures enhanced through the PDCA cycle. We reliably address issues by identifying internal and external information leaks as they occur worldwide and reinforce information security on a timely basis. To thoroughly educate and motivate employees to adhere to relevant policy, we institute regular in-house educational programs. Moreover, we recognize our social responsibility to properly handle customers’ personal information in full compliance with the respective personal information protection law in each region. We have set up internal systems, rules, and procedures for handling personal data. All Nissan Group companies are fully enforcing these processes.

We are aware that, more than ever, transparency, privacy, and integrity of information are essential values in building and maintaining customer trust in the Nissan brand. We formulated the Basic Policy on Customer Privacy to ensure a unified global approach to the use of customer data and privacy information. This policy ensures that the handling of information is consistent and treated as an important duty at all Nissan sites. This new policy sets out Nissan's commitment to privacy and its basic privacy policy. There were no major instances of loss or leaking of personal information at any Nissan Group company during fiscal 2021.

* Click here for more information on Financial Information “Business and other risks” (P18-P24).
Nissan understands that acting with integrity and high standards is of paramount importance, not only because it is the right thing to do, but also because it allows all employees to perform at the highest levels. Nissan expects all employees to maintain the highest ethical standards as they carry out their duties. To raise compliance awareness throughout the company, Nissan has established a Global Compliance Office, as well as specialized departments, and appointed officers to promote compliance in each region where it operates.

In fiscal 2021, new global policies, including the Global Whistleblowing Policy and Global Conflict of Interest Policy, were released. The second Nissan Ethics Day was held globally on December 9 to enhance a culture of ethics and compliance in the company.

**Enhancing Compliance**

**Preventing a Recurrence of Nonconforming Final Vehicle Inspections at Nissan’s Plants in Japan**

After the discovery in September 2017 of nonconformities in the final vehicle inspection process at its plants in Japan, Nissan began a full and comprehensive investigation of the facts, including the causes and background. We have since implemented appropriate countermeasures based on the results. Strict compliance is a top priority for our management, and we have taken it upon ourselves to examine the current situation with regard to compliance in every area of our business. When issues do arise, we take appropriate measures, and we are committed to promoting and enforcing compliance and awareness thereof in all operational areas.

* Click here for more information on nonconforming final vehicle inspections. [https://www.nissan-global.com/EN/SUSTAINABILITY/VEHICLE_INSPECTIONS/](https://www.nissan-global.com/EN/SUSTAINABILITY/VEHICLE_INSPECTIONS/)

**Executing an Overhaul of Compliance Checks**

At Nissan, following the discovery of nonconformities in the final vehicle inspection process at vehicle assembly plants in Japan, we were determined to ensure that such a thing could never happen again. Accordingly, in fiscal 2018, an overhaul of compliance checks was carried out, and since fiscal 2019, the Global Compliance Office and relevant functions monitor those items periodically twice a year.

In fiscal 2019, comprehensive compliance checks for major subsidiaries in Japan was undertaken, and they have continued to be carried out on a regular basis since then. In fiscal 2021, we have started compliance monitoring in all the regions.
Working with Dealerships

Nissan undertakes various measures to ensure that its approach to compliance is shared with dealerships and to enhance its internal controls. While strengthening lines of communication with dealership, we are carrying out activities to enhance their compliance at dealerships in Japan. Specifically, Nissan arranges Control Self-assessment for dealerships to enhance understanding of compliance matters and improve their compliance management status. We supply check items which is reflected our internal audit results to all dealerships. They check their current compliance status and issues through the check item and use the PDCA cycle to make voluntary improvements. When major compliance issues occur, the legal, communications, external and government affairs and other applicable Nissan departments work together with dealers to take prompt and appropriate action.

Anti-Bribery

Anti-Bribery: Policies and Philosophy

Nissan does not tolerate corruption of any kind, whether individual or systemic, committed by a company or a government. The Nissan Global Anti-Bribery Policy* establishes a global framework for preventing and responding to corruption. Different cultural contexts may result in what seem to be gray areas, and Nissan respects local customs and traditions, but corrupt practices are never acceptable.


Click here for more information on the Avoidance of Conflict of Interest. >>> P178
Anti-Bribery: Management

Nissan has established a Global Code of Conduct* and Global Compliance Office as well as departments and officers at each of its operations worldwide with responsibility for promoting compliance measures. Moreover, all group-affiliated companies have introduced their own codes based on the Global Code of Conduct. The Code of Conduct is supported by training courses to ensure full understanding of its content. Nissan’s overall policy management strategy was redesigned in fiscal 2016 in order to support the promotion of compliance knowledge, including the creation of a Policy on Policies and related standardized procedures. With this enhanced process, Nissan seeks to ensure across-the-board understanding, making sure all employees are fully aware of Nissan’s policies and able to act appropriately when faced with compliance issues. Nissan has created a series of internal regulations that are applied globally, covering areas such as decision-making, insider trading, personal information management, information security, bribery and corruption, use of social media, and customer privacy. With these policies in place, Nissan is working to heighten awareness and reduce infractions. Employee education programs to promote compliance are held regularly in all regions in which Nissan operates. For example, training sessions based on the Global Anti-Bribery Policy have been conducted in all regions.


Business Ethics

Business Ethics: Policies and Philosophy

Employees and Compliance

Nissan’s sustainability efforts are based on each employee’s ability to do their job with a high level of integrity. In 2001, we established a Global Code of Conduct containing practical guidance for employees. Today, this Code of Conduct is applied at all Nissan Group companies worldwide. We also provide guidance on compliance for directors and corporate officers, holding regular seminars and educational activities to ensure strict adherence to the rules.

The Global Compliance Committee (GCC), co-chaired by the CEO and Global Compliance Officer, is held twice a year, where global compliance strategies are deliberated, annual programs are validated, and compliance issues are discussed. The results of the GCC is reported to the Executive Committee (EC) and the Audit Committee. Under the oversight of our Global Compliance Committee, we have established a Regional Compliance Committee in each region of operation, forming a worldwide system for detecting and deterring illegal and unethical behavior. The Global Headquarters works with all regions and bases of operation to ensure full awareness of compliance issues and prevent illegal activity, and has processes in place to take appropriate disciplinary action against those who violate or infringe the Global Code of Conduct or the law. Our Global Compliance Office further increases the rigor of our compliance management. In addition, to enhance compliance at the regional level, standalone, independent, regional compliance officers are appointed in Japan-ASEAN, China, Americas, and AMIEO (Africa / Middle East / India / Europe / Oceania) regions.
Global Compliance Committee Organization
(As of April 1, 2022)

Global Code of Conduct

The Global Code of Conduct contains our core principles for doing business with honesty and integrity, in full compliance with established laws and regulations in all locations in which we operate. The Code of Conduct’s standards apply to all employees within Nissan Group companies, and every employee is responsible for upholding and adhering to the Code. The Code of Conduct is reviewed for revision at least once every three years to ensure that it evolves along with the company and society. The Code is also updated promptly, outside the regular review cycle, in response to significant changes to laws or other major factors affecting it. The Code of Conduct was most recently updated in 2017, when employee and customer safety were proactively added as a new key pillar of the Code.

In fiscal 2021, updated Global Code of Conduct training material was delivered to all regions. The e-learning material for indirect employees was available in approximately 20 languages. The global completion ratio of indirect employees was 96.1%. Factory-focused training material was prepared for factory workers, who received the training via regular shift-start messaging or in a seminar setting. The global completion ratio of factory workers was 97.8%. This global Code of Conduct training is mandatory for all Nissan employees every year as well as Board members and Corporate officers.

Compliance and dissemination status of Global Code of Conduct is self-assessed by responsible departments and independently evaluated by the internal audit. The results are reported annually to the Internal Control Committee and also to the Board of Directors.

* Each Regional Compliance Committee oversees various local compliance committees as appropriate.
1. Comply with All Laws and Rules
Nissan employees are expected to follow all applicable laws and regulations of the country in which they work as well as all Company policies and rules.

2. Promote Safety
Nissan is committed to safety and wellness. Nissan employees are expected to engage in safe work practices to promote a healthy work environment. Nissan is also committed to the safety of our customers, their passengers and pedestrians, and to do so Nissan Employees should continually promote safety of Nissan products and their safety measures, and raise awareness of road safety.

3. Avoid Conflicts of Interest
Employees are expected to act in the best interest of Nissan. It is not permitted for employees to behave, act, or use information in a way that conflicts with Company interests. Furthermore, employees must attempt to avoid even the appearance of a conflict of interest.

4. Preserve Company Assets
Nissan employees are accountable for preserving and safeguarding Company assets. The unauthorized or improper use of Company assets, including funds, confidential business information, physical property and intellectual property, is prohibited.

5. Be Impartial and Fair
Nissan employees must maintain impartial and fair relationships with business partners, including dealers, suppliers, and other third parties.

6. Be Transparent and Accountable
Accounts and records shall be maintained with integrity. Nissan employees shall make accurate, transparent, timely, and appropriate disclosures of the Company’s business activities to our stakeholders, including shareholders, management, customers, other Employees, and local communities.

7. Value Diversity and Provide Equal Opportunity
We value and respect the diversity and inclusion of our Employees, suppliers, customers, and communities. Discrimination, retaliation, or harassment, in any form or degree, will not be tolerated.

8. Be Environmentally Responsible
Nissan employees shall strive to consider the environment and environmental protection when developing products and services, promote recycling and conserve materials and energy.

9. Be Active and Report Violations
Nissan employees are expected to carry out their work in accordance with the Code of Conduct. Employees who suspect that a violation of the Code of Conduct has occurred are obligated to report it as soon as possible. Employees are encouraged to use the SpeakUp system to report their suspicions. Employees who act in good faith and report suspected violations will be protected from retaliation.
Business Ethics: Management

Internal Reporting System for Corporate Soundness

Nissan has established a globally integrated reporting system to promote thorough understanding of compliance among employees worldwide and facilitate sound business practices. The system, known as SpeakUp, can be used by employees to ask questions or voice concerns to the company, thereby improving workplaces and operations. Where allowed by law, SpeakUp permits anonymous reporting by and two-way confidential communication with employees and other stakeholders such as dealers. It is available 24 hours a day, 365 days a year, in more than 20 languages. Employees are encouraged to report violations of the Code of Conduct or other company rules, and are protected from retaliation by our non-retaliation policy, a cornerstone of our compliance program.

In fiscal 2021, 1,764 concerns were reported globally. Among those, 19% were compliance-related matters while 54% were human resource related. The most recurrent types of reports are “Human Resource Concern”, “Offensive or Inappropriate Communication”, and “Other Company Policy Violations”.

Security-Related Export Controls

To help maintain both national and international peace and security, we rigorously comply with export control laws and regulations in Japan and other countries and regions where we operate to keep sensitive goods, software, and technologies from reaching sponsors of terrorism, espionage, or human rights violators. Our export compliance program is implemented under a system headed by the representative executive responsible for export control. Specifically, our Export Control Global Secretariat, consisting of a Global Director and Regional Managers, works with each of our businesses to set control and monitoring mechanisms ensuring compliance with security-related export controls, and these mechanisms are strictly applied to all operations.

We recognize our responsibility for compliance with all regulations related to export controls on goods, software, and technologies in our areas of operation. In 2021, we are in the process of reviewing and updating our Global Export Regulatory Compliance Policy to ensure proper compliance with such regulations across the Nissan Group. Based on the global policy, we continue to develop and enhance regional policies for each of the regions where we operate. We have reviewed impact of the new regional structure under Nissan NEXT, and made applicable adjustments. We also respond in a timely manner to export control regulation changes and related developments around the world, including the enforcement of the Export Control Reform Act (ECRA) in the U.S., amendments to the EU dual use export control list, and moves to deploy export control regulations in China, Thailand, and India.
With the overall aim of improving our level of internal control, we strive to conduct regular risk-assessment activities in connection with export controls in each region, create monitoring mechanisms aligned with regulatory requirements and business demands, and continually improve our operations. To make employees more familiar with compliance risks, we are reviewing our training system and materials, including information about complying with relevant customs and trade laws. From fiscal 2018, we began annual training in Japan based on the new system. In addition, we deployed mandatory training globally starting in fiscal 2019 with North America, Latin America, AMI (Africa / Middle East / India), and China completing this training. In fiscal 2020, A&O (Asia / Oceania) completed mandatory training and Europe completed the training in fiscal 2021.

We have been addressing export control of advanced technologies on a global level to prepare for the future of our company. To hasten the implementation of our Global Export Regulatory Compliance Policy, we continue to promote export control for advanced technologies, such as electrification, autonomous driving and connected car technologies at Nissan sites in Japan, the U.S., and Europe as well as other locations around the world, where warranted. At our development sites in Japan, we are improving our classification process for sensitive goods, software, and technologies using IT systems. At our research sites in the U.S., we continue to further enhance and develop Technology Control Plans for our Battery lab and Alliance Innovation Lab Silicon Valley.

By making export control procedures an integral part of our development and design operations, we aim to strengthen our compliance. In addition, we are renewing and collecting information on controlled goods, software, and technologies in each region and are implementing comprehensive and sound export controls for each business operation through the systematic global sharing of this information.

Global Export Control Policy Framework

Representative executive responsible for export controls

Export Control Global Secretariat

Japan-ASEAN, China
Americas
AMI
t

Regions

Japan-ASEAN, China
Americas
AMI

*1, *2 Regional structure under Nissan NEXT.
*3 AMIEO (Africa / Middle East / India / Europe / Oceania)
Nissan’s Commitment to Tax Transparency

Nissan’s Approach to Tax

In line with its Global Code of Conduct, Nissan is committed to complying with the laws and regulations of all countries in which Nissan operates, as well as with international tax treaties and tax-related financial reporting rules. In order to conduct business properly and efficiently in many markets across the globe, Nissan established a documented tax policy from 2015. The policy is continuously revised in order to keep up with the legislative and regulatory changes. The policy includes details of Nissan’s governance arrangements, tax risk management strategy and its approach to dealing with tax authorities. Nissan is consistently fulfilling all tax disclosure requirements under domestic and international rules (such as OECD Country-by-Country Reporting) and other country-specific transparency requirements like those in Australia or the U.K.*.

Nissan effectively manages its tax risks by involving the Tax Department into key business decisions. Nissan’s Tax Department collaborates with and supports other functions to ensure tax implications are properly evaluated and addressed in operational and strategic decision-making on a timely basis. Input from the Tax Department is particularly critical in relation to transactions, restructurings, legal entity modifications, and other business changes, as necessary to support Nissan’s business strategy.

Through a formal delegation of authority process, the Tax Department validates key business decisions from a tax perspective, thereby ensuring the tax strategy is aligned with the wider business objectives, in a consistent and timely manner.

Nissan applies established international standards (such as those championed by the OECD) to its dealings between the companies within the group. Intercompany transactions are priced on an arm’s-length basis, which means that Nissan entities trade with each other as if they were independent entities.

Nissan is transparent about its approach to tax. Nissan aims to pay the appropriate amount of taxes in the jurisdictions in which it operates, and to avoid tax-related interest payments and penalties for failure to comply with local and international tax rules.

The CFO reviews and approves the tax strategy. The Global Head of Tax and the CFO update annually the Board of Directors on Nissan’s tax risks and adherence to its tax strategy.

* Click here for more information on Nissan’s U.K. tax strategy.
https://www.nissan.co.uk/legal/nissan-uk-tax-strategy.html
Nissan’s Tax Management

Nissan effectively manages tax risks within the group by participating in and through the delegation of authority process at local, regional, and global level validating key business decisions from a tax perspective in a consistent manner.

Nissan’s global brand reputation and the continuing success of its manufacturing and distribution operations are of paramount importance. Consequently, only a low level of tax risk is considered acceptable as also demonstrated by proactive discussions with tax authorities.

Where Nissan has tax audits, the company seeks to reach an agreement with the tax authorities on the treatment that will apply. In case Nissan is unable to reach an agreement with the tax auditors, Nissan will uphold its tax positions in court and defend its application of the law through litigation.

Nissan has several methods for identifying and managing tax risks. The Global Tax Controversy Report is Nissan’s Tax Department’s tool for central documentation and quantification of tax risk. It includes all tax exposure: both direct and indirect taxes. Key findings are discussed quarterly with top management.

Specifically for income tax, Nissan has a process in place at local, regional, and global level to recognize uncertain tax positions as required by the Interpretation No. 23 of the International Financial Reporting Interpretations Committee (IFRIC 23). Nissan adopted IFRIC 23 from the beginning of fiscal 2019.

Regarding transfer pricing topics, Nissan’s Tax Department has internal procedures and controls in place to identify transfer pricing risks, assess, monitor, and mitigate such risks, and report material risks to all stakeholders.

Profitability by product basis and by company basis is monitored regularly to identify potential risks. Once identified, the risks are reported to Nissan’s finance leadership team. The executive-level position within the organization accountable for compliance with the tax strategy is the Global Head of Tax, reporting to the CFO.

Compliance with the tax governance and control framework is evaluated regularly by the following departments, at local, regional, and global level: Tax, Compliance, and Internal Audit. Global policies on tax governance and control are published on Nissan’s internal website and available to all employees globally. The Compliance Department checks with the Tax Department regularly to assess how the policies are enforced and whether they reflect the latest business operations in Nissan.

Nissan has a hotline which is called SpeakUp where employees have a way to report unethical or illegal activities they have witnessed or that they suspect. SpeakUp is a means to bring tax-related incidences to the attention of management.
Nissan’s Stakeholder Engagement and Management of Concerns Related to Tax

Nissan seeks to maintain a long-term, open, and constructive relationship with national tax authorities by proactively engaging with them, as well as other governmental and relevant industry bodies, directly and indirectly. First, Nissan strives to develop cooperative relationships with tax authorities through regular meetings and partnership programs. Nissan has ongoing communication with tax authorities including, where applicable, use of advance rulings and Advanced Pricing Agreements (APAs). Nissan engages in APAs with tax authorities to obtain certainty regarding transfer pricing for intercompany transactions.

Nissan regularly engages with policy makers to support the development of tax rules and regulations based on sound tax policy principles. Nissan also provides input to industry groups and international economic organizations, such as the Tax Executives Institute (TEI) and the Business and Industry Advisory Committee to the OECD. As a Japanese automaker, Nissan is a member of Keidanren, one of Japan’s major private-sector business associations and part of the Japan Automobile Manufacturers Association (JAMA).

Finally, Nissan’s Investors Relations Department engages with the Global Tax Department each time there is a question from stakeholders related to tax topics. The Tax Department will ensure that such questions are answered in a satisfactory way.
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</tr>
</thead>
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</tr>
</tbody>
</table>
Corporate Overview

Corporate Profile

<table>
<thead>
<tr>
<th>Date of Establishment</th>
<th>December 26, 1933</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Organization's Headquarters</td>
<td>1-1, Takashima 1-chome, Nishi-ku, Yokohama, Kanagawa 220-8686, Japan</td>
</tr>
</tbody>
</table>

Group Structure and Business Outline

The Nissan Group consists of Nissan Motor Co., Ltd., subsidiaries, affiliates and other associated companies. Its main business includes sales and production of vehicles and related parts. The Nissan Group also provides various services accompanying its main business, such as logistics and sales finance.

<table>
<thead>
<tr>
<th>Brands</th>
<th>Nissan, Infiniti</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Number of Employees (as of March 31, 2022)</td>
<td>134,111</td>
</tr>
</tbody>
</table>

Global Network (as of March 31, 2022)

| R&D: 16 markets | (Japan, U.S., Mexico, U.K., Spain, Belgium, Germany, Russia, China, Taiwan, Thailand, Vietnam, India, South Africa, Brazil, Argentina; total of 45 sites) |
| Design: 5 markets | (Japan, U.S., U.K., China, Brazil; total of 7 sites) |
| Automobile Production: 30 bases in 15 markets | (excludes plants providing OEM vehicles to Nissan [Renault, Mitsubishi Motors, Fuso, Suzuki, etc.]) |

Financial Data

<table>
<thead>
<tr>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>9,878.9</td>
<td>7,862.6</td>
</tr>
<tr>
<td>Operating income (loss)</td>
<td>(40.5)</td>
<td>(150.7)</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>44.0</td>
<td>(221.2)</td>
</tr>
<tr>
<td>Profit (loss) before tax</td>
<td>(573.0)</td>
<td>(339.3)</td>
</tr>
<tr>
<td>Net income (loss) attributable to owners of the parent</td>
<td>(671.2)</td>
<td>(448.7)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>509.2</td>
<td>405.4</td>
</tr>
<tr>
<td>Depreciation</td>
<td>372.9</td>
<td>270.3</td>
</tr>
<tr>
<td>Research and development costs</td>
<td>544.8</td>
<td>503.5</td>
</tr>
</tbody>
</table>

Click here for more information on Financial Data. [https://www.nissan-global.com/EN/IR/](https://www.nissan-global.com/EN/IR/)
## Global Sales Volume and Production Volume

### Global Sales Volume

<table>
<thead>
<tr>
<th>Region</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global sales volume</td>
<td>4,930</td>
<td>4,052</td>
<td>3,876</td>
</tr>
<tr>
<td>Japan</td>
<td>534</td>
<td>478</td>
<td>428</td>
</tr>
<tr>
<td>China</td>
<td>1,547</td>
<td>1,457</td>
<td>1,381</td>
</tr>
<tr>
<td>North America</td>
<td>1,620</td>
<td>1,213</td>
<td>1,183</td>
</tr>
<tr>
<td>Europe</td>
<td>521</td>
<td>391</td>
<td>340</td>
</tr>
<tr>
<td>Others</td>
<td>708</td>
<td>513</td>
<td>544</td>
</tr>
</tbody>
</table>

### Global Production Volume

<table>
<thead>
<tr>
<th>Region</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global production volume</td>
<td>4,757</td>
<td>3,634</td>
<td>3,404</td>
</tr>
<tr>
<td>Japan</td>
<td>758</td>
<td>517</td>
<td>446</td>
</tr>
<tr>
<td>North America</td>
<td>1,340</td>
<td>953</td>
<td>930</td>
</tr>
<tr>
<td>Europe</td>
<td>508</td>
<td>336</td>
<td>276</td>
</tr>
<tr>
<td>Others</td>
<td>2,151</td>
<td>1,828</td>
<td>1,751</td>
</tr>
</tbody>
</table>

Click here for more information on Financial Data.
https://www.nissan-global.com/EN/IR/
Environmental Data

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Water Resource Management ..................................... 210
Strengthening Our Business Foundations
   to Address Environmental Issues ............................. 213
Material Balance .......................................................... 215
Environmental Conservation Cost ............................... 216

Estimates (as of July 2020) have been used for the FY2019 actuals for CO2, VOC, industrial waste, and water at European facilities.

In fiscal 2021, CO2 emissions in Nissan’s main markets of Japan, the U.S., Europe, and China were 42.5% lower than fiscal 2000 levels, as measured by Corporate Average Fuel Economy (CAFE).

In particular, fuel efficiency has improved compared to fiscal 2020 due to the introduction of new models in China and Europe.

* Reduction in CO2 emissions calculated by Nissan.
Corporate Average Fuel Economy (CAFE, JC08 Mode) in Japan

In fiscal 2021, the corporate average fuel economy in Japan was 23.6 km/L. Higher sales of e-POWER Nissan Note/Note Aura and other e-POWER vehicles contributed to the 2% improvement over fiscal 2020.

* Provisional values calculated in-house; some models include WLTC mode fuel consumption values.

CO2 Emission Index from Nissan Vehicles in Europe

In 2021, average vehicle CO2 emissions in Europe are expected to be exacerbated by the change in evaluation mode from NEDC to WLTP.

On the other hand, as an individual company and an alliance pool, we have complied with the EU CO2 emission regulations that applied to 2020 and beyond.

* 2020 result was updated.

* Official figures for 2021 have not been published yet, so there is no graph data.

Corporate Average Fuel Consumption in China

In 2021, average fuel consumption of domestic production models in China was 9% worse than in 2020 due to test cycle mode change from NEDC to WLTP. In case of on same NEDC test cycle, fuel consumption was improved about 8% thanks to e-POWER model launch.

* No data due to no import car sales.
<table>
<thead>
<tr>
<th></th>
<th>FY2020</th>
<th>FY2021</th>
<th></th>
<th>FY2020</th>
<th>FY2021</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td><strong>(¥ billion)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2020</td>
<td>9,108.7</td>
<td>9,743.3</td>
<td>FY2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Global Sales Volume</strong></td>
<td></td>
<td></td>
<td><strong>(k unit)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2020</td>
<td>4,052</td>
<td>3,876</td>
<td>FY2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>478</td>
<td>428</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>1,213</td>
<td>1,183</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>391</td>
<td>340</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>1,649</td>
<td>1,572</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>320</td>
<td>353</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Global Production Volume</strong></td>
<td></td>
<td></td>
<td><strong>(k unit)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2020</td>
<td>3,634</td>
<td>3,404</td>
<td>FY2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>517</td>
<td>446</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>953</td>
<td>930</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>336</td>
<td>276</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>1,737</td>
<td>1,646</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>91</td>
<td>105</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1 Management pro-forma basis (includes Chinese joint ventures in proportionate consolidation).
*2 Global sales volume and global production volume for China and Taiwan consider values from January to December.
*3 Production in the U.S. and Mexico.

*4 Production in the U.K., Spain, Russia and France.
*5 Production in Taiwan, Thailand, China and India.
*6 Production in South Africa, Brazil, Egypt and Argentina.
Powertrain Type Ratios (Shipment-Based)

<table>
<thead>
<tr>
<th>Region</th>
<th>Gasoline-powered vehicles</th>
<th>Diesel-powered vehicles</th>
<th>e-POWER vehicles</th>
<th>Electric vehicles</th>
<th>Hybrid drive vehicles</th>
<th>Natural-gas drive vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>%</td>
<td>31.9</td>
<td>1.6</td>
<td>35.7</td>
<td>3.1</td>
<td>27.6</td>
</tr>
<tr>
<td>North America</td>
<td>%</td>
<td>98.3</td>
<td>0.2</td>
<td>0.0</td>
<td>1.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Europe</td>
<td>%</td>
<td>53.9</td>
<td>7.6</td>
<td>0.0</td>
<td>11.5</td>
<td>27.0</td>
</tr>
<tr>
<td>Other</td>
<td>%</td>
<td>90.9</td>
<td>7.1</td>
<td>0.7</td>
<td>0.9</td>
<td>0.5</td>
</tr>
<tr>
<td>Global</td>
<td>%</td>
<td>82.3</td>
<td>4.4</td>
<td>4.9</td>
<td>2.3</td>
<td>6.2</td>
</tr>
</tbody>
</table>

In Japan, where customers’ interest in electrified vehicles is relatively high, e-POWER models account for 35.7% of total shipments in Japan. Combined with electric and hybrid vehicles, entire electrified vehicles account for 66.4%, almost two-thirds of the total. This trend is expected to continue, given the strong sales of the new Nissan Sakura Kei-EV, which went on sale in FY2022. We see this as a situation where more sustainable product lines are becoming the core of Nissan's business in pursuit of environmental values.

EVs

100% EV and e-POWER Vehicle Sales*

In fiscal 2021, e-POWER sales volume increased thanks to strong sales of the new Note and the launch of the new Sylphy in China.

* Includes the sale of EVs by joint ventures in China.
* There have been changes in historical figures due to the recalculation of local brand sales volume by the Nissan China JVs.

Hybrid Electric Vehicles

Hybrid Units Shipped

In 2021, vehicle numbers increased due to the launch of the all-new Qashqai in Europe.
Climate Change (Corporate Activities)

Energy Input

<table>
<thead>
<tr>
<th>Energy Input</th>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>MWh</td>
<td>9,532,840</td>
<td>9,252,737</td>
<td>8,313,893</td>
<td>7,655,514</td>
<td>7,495,492</td>
</tr>
<tr>
<td>By region</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>MWh</td>
<td>4,084,912</td>
<td>3,700,532</td>
<td>3,438,939</td>
<td>3,015,419</td>
<td>3,149,380</td>
</tr>
<tr>
<td>North America</td>
<td>MWh</td>
<td>2,452,299</td>
<td>2,570,438</td>
<td>2,180,450</td>
<td>1,909,902</td>
<td>1,982,066</td>
</tr>
<tr>
<td>Europe</td>
<td>MWh</td>
<td>1,126,186</td>
<td>1,048,201</td>
<td>913,521</td>
<td>888,089</td>
<td>650,003</td>
</tr>
<tr>
<td>Other</td>
<td>MWh</td>
<td>1,869,443</td>
<td>1,933,566</td>
<td>1,780,983</td>
<td>1,842,105</td>
<td>1,714,043</td>
</tr>
<tr>
<td>By energy source</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural gas</td>
<td>MWh</td>
<td>3,701,640</td>
<td>3,579,998</td>
<td>3,079,723</td>
<td>3,089,803</td>
<td>2,907,420</td>
</tr>
<tr>
<td>LPG</td>
<td>MWh</td>
<td>179,945</td>
<td>191,405</td>
<td>175,559</td>
<td>144,478</td>
<td>145,717</td>
</tr>
<tr>
<td>Coke</td>
<td>MWh</td>
<td>218,618</td>
<td>200,527</td>
<td>154,961</td>
<td>100,144</td>
<td>112,154</td>
</tr>
<tr>
<td>Heating oil</td>
<td>MWh</td>
<td>147,522</td>
<td>113,200</td>
<td>90,078</td>
<td>69,618</td>
<td>69,868</td>
</tr>
<tr>
<td>Gasoline</td>
<td>MWh</td>
<td>299,000</td>
<td>259,045</td>
<td>243,166</td>
<td>184,021</td>
<td>177,147</td>
</tr>
<tr>
<td>Diesel</td>
<td>MWh</td>
<td>48,259</td>
<td>53,074</td>
<td>23,246</td>
<td>25,315</td>
<td>23,800</td>
</tr>
<tr>
<td>Heavy oil</td>
<td>MWh</td>
<td>27,652</td>
<td>15,995</td>
<td>16,303</td>
<td>22,816</td>
<td>22,383</td>
</tr>
</tbody>
</table>

External

<table>
<thead>
<tr>
<th>External</th>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity (purchased)</td>
<td>MWh</td>
<td>4,755,897</td>
<td>4,711,467</td>
<td>4,384,282</td>
<td>3,851,011</td>
<td>3,859,586</td>
</tr>
<tr>
<td>Renewable energy*1</td>
<td>MWh</td>
<td>133,212</td>
<td>135,574</td>
<td>123,225</td>
<td>181,815</td>
<td>229,754</td>
</tr>
<tr>
<td>Chilled water</td>
<td>MWh</td>
<td>6,661</td>
<td>7,487</td>
<td>5,086</td>
<td>3,530</td>
<td>3,598</td>
</tr>
<tr>
<td>Steam</td>
<td>MWh</td>
<td>128,038</td>
<td>102,324</td>
<td>125,662</td>
<td>96,960</td>
<td>114,506</td>
</tr>
</tbody>
</table>

Internal

<table>
<thead>
<tr>
<th>Internal</th>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity (in-house generation)</td>
<td>MWh</td>
<td>14,609</td>
<td>13,214</td>
<td>43,668</td>
<td>65,183</td>
<td>59,313</td>
</tr>
<tr>
<td>Renewable energy*2</td>
<td>MWh</td>
<td>14,609</td>
<td>13,214</td>
<td>43,668</td>
<td>65,183</td>
<td>59,313</td>
</tr>
<tr>
<td>Total renewable energy</td>
<td>MWh</td>
<td>147,821</td>
<td>148,788</td>
<td>166,893</td>
<td>246,998</td>
<td>289,067</td>
</tr>
</tbody>
</table>

*1 Volume of renewable energy in electricity purchased by Nissan.
*2 Volume of renewable energy generated by Nissan at its facilities and consumed for its own purposes.
In fiscal 2021, energy per vehicle produced was 2.20 MWh increased by 4.5% compared to fiscal 2020.

Data for the Japan region includes the manufacture of powertrains and other components for overseas assembly. Since the denominator is vehicles produced in the region, this tends to result in higher values for Japan.

<table>
<thead>
<tr>
<th>By region</th>
<th>Unit</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>MWh/vehicle</td>
<td>7.06</td>
</tr>
<tr>
<td>North America</td>
<td>MWh/vehicle</td>
<td>2.13</td>
</tr>
<tr>
<td>Europe</td>
<td>MWh/vehicle</td>
<td>2.36</td>
</tr>
<tr>
<td>Other</td>
<td>MWh/vehicle</td>
<td>0.98</td>
</tr>
</tbody>
</table>
In fiscal 2021, global Nissan facilities saw energy per revenue result of 0.77MWh, decreased by 8% from 2020. We are taking ongoing steps toward decoupling financial capital generation from energy use.

In fiscal 2021, the total of Scope 1 and 2 emissions was 2.239 million tons. Total CO₂ emissions from manufacturing processes were 1.944 million tons *(Scope 1 emissions: 0.622 million tons; Scope 2 emissions: 1.322 million tons).*

*This figure is subject to assurance by KPMG AZSA Sustainability Co., Ltd. For details, please see here.*

---

**Energy per Revenue**

<table>
<thead>
<tr>
<th>(MWh/million ¥)</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2</td>
<td>0.72</td>
<td>0.71</td>
<td>0.74</td>
<td>0.84</td>
<td>0.77</td>
</tr>
<tr>
<td>1.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Carbon Footprint**

<table>
<thead>
<tr>
<th>(FY)</th>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>t-CO₂</td>
<td>912,476</td>
<td>889,444</td>
<td>774,163</td>
<td>754,453</td>
<td>697,851</td>
</tr>
<tr>
<td>Scope 2</td>
<td>t-CO₂</td>
<td>2,394,109</td>
<td>2,339,883</td>
<td>2,105,700</td>
<td>1,631,551</td>
<td>1,541,276</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>t-CO₂</td>
<td>3,306,584</td>
<td>3,229,327</td>
<td>2,879,864</td>
<td>2,386,004</td>
<td>2,239,127</td>
</tr>
<tr>
<td>Japan</td>
<td>t-CO₂</td>
<td>1,333,335</td>
<td>1,208,303</td>
<td>1,147,686</td>
<td>949,269</td>
<td>990,367</td>
</tr>
<tr>
<td>North America</td>
<td>t-CO₂</td>
<td>683,332</td>
<td>738,234</td>
<td>648,754</td>
<td>529,044</td>
<td>507,584</td>
</tr>
<tr>
<td>Europe</td>
<td>t-CO₂</td>
<td>228,998</td>
<td>221,692</td>
<td>163,553</td>
<td>156,442</td>
<td>112,157</td>
</tr>
<tr>
<td>Other</td>
<td>t-CO₂</td>
<td>1,060,920</td>
<td>1,061,098</td>
<td>919,871</td>
<td>751,250</td>
<td>629,019</td>
</tr>
<tr>
<td>Scope 3</td>
<td>t-CO₂</td>
<td>213,715,000</td>
<td>203,106,900</td>
<td>173,138,601</td>
<td>135,068,055</td>
<td>127,735,901</td>
</tr>
</tbody>
</table>
Corporate Carbon Footprint per Vehicle Sold

In fiscal 2021, overall corporate emissions were reduced by 32.9% compared to fiscal 2005.

Manufacturing CO₂ per Vehicle Produced

In fiscal 2021, our manufacturing CO₂ emissions per vehicle produced were 0.56 tons, 23.4% less than fiscal 2005.

Carbon Footprint of Manufacturing Activities

Scope 1 and 2 Emissions per Revenue

In fiscal 2021, CO₂ emissions from our global operations were 0.23 ton per ¥1 million of revenue.
**Logistics Volume**

<table>
<thead>
<tr>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>35,635</td>
<td>34,903</td>
<td>28,288</td>
<td>21,168</td>
<td>22,835</td>
</tr>
<tr>
<td>Inbound*</td>
<td>9,699</td>
<td>10,164</td>
<td>8,083</td>
<td>5,518</td>
<td>7,643</td>
</tr>
<tr>
<td>Outbound*</td>
<td>25,935</td>
<td>24,739</td>
<td>20,205</td>
<td>15,651</td>
<td>15,192</td>
</tr>
</tbody>
</table>

* "Inbound" includes parts procurement from suppliers and transportation of knockdown parts; "Outbound" includes transportation of complete vehicles and service parts.

In fiscal 2021, global shipping increased by around 8% compared to the previous fiscal year, to 22,835 million ton-km.

**CO₂ Emissions from Logistics**

<table>
<thead>
<tr>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,567,248</td>
<td>1,482,982</td>
<td>1,144,338</td>
<td>900,234</td>
<td>874,936</td>
</tr>
<tr>
<td>Inbound*</td>
<td>739,610</td>
<td>762,314</td>
<td>582,957</td>
<td>397,822</td>
<td>366,190</td>
</tr>
<tr>
<td>Outbound*</td>
<td>827,638</td>
<td>720,667</td>
<td>561,381</td>
<td>502,412</td>
<td>508,746</td>
</tr>
</tbody>
</table>

* "Inbound" includes parts procurement from suppliers and transportation of knockdown parts; "Outbound" includes transportation of complete vehicles and service parts.

In fiscal 2021, CO₂ emissions from logistics were 874,936 tons, down approximately 3% from the previous fiscal year.
CO2 Emissions per Vehicle Transported

In fiscal 2021, CO2 emissions per vehicle transported were 0.29 tons.

Scope 3 Emissions by Category

We conducted a study based on standards such as the Corporate Value Chain (Scope3) Accounting and Reporting Standard from the GHG Protocol and found that about 90% of our Scope3 emissions were from the use of sold products.

For the fiscal 2021 study, we updated the basis of calculation* for the purchased goods and services which account for about 8% of Scope3 emissions, to make it close the actual amount of raw material used.

* For details of the basis of calculation, please refer. >>> P084

Carbon Credit

Nissan Motor Iberica, S.A. in Barcelona and Cantabria, Spain, entered EUETS, and the verified allowance earned for fiscal 2021 was 29,480 tons.
Air Quality

Emissions

In fiscal 2021, NOx and SOx emissions from Nissan manufacturing facilities in Japan were 375 tons and seven tons.

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>ton</td>
<td>619</td>
<td>418</td>
<td>380</td>
<td>364</td>
<td>375</td>
</tr>
<tr>
<td>SOx</td>
<td>ton</td>
<td>36</td>
<td>34</td>
<td>14</td>
<td>10</td>
<td>7</td>
</tr>
</tbody>
</table>

Volatile Organic Compounds (VOCs)

In fiscal 2021, VOCs from manufacturing plants were 4,218 tons globally, a reduction from fiscal 2020. We actively continue to promote activities to reduce VOCs, such as switching to materials including water-based paints.

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>ton</td>
<td>10,564</td>
<td>8,433</td>
<td>6,465</td>
<td>4,742</td>
<td>4,218</td>
</tr>
<tr>
<td>Japan</td>
<td>ton</td>
<td>3,232</td>
<td>2,188</td>
<td>2,016</td>
<td>1,420</td>
<td>1,362</td>
</tr>
<tr>
<td>North America</td>
<td>ton</td>
<td>4,284</td>
<td>3,847</td>
<td>3,135</td>
<td>2,294</td>
<td>2,362</td>
</tr>
<tr>
<td>Europe</td>
<td>ton</td>
<td>3,048</td>
<td>2,397</td>
<td>1,315</td>
<td>1,028</td>
<td>493</td>
</tr>
</tbody>
</table>
Released Substances Designated by PRTR Law* (Japan)

In fiscal 2020, released substances designated by the PRTR (Pollutant Release and Transfer Register) Law in Japan were 2,173 tons, decrease from fiscal 2019.

<table>
<thead>
<tr>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan site total</td>
<td>3,887</td>
<td>3,406</td>
<td>3,339</td>
<td>2,173</td>
</tr>
<tr>
<td>Oppama</td>
<td>796</td>
<td>715</td>
<td>1,022</td>
<td>697</td>
</tr>
<tr>
<td>Tochigi</td>
<td>920</td>
<td>655</td>
<td>467</td>
<td>394</td>
</tr>
<tr>
<td>Kyushu</td>
<td>1,697</td>
<td>1,573</td>
<td>1,391</td>
<td>1,042</td>
</tr>
<tr>
<td>Yokohama</td>
<td>20</td>
<td>25</td>
<td>21</td>
<td>9</td>
</tr>
<tr>
<td>Iwaki</td>
<td>62</td>
<td>54</td>
<td>62</td>
<td>6</td>
</tr>
<tr>
<td>NTC</td>
<td>388</td>
<td>378</td>
<td>351</td>
<td>3</td>
</tr>
<tr>
<td>Zama Operation Center</td>
<td>4</td>
<td>7</td>
<td>26</td>
<td>22</td>
</tr>
</tbody>
</table>

(FY)

* The table shows chemical substance emissions calculated based on the Japanese government PRTR guidelines. PRTR emissions show total volume excluding substances adherent to the product.

PRTR Emissions per Vehicle Produced (Japan)

In fiscal 2020, PRTR emissions per vehicle produced in Japan were 4.20 kg, a decrease from fiscal 2019.
Automotive Shredder Residue to Landfill Ratio

After removing ferrous and nonferrous metals from ELVs, in accordance with the End-of-Life Vehicle Recycling Law in Japan, the ratio of ASR taken to landfills for final disposal was zero in fiscal 2021 as same as 2020’s result. This was achieved by enhancing recycling capability through the acquisition of additional facilities that comply with the law.

Material Ratio

In 2021, ferrous metals accounted for 60% of the materials used in our automobiles by weight. Nonferrous metals made up another 14% and resins 15%, with miscellaneous materials making up the final 12%. To further reduce our use of natural resources, we are advancing initiatives to expand the use of recycled materials in each of these categories.

Recovered Bumpers

The number of bumpers collected in fiscal 2021 was 93,000, and the recovery rate decreased by 4.2 points.

Resource Dependency: Achievements in Reuse

Proper Use of Regulated Chemical Substances

Nissan revised its standard for the assessment of hazards and risks in the Renault-Nissan Alliance, actively applying restrictions to substances not yet covered by regulations but increasingly subject to consideration around the world. As a result, the number of substances covered by the Nissan Engineering Standard in fiscal 2021 rose to 5,304. These steps are thought to be necessary for future efforts in the repair, reuse, remanufacture, and recycle loop for resources.

Recycled Plastic Usage in Vehicle

We are making efforts to expand the use of recycled plastic in our vehicles, as well as developing technologies for this. Recycled plastic use in fiscal 2021 was 5%, based on the rate achieved by our best-selling model in Europe.
Resource Dependency (Facility Waste)

Waste

Waste generated globally in fiscal 2021 amounted to 158,199 tons, an increase from 153,160 tons in fiscal 2020. Waste generated globally from production sites in fiscal 2021 was 150,945 tons.

★ This figure is subject to assurance by KPMG AZSA Sustainability Co., Ltd. For details, please see here.

<table>
<thead>
<tr>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>ton</td>
<td>152,674</td>
<td>206,645</td>
<td>199,470</td>
<td>153,160</td>
</tr>
</tbody>
</table>

By region

<table>
<thead>
<tr>
<th>Region</th>
<th>Unit 2020</th>
<th>Unit 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>kg/vehicle</td>
<td>94.62</td>
</tr>
<tr>
<td>North America</td>
<td>kg/vehicle</td>
<td>50.41</td>
</tr>
<tr>
<td>Europe</td>
<td>kg/vehicle</td>
<td>94.85</td>
</tr>
<tr>
<td>Other</td>
<td>kg/vehicle</td>
<td>13.31</td>
</tr>
</tbody>
</table>

Waste per Vehicle Produced

In fiscal 2021, waste per vehicle produced increased to 46.47 kg.
Waste for Disposal per Vehicle Produced

In fiscal 2021, the volume of waste for disposal was increased to 2.12 kg per vehicle produced.

<table>
<thead>
<tr>
<th>Year (FY)</th>
<th>Waste (kg/vehicle)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.42</td>
</tr>
<tr>
<td>2018</td>
<td>1.35</td>
</tr>
<tr>
<td>2019</td>
<td>1.34</td>
</tr>
<tr>
<td>2020</td>
<td>1.80</td>
</tr>
<tr>
<td>2021</td>
<td>2.12</td>
</tr>
</tbody>
</table>
Water Resource Management

Water Input for Corporate Activities

In fiscal 2021, water input for corporate activities was 20,090 thousand m³, a 5.1% decrease compared with the fiscal 2020 level. In fiscal 2021, water input from production sites was 19,495 thousand m³.*

* This figure is subject to assurance by KPMG AZSA Sustainability Co., Ltd. For details, please see here.

Water Discharge from Corporate Activities

The total amount of water discharged in corporate activities in fiscal 2021 was 13,986 thousand m³, an increase of 2.7% compared to fiscal 2020.

<table>
<thead>
<tr>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan thousand m³</td>
<td>10,376</td>
<td>10,472</td>
<td>9,496</td>
<td>8,474</td>
<td>8,771</td>
</tr>
<tr>
<td>North America thousand m³</td>
<td>3,382</td>
<td>3,190</td>
<td>2,746</td>
<td>2,351</td>
<td>2,565</td>
</tr>
<tr>
<td>Europe thousand m³</td>
<td>1,564</td>
<td>1,539</td>
<td>1,389</td>
<td>1,094</td>
<td>1,073</td>
</tr>
<tr>
<td>Other thousand m³</td>
<td>2,088</td>
<td>2,143</td>
<td>1,760</td>
<td>1,705</td>
<td>1,577</td>
</tr>
</tbody>
</table>

Quality

Chemical oxygen demand (COD) Japan only* kg

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>kg</td>
<td>28,791</td>
<td>25,965</td>
<td>22,269</td>
<td>18,017</td>
<td>19,941</td>
</tr>
</tbody>
</table>

* The calculation method has been revised and the figures for 2017-2020 have been updated.
Water Discharge from Corporate Activities (Per Vehicle Produced)

In fiscal 2021, water discharge per vehicle produced was 4.11 m³, which was a 9.6% increase compared to fiscal 2020.

<table>
<thead>
<tr>
<th>By region</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>16.39</td>
<td>19.67</td>
</tr>
<tr>
<td>North America</td>
<td>2.47</td>
<td>2.76</td>
</tr>
<tr>
<td>Europe</td>
<td>3.26</td>
<td>3.89</td>
</tr>
<tr>
<td>Other</td>
<td>0.93</td>
<td>0.90</td>
</tr>
</tbody>
</table>

Data for the Japan region includes the manufacture of powertrains and other components for overseas assembly. Since the denominator is vehicles produced in the region, this tends to result in higher values for Japan.

Water Consumption in Corporate Activities

The total amount of water consumed in corporate activities in fiscal 2021 was 6,103 thousand m³, a decrease of 19.0% compared to fiscal 2020.

<table>
<thead>
<tr>
<th>Unit</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,000 m³</td>
<td>8,787</td>
<td>9,075</td>
<td>8,265</td>
<td>7,535</td>
</tr>
<tr>
<td>Japan</td>
<td>1,000 m³</td>
<td>2,739</td>
<td>2,550</td>
<td>2,422</td>
<td>2,323</td>
</tr>
<tr>
<td>North America</td>
<td>1,000 m³</td>
<td>1,523</td>
<td>1,740</td>
<td>2,022</td>
<td>1,537</td>
</tr>
<tr>
<td>Europe</td>
<td>1,000 m³</td>
<td>591</td>
<td>554</td>
<td>403</td>
<td>279</td>
</tr>
<tr>
<td>Other</td>
<td>1,000 m³</td>
<td>3,935</td>
<td>4,233</td>
<td>3,418</td>
<td>3,396</td>
</tr>
</tbody>
</table>

* Based on GRI 303, total water consumption is total water withdrawn minus total water discharged as calculated by Nissan.
Water Consumption in Corporate Activities (Per Vehicle Produced)

Water consumed per vehicle produced in fiscal 2021 was 1.79 m³, a 14% decrease from fiscal 2020.

By region

<table>
<thead>
<tr>
<th>Region</th>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>m³/vehicle</td>
<td>4.49</td>
<td>3.47</td>
</tr>
<tr>
<td>North America</td>
<td>m³/vehicle</td>
<td>1.61</td>
<td>1.59</td>
</tr>
<tr>
<td>Europe</td>
<td>m³/vehicle</td>
<td>0.83</td>
<td>1.20</td>
</tr>
<tr>
<td>Other</td>
<td>m³/vehicle</td>
<td>1.86</td>
<td>1.57</td>
</tr>
</tbody>
</table>
Strengthening Our Business Foundations to Address Environmental Issues

Global Top-Selling Model’s Life Cycle Improvements

We have been expanding the application of the LCA method and enhancing the understanding of the environmental impact of our products in quantitative terms, especially our best-selling models worldwide. Coverage on a unit basis has reached approximately 80% of models globally and approximately 90% in Europe.

With the Qashqai and Rogue (X-trail), for example, improvements in internal combustion engine efficiency and vehicle weight reduction have led to both enhanced safety features and lower CO₂ emissions.

Life Cycle CO₂ Equivalent Emissions (CO₂, CH₄, N₂O, etc.)

LCA Comparison for e-POWER Models

Nissan introduced its new e-POWER powertrain in 2016, marking another significant milestone in the electrification strategy with lifecycle emission improvements. Compared to their gasoline-powered counterpart models, the Note e-POWER and Serena e-POWER have achieved a 19% and 27% reduction in CO₂ emissions, respectively.

Life Cycle CO₂ Equivalent Emissions (CO₂, CH₄, N₂O, etc.)
LCA Comparison of EV Models

Compared to conventional vehicles of the same class in Japan, the Nissan LEAF results in approximately 32% lower CO2 emissions during its life cycle. The “Nissan Ariya” launched in 2022 achieves both further improvement of EV product performance and reduction of environmental impact. It extends EV driving range and reduces lifecycle CO2 emissions by approximately 18% compared to same segment gasoline-powered models in Japan. Nissan will keep reducing the environmental impact from the entire life cycle of electric vehicles.

Life Cycle CO2 Equivalent Emissions (CO2, CH4, N2O, etc.)

Life Cycle Improvements beyond Climate Change

Nissan is expanding the scope of LCAs to include not just greenhouse gases but also a variety of chemicals amid growing societal concerns over air quality and ocean acidification and eutrophication. Our compared to conventional gasoline engine significantly more environmentally friendly, achieving 11% and 27% emission reductions for all targeted chemical substances and achieving environmental benefits throughout its lifecycle.

Emissions Improvement in the Serena e-POWER over Its Life Cycle

Production in Japan, 100,000 km driven in Japan.

Production in Japan, 100,000 km driven in Japan (basis for comparison).
## Material Balance

### Input

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials</td>
<td>ton</td>
<td>4,665,300</td>
<td>3,758,427</td>
</tr>
<tr>
<td>Energy</td>
<td>MWh</td>
<td>7,655,514</td>
<td>7,495,492</td>
</tr>
<tr>
<td>Renewable energy</td>
<td>MWh</td>
<td>246,998</td>
<td>289,067</td>
</tr>
<tr>
<td>Water withdrawal</td>
<td>thousand m³</td>
<td>21,159</td>
<td>20,090</td>
</tr>
</tbody>
</table>

### Output

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles produced</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global production volume</td>
<td>k unit</td>
<td>3,634</td>
<td>3,404</td>
</tr>
<tr>
<td>CO₂ emissions</td>
<td>t-CO₂</td>
<td>2,567,819</td>
<td>2,239,127</td>
</tr>
<tr>
<td>Water discharge</td>
<td>thousand m³</td>
<td>13,624</td>
<td>13,986</td>
</tr>
<tr>
<td>Emissions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NOx</td>
<td>ton</td>
<td>364</td>
<td>375</td>
</tr>
<tr>
<td>SOx</td>
<td>ton</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>VOC</td>
<td>ton</td>
<td>4,742</td>
<td>4,218</td>
</tr>
<tr>
<td>Waste</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For recycling</td>
<td>ton</td>
<td>146,621</td>
<td>150,991</td>
</tr>
<tr>
<td>For final disposal</td>
<td>ton</td>
<td>6,539</td>
<td>7,208</td>
</tr>
</tbody>
</table>
### Environmental Conservation Cost

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unit</td>
<td>Cost</td>
</tr>
<tr>
<td>Total</td>
<td>mil ¥</td>
<td>1,822</td>
</tr>
<tr>
<td>Business area</td>
<td>mil ¥</td>
<td>15</td>
</tr>
<tr>
<td>Upstream/downstream</td>
<td>mil ¥</td>
<td>0</td>
</tr>
<tr>
<td>Management</td>
<td>mil ¥</td>
<td>0</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>mil ¥</td>
<td>1,807</td>
</tr>
<tr>
<td>Social activities</td>
<td>mil ¥</td>
<td>0</td>
</tr>
<tr>
<td>Damage repairs</td>
<td>mil ¥</td>
<td>0</td>
</tr>
</tbody>
</table>

* All environmental costs are based on the guidelines provided by Japan’s Ministry of the Environment, and calculated for activities in Japan only.
Social Data

Employee Data

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nissan Motor Co., Ltd.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees</td>
<td>22,717</td>
<td>22,827</td>
<td>23,166</td>
</tr>
<tr>
<td>Male</td>
<td>20,100</td>
<td>20,199</td>
<td>19,882</td>
</tr>
<tr>
<td>Female</td>
<td>2,617</td>
<td>2,626</td>
<td>3,284</td>
</tr>
<tr>
<td>Average age (years)</td>
<td>41.4</td>
<td>41.6</td>
<td>41.9</td>
</tr>
<tr>
<td>Male</td>
<td>41.8</td>
<td>42.0</td>
<td>42.1</td>
</tr>
<tr>
<td>Female</td>
<td>38.3</td>
<td>38.5</td>
<td>40.7</td>
</tr>
<tr>
<td>Average length of service (years)</td>
<td>17.7</td>
<td>16.9</td>
<td>17</td>
</tr>
<tr>
<td>Male</td>
<td>18.1</td>
<td>17.4</td>
<td>17.8</td>
</tr>
<tr>
<td>Female</td>
<td>13.9</td>
<td>13.4</td>
<td>12</td>
</tr>
<tr>
<td>Employee turnover rate (%)*1</td>
<td>6.6</td>
<td>4.6</td>
<td>5.3</td>
</tr>
<tr>
<td>Voluntary leave</td>
<td>3.1</td>
<td>2.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Average annual salary (yen)*2</td>
<td>8,102,672</td>
<td>7,965,467</td>
<td>8,110,304</td>
</tr>
<tr>
<td>Disabled employment ratio (%)</td>
<td>2.22</td>
<td>2.33</td>
<td>2.50</td>
</tr>
<tr>
<td>Number of employees taking parental leave</td>
<td>379</td>
<td>413</td>
<td>430</td>
</tr>
<tr>
<td>Male</td>
<td>44</td>
<td>96</td>
<td>122</td>
</tr>
<tr>
<td>Female</td>
<td>335</td>
<td>317</td>
<td>308</td>
</tr>
<tr>
<td>Male employee parental leave acquisition rate (%)*3</td>
<td>7</td>
<td>24</td>
<td>20.6</td>
</tr>
<tr>
<td>Ratio of returnees from parental leave (%)</td>
<td>95.6</td>
<td>98.3</td>
<td>98.9</td>
</tr>
<tr>
<td>Male</td>
<td>97.2</td>
<td>100</td>
<td>98.5</td>
</tr>
<tr>
<td>Female</td>
<td>95.2</td>
<td>96.6</td>
<td>99.0</td>
</tr>
<tr>
<td>Number of employees taking nursing care leave</td>
<td>7</td>
<td>17</td>
<td>8</td>
</tr>
<tr>
<td>Male</td>
<td>3</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Female</td>
<td>4</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Days of paid holiday taken</td>
<td>19.5</td>
<td>17.5</td>
<td>20</td>
</tr>
<tr>
<td>Taken paid holiday ratio (%)</td>
<td>99</td>
<td>89</td>
<td>102</td>
</tr>
<tr>
<td>Average overtime hours/month</td>
<td>24.16</td>
<td>18.75</td>
<td>24.08</td>
</tr>
<tr>
<td>Number of unionized employees*4</td>
<td>26,316</td>
<td>26,503</td>
<td>26,108</td>
</tr>
</tbody>
</table>

*1 Employee turnover rate includes retirement.
*2 Average annual salary for employees includes bonuses and overtime pay.
*3 Ratio of male employees taking parental leave:
(Numerator) Number of male employees who take parental leave at least 1 day in the year.
(Denominator) Number of male employees whose spouses give birth in the year.
*4 Number of unionized employees includes full-time employees, Senior Partners (reemployment after retiring) and contract employees. Number of unionized employees includes those of Nissan Motor Kyushu.
### Consolidated Basis

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>number of employees</strong></td>
<td>136,134 (22,761)</td>
<td>131,461 (16,092)</td>
<td>134,111 (15,743)</td>
</tr>
<tr>
<td>Japan</td>
<td>58,134</td>
<td>58,577</td>
<td>60,145</td>
</tr>
<tr>
<td>North America</td>
<td>36,148</td>
<td>35,120</td>
<td>36,969</td>
</tr>
<tr>
<td>Europe</td>
<td>14,824</td>
<td>13,891</td>
<td>12,826</td>
</tr>
<tr>
<td>Asia</td>
<td>21,023</td>
<td>18,745</td>
<td>18,367</td>
</tr>
<tr>
<td>Other countries</td>
<td>6,005</td>
<td>5,128</td>
<td>5,804</td>
</tr>
</tbody>
</table>

* Numbers in brackets represent part-time employees not included in the consolidated number of employees.

### Traffic Safety

#### Enhancements to Nissan’s Safety Technology and External Ratings Received

Intelligent Emergency Braking* is available on nearly all vehicle categories sold in Japan, including EVs and commercial vehicles, and standard on all major models. In North America and Europe also, Intelligent Emergency Braking is available on key models.

Our vehicles have earned high safety ratings on many public and governmental tests held in various regions. In particular in Japan, from fiscal 2020 JNCAP (Japan New Car Assessment Program) commenced comprehensive assessments in its “Car Safety Performance” evaluations encompassing the three assessment areas of collision performance ratings, preventative safety performance ratings, and automatic accident emergency call devices. To receive the highest score of five stars, high scores must be achieved in each assessment area (automatic accident emergency call devices are a fitment requirement). Following on from the Nissan DAYZ in fiscal 2020, in “Car Safety Performance 2021” for fiscal 2021 the Nissan ROOX, Note/Note Aura, and Nissan Kicks received five stars, a testament to their overall safety performance. Furthermore, a certification system for advanced safety technology was launched by the Ministry of Land, Infrastructure, Transport and Tourism in fiscal 2018. In fiscal 2020, the scope of devices subject to this system was expanded, and by fiscal 2021 10 models and 29 types equipped with intelligent emergency braking and pedal misapplication prevention devices (Nissan DAYZ, Nissan ROOX, Note, Serena, Nissan LEAF, March, Clipper series, and Elgrand) had been approved.

*Automatic Emergency Braking in North America
Major External Safety Ratings (Based on 2021 Assessments)

<table>
<thead>
<tr>
<th>Regions</th>
<th>External Assessments</th>
<th>Models</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>JNCAP*1 Car Safety Performance 2021</td>
<td>Nissan ROOX, Note/Note Aura, Nissan Kicks</td>
<td>5★ (Highest score)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nissan LEAF, Nissan LEAF Plus, Murano, Altima, Maxima, Sentra, Versa, INFINITI QX50</td>
<td>5★ (Highest score)</td>
</tr>
<tr>
<td>U.S.</td>
<td>NCAP*2</td>
<td>TITAN (Crew Cab), Rogue, Nissan Kicks</td>
<td>4★ Overall Rating (2022 model year)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maxima, Altima, Rogue, Murano, Sentra</td>
<td>2022 Top Safety Pick+</td>
</tr>
<tr>
<td>Europe</td>
<td>Euro NCAP</td>
<td>Qashqai</td>
<td>5★</td>
</tr>
</tbody>
</table>

*1 JNCAP: Japan New Car Assessment Program. An automobile assessment program run by the Ministry of Land, Infrastructure, Transport and Tourism and the National Agency for Automotive Safety and Victims’ Aid (NASVA)

*2 NCAP: U.S. National Highway Traffic Safety Administration’s New Car Assessment Program

*3 IIHS: U.S. Insurance Institute for Highway Safety

Diversity and Inclusion

Ratio of Women in Management Positions

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>10.3%</td>
</tr>
<tr>
<td>2017</td>
<td>14.9%</td>
</tr>
<tr>
<td>2018</td>
<td>15%</td>
</tr>
<tr>
<td>2019</td>
<td>15%</td>
</tr>
<tr>
<td>2020</td>
<td>15%</td>
</tr>
<tr>
<td>2021</td>
<td>15%</td>
</tr>
<tr>
<td>2022</td>
<td>15%</td>
</tr>
</tbody>
</table>

(8.5% general manager or higher)
Nissan’s Awards for Diversity *

<table>
<thead>
<tr>
<th>Year</th>
<th>Award</th>
<th>Sponsor</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>Best Places to Work LGBTQ+ 2022 (For the third consecutive year)*1</td>
<td>Human Rights Campaign (Mexico)</td>
</tr>
<tr>
<td>2021</td>
<td>Gold Award in PRIDE Index (For the fifth consecutive year)</td>
<td>Work with Pride</td>
</tr>
<tr>
<td>2021</td>
<td>America’s Top Corporations for Women’s Business Enterprises (WBES) *2</td>
<td>Women’s Business Enterprises National Council (WBENC) (U.S.)</td>
</tr>
<tr>
<td>2021</td>
<td>Regional Automotive Corporation of the Year*2</td>
<td>Southern Region Minority Supplier Development Council, Inc. (U.S.)</td>
</tr>
<tr>
<td>2021</td>
<td>Top 100 Ideal Employer for Interns (For the sixth consecutive year)*3</td>
<td>The Canadian Universum Survey (Canada)</td>
</tr>
<tr>
<td>2021</td>
<td>Great Place to Work® (For the third consecutive year)*3</td>
<td>Great Place to Work® Institute (Canada)</td>
</tr>
<tr>
<td>2021</td>
<td>Pride 365 Certification*4</td>
<td>InterPride (UK)</td>
</tr>
<tr>
<td>2017</td>
<td>Perfect Score (100) in Corporate Equality Index (For the fifth consecutive year)*2</td>
<td>Human Rights Campaign (U.S.)</td>
</tr>
<tr>
<td>2017</td>
<td>Nadeshiko Brand (For the fifth consecutive year)</td>
<td>Ministry of Economy, Trade and Industry (METI) and Tokyo Stock Exchange (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>Prize for excellence, 15th Telework Promotion Awards</td>
<td>Japan Telework Association</td>
</tr>
<tr>
<td>2015</td>
<td>Japan’s Minister of State for Special Missions Prize, Advanced Corporation Awards for the Promotion of Women</td>
<td>Gender Equality Bureau, Cabinet Office</td>
</tr>
<tr>
<td>2014</td>
<td>DiversityInc Top 25 Noteworthy Companies for Diversity &amp; Inclusion*3</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>

* In the United States, Nissan has also received awards other than those listed above.
*1 Awarded to NR Finance Mexico.
*2 Awarded to Nissan North America, Inc. (NNA).
*3 Awarded to Nissan Canada, Inc. (NCI).
*4 Awarded to NISSAN MOTOR (GB) LIMITED (NMGB).
Product Safety and Quality

Recalls in FY 2021*1

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Number of Recalls</th>
<th>Recalled Vehicles (1,000 units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>11</td>
<td>504</td>
</tr>
<tr>
<td>North America</td>
<td>25</td>
<td>3,149</td>
</tr>
<tr>
<td>Europe</td>
<td>9</td>
<td>56</td>
</tr>
<tr>
<td>Other</td>
<td>20</td>
<td>381</td>
</tr>
<tr>
<td>Global</td>
<td>47*2</td>
<td>4,090</td>
</tr>
</tbody>
</table>

*1 Since they are source from internal data, these figures may differ from data published by government authorities.

*2 The total number of recalls is calculated by counting each recall measure as one case; therefore, the aggregate number of recalls by country/region does not sum to the global total.

Human Resource Development

Training Program Achievements at Nissan Motor Co., Ltd.

<table>
<thead>
<tr>
<th>Performance Indicators for Training Programs</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of learners</td>
<td>330,784</td>
<td>304,225</td>
<td>395,448</td>
</tr>
<tr>
<td>Total hours of training</td>
<td>549,490</td>
<td>250,251</td>
<td>328,783</td>
</tr>
<tr>
<td>Hours per learner</td>
<td>24.3</td>
<td>11.1</td>
<td>14.3</td>
</tr>
<tr>
<td>Learner satisfaction (out of 5)</td>
<td>over 4.2</td>
<td>over 4.2</td>
<td>over 4.2</td>
</tr>
<tr>
<td>Investment per employee (¥)</td>
<td>83,000</td>
<td>64,000</td>
<td>67,000</td>
</tr>
</tbody>
</table>

The fiscal year labels in previous reports had been incorrect, and they have been fixed in this report.
Contributing to Local Communities

Social Contribution Achievements in FY2021

Global social contributions (FY2021): ¥2.27 billion

Social contributions include:
- Expenses for implementing philanthropic activities (excluding labor costs)
- Monetary donations and NPO membership fees for philanthropic purposes
- Cash equivalents of in-kind donations
- Sponsorship fees for philanthropic initiatives

Breakdown of FY2021 Global Social Contributions

<table>
<thead>
<tr>
<th>Amount (¥ million)</th>
<th>Philanthropic activities</th>
<th>Monetary donations</th>
<th>In-kind donations (cash equivalent)</th>
<th>Sponsorships, etc.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>739</td>
<td>1,112</td>
<td>230</td>
<td>191</td>
<td></td>
<td>2,272</td>
</tr>
<tr>
<td>% of total</td>
<td>32.5</td>
<td>49.0</td>
<td>10.1</td>
<td>8.4</td>
<td>100</td>
</tr>
</tbody>
</table>

Disaster

- Emergency aid to Henan Province (especially Zhengzhou area) to support their flood relief and recovery efforts (China)
  - Nissan Motor Co., Ltd., Nissan (China) Investment Co., Ltd. and Dongfeng Motor Co., Ltd. have donated a total of 19.5 million RMB to Red Cross Society of China Zhengzhou and provided rescue vehicles and equipment.

- Donations for disaster relief
  - Nissan lights up communities affected by Typhoon Rai with the LEAF (Philippines)
    - Nissan used the LEAF's vehicle-to-load (V2L) technology together with Power Mover units for power outages due to disasters and helped distressed communities in Cebu and Tacloban.
    - Nissan Philippines has collaborated with the local Navara car club, the Navara Nation, to distribute essential relief goods to communities that were affected by the typhoon.
  - Support for flood victims in Sukhothai, Chaiyaphum and Lopburi provinces (Thailand)
    - A Nissan Care For You caravan was formed together with the media, Nissan customers and Nissan executives to provide 9,000 bottles of drinking water, 5,000 masks, canned food and other daily necessities to flood victims in the Sukhothai, Chaiyaphum, and Lopburi provinces.

<Other Emergency Humanitarian Assistance>

Assistance for the humanitarian crisis in Ukraine: Donation of 1 million euros to non-profit organizations the Red Cross and Japan Platform.
Governance Data

Overview of Corporate Governance (as of March 31, 2022)

<table>
<thead>
<tr>
<th>Organization form</th>
<th>Company with three statutory committees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairperson of the Board of Directors</td>
<td>Independent outside director</td>
</tr>
<tr>
<td>Number of directors</td>
<td>12</td>
</tr>
<tr>
<td>Number of independent outside directors</td>
<td>7</td>
</tr>
<tr>
<td>Number of female directors</td>
<td>2</td>
</tr>
<tr>
<td>Chairperson of the Nomination Committee</td>
<td>Independent outside director</td>
</tr>
<tr>
<td>Number of directors</td>
<td>6</td>
</tr>
<tr>
<td>Number of independent outside directors</td>
<td>5</td>
</tr>
<tr>
<td>Number of female directors</td>
<td>1</td>
</tr>
<tr>
<td>Chairperson of the Compensation Committee</td>
<td>Independent outside director</td>
</tr>
<tr>
<td>Number of directors</td>
<td>4</td>
</tr>
<tr>
<td>Number of independent outside directors</td>
<td>4</td>
</tr>
<tr>
<td>Number of female directors</td>
<td>2</td>
</tr>
<tr>
<td>Chairperson of the Audit Committee</td>
<td>Independent outside director</td>
</tr>
<tr>
<td>Number of directors</td>
<td>5</td>
</tr>
<tr>
<td>Number of independent outside directors</td>
<td>4</td>
</tr>
<tr>
<td>Number of female directors</td>
<td>1</td>
</tr>
</tbody>
</table>

Status of Attendance at Meetings of the Board of Directors and Committees in FY 2021 (April 2021 through March 2022)

<table>
<thead>
<tr>
<th>Committee</th>
<th>Number of times Committee meetings were convened</th>
<th>Average attendance ratio per meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>14</td>
<td>98.8%</td>
</tr>
<tr>
<td>Nomination Committee</td>
<td>7</td>
<td>97.6%</td>
</tr>
<tr>
<td>Compensation Committee</td>
<td>12</td>
<td>100%</td>
</tr>
<tr>
<td>Audit Committee</td>
<td>15</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Click here for more information on Corporate Governance.
https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/
Editorial Policy

Sustainability Report 2022 Editorial Policy

Nissan publishes an annual Sustainability Report as a way of sharing information on its sustainability-related activities with stakeholders. This year’s report introduces Nissan’s sustainability strategy Nissan Sustainability 2022 adopted in June 2018, its management, and the results achieved in fiscal 2021 in terms of three aspects (important sustainability topics): Environmental, Social and Governance, or “E,” “S” and “G” for short. Report themes (important sustainability topics) are selected on the basis of potential impact on our business activities and level of interest from stakeholders. Potential impact on our business activities is evaluated with reference to previously recognized issues as well as CSR guidelines and trends and global current events inside and outside the automobile industry. Stakeholder interest is evaluated based on interviews conducted as necessary with both internal and external stakeholders and analyses provided by external consultants.

Scope of the Report

Period Covered: The report covers fiscal 2021 (April 2021 to March 2022); content that describes efforts outside this period is indicated in the respective sections.
Organization: Nissan Motor Co., Ltd., subsidiaries and affiliated companies in the Nissan Group.

Referenced Reporting Guidelines

This report has been prepared in accordance with the GRI Standards: Core option. We provide specific GRI indicators within the report as well as a GRI content index.

Date of Previous Report


Reporting Cycle

Annually since 2004

Third-Party Assurance

For more information on the third-party assurance.
Forward-Looking Statements

This Sustainability Report contains forward-looking statements on Nissan’s future plans and targets and related operating investment, product planning and production targets. There can be no assurance that these targets and plans will be achieved. Achieving them will depend on many factors, including not only Nissan’s activities and development but also the dynamics of the automobile industry worldwide, the global economy and changes in the global environment.

For Further Information

Nissan Motor Co., Ltd.
Sustainability Development Department
Email: NISSAN_SR@mail.nissan.co.jp

Sustainability Report 2022
Publication Date: July 29, 2022

Our Related Websites

CORPORATE INFORMATION
https://www.nissan-global.com/ENCOMPANYPROFILE/  
SUSTAINABILITY
https://www.nissan-global.com/EN/SUSTAINABILITY/  
TECHNOLOGY
https://www.nissan-global.com/ENINNOVATIONTECHNOLOGY/  
IR
https://www.nissan-global.com/ENIR/  
PRODUCTS (GLOBAL)
https://www.nissan-global.com/ENINNOVATIONBRAND/
## TCFD CONTENT INDEX

### Governance

<table>
<thead>
<tr>
<th>Details of Four Thematic Areas</th>
<th>Recommended Disclosures</th>
<th>Disclosures in Sustainability report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disclose the organization’s governance around climate-related risks and opportunities.</td>
<td>a) Describe the board’s oversight of climate-related risks and opportunities.</td>
<td>P029 Global Environmental Management Framework and Governance System</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P034 Toward a Carbon-Neutral Society</td>
</tr>
<tr>
<td></td>
<td>b) Describe management’s role in assessing and managing climate-related risks and opportunities</td>
<td>P019 Internal Efforts to Promote Sustainability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P029 Global Environmental Management Framework and Governance System</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P034 Toward a Carbon-Neutral Society</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P173 Compensation Committee’s Main Activities in Fiscal 2021</td>
</tr>
</tbody>
</table>

### Strategy

<table>
<thead>
<tr>
<th>Details of Four Thematic Areas</th>
<th>Recommended Disclosures</th>
<th>Disclosures in Sustainability report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</td>
<td>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</td>
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<td>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</td>
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<td>c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.</td>
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<td>Disclose how the organization identifies, assesses, and manages climate-related risks.</td>
<td>a) Describe the organization’s processes for identifying and assessing climate-related risk</td>
<td>P027 Nissan’s Strategic Approach to Environmental Issues&lt;br&gt;P029 Global Environmental Management Framework and Governance System&lt;br&gt;P031 NGP2022 Key Issues and Challenges (Climate Change)&lt;br&gt;P036 Climate Change Scenario Analysis to Strengthen Strategies for 2050 Society</td>
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<td>b) Describe the organization’s processes for managing climate-related risks</td>
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<td>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</td>
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<td>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material.</td>
<td>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</td>
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<td>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</td>
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<td>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</td>
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