

Contents	Corporate direction	Environmental	Social	Governance	Data
Governance policies and philosophy	Corporate governance		Risk management		Compliance

# Governance

Key areas	Sustainability vision	Main goals / approaches for 2022	Related materiality issues	SDG areas where Nissan mainly adds value
Corporate governance	We address improvement of corporate governance as one of its most prioritized managerial tasks		<ul style="list-style-type: none"> <li>· Governance, regulations, and compliance</li> </ul>	
Risk management	Achieve benchmark levels for maintenance and enhancement of information security, prevention of information leaks, damage limitation and maintenance of transparency in the event of leaks	Achieve benchmark levels for maintenance and enhancement of information security in each area, including new environments and areas	<ul style="list-style-type: none"> <li>· Risk hedge for physical hazards</li> <li>· Privacy &amp; data security</li> </ul>	
Compliance	A fully functioning framework for the prevention of conduct violations and for compliance at Nissan globally	<ul style="list-style-type: none"> <li>· Enhance monitoring of each compliance risk area, and establish framework to oversee progress of each monitoring activity</li> <li>· Enhance third-party compliance system to ensure entire Nissan business process is compliant</li> </ul>	<ul style="list-style-type: none"> <li>· Governance, regulations, and compliance</li> </ul>	

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance	Risk management		Compliance

# Governance policies and philosophy

Governance policies and philosophy	121
Corporate governance	122
Risk management	132
Compliance	134
Governance data	163

In addition to the semiconductor shortage, geopolitical risks escalated with the Russia-Ukraine conflict. Exchange rate volatility and the weakened yen resulted in prices of raw materials and energy to increase. In addition, electrification fragmented markets. It was a year of unprecedented challenges. The Inflation Reduction Act enacted in the United States includes tax credits for the purchase of electric vehicles, which is likely to accelerate electrification in the United States. Also, the business environment in China is undergoing major changes. As such, finely tuned management is required for companies.

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.

\*1 Click here for more information on the Corporate Governance Guidelines. [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Guidelines\\_EN.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Guidelines_EN.pdf)

\*2 Click here for more information on the Global Code of Conduct. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN\\_GCC\\_E.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN_GCC_E.pdf)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		<b>Corporate governance</b>	Risk management		Compliance

# Corporate governance

## Corporate governance system

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.

Nissan has selected a “company with three statutory committees” as its governance system, which 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. Outside directors make up the majority of each committee, with the Compensation Committee is comprised only of outside directors. Similarly, the Chair of the Board of Directors and each committee chair are independent outside directors.

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 governance system that maintains sound management. The system allows us to implement various monitoring systems, as well as to assess and manage internal and external risks that could impact the achievement of our business goals.

Corporate governance is an important fundamental for Nissan. 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.

## Role of the Board of Directors



### Roles of the Board of Directors

- The Board of Directors has primary responsibility to shareholders for the welfare of the company.
- 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	· Medium-term plan / annual business plan · Strategic / important alliances
General Shareholders Meeting	· Convocation · Agendas
Appointment / dismissal	· Appointment of board chair and representative executive officers · Appointment / dismissal of executive officers · Appointment / dismissal of committee chair and committee members
Finance	· Financial statement · Dividends
Others	· Basic policy for internal control, etc.

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy	Corporate governance		Risk management	Compliance	

## Board of Directors system

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 (six) of the 10 members are independent outside directors, including the Chairman of the Board, creating an environment driven by independent outside directors. Each director has diversity \*1 in terms of nationality, gender, specialization or other traits, and Nissan aims to realize lively discussions and swift decision-making through their inclusion.

## Significant items

The Company positions Sustainability, Risk management, and Internal control/Compliance as important matters that affect the management of the Company, and has established and operates processes for communicating these initiatives to the Board of Directors in accordance with the policies and structure stated as below.

Following items were reported to the Board of Directors during fiscal 2022, and it was confirmed that there are no critical concerns.

### Sustainability

#### Policies and structure

- Corporate Governance Guidelines\*2 (Chapter III  
Appropriate Cooperation with Stakeholders)

#### Items reported to the Board of Directors

- Report on the Sustainability Report: 1 time
- Business execution report: 6 times (Global and regional operations, electrification, DX, etc.)

### Risk management

#### Policies and structure

- Corporate Governance Overview \*3 (Corporate risk management, annual process of corporate risk management)

#### Items reported to the Board of Directors

- Corporate Risk Management Report: 1 time

### Internal control/Compliance

#### Policies and structure

- Corporate Governance Report \*4 (IV-1. Internal Control System)
- Corporate Governance Overview\*3 (Nissan corporate structure, internal control, compliance system)

#### Items reported to the Board of Directors

- Internal Control Report: 2 times
- Audit Committee Report: 2 times
- Corporate Governance Report approval: 1 time

\*1 Click here for more information on diversity. >>> [P079](#)

\*2 Click here for more information on the Corporate Governance Guidelines. [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Guidelines\\_EN.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Guidelines_EN.pdf)

\*3 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)

\*4 Click here for more information on the Corporate Governance Report. [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g\\_report.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g_report.pdf)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy	Corporate governance		Risk management	Compliance	

## Board of Directors skills matrix

The Board of Directors skills matrix is as follows.

### Board of Directors skills matrix (As of July 1st, 2023)

		Global Management	Automobile Industry	Government	Legal / Risk Management	Finance / Accounting	ESG	Products / Technology	Sales / Marketing	Digital Transformations
1	Yasushi Kimura	○				○	○	○	○	
2	Jean-Dominique Senard	○	○	○		○	○			
3	Keiko Ihara	○	○				○	○	○	○
4	Motoo Nagai	○	○		○	○	○			
5	Bernard Delmas	○	○				○	○	○	
6	Andrew House	○				○	○	○	○	○
7	Pierre Fleuriot	○		○	○	○	○			
8	Brenda Harvey	○		○			○	○	○	○
9	Makoto Uchida	○	○		○	○	○	○		○
10	Hideyuki Sakamoto	○	○		○		○	○		○

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

## Board members' responsibilities and duties as of July 1st, 2023

<p><b>Yasushi Kimura</b></p>  <p>Independent outside director, chair of the board of directors</p> <p>Nomination Audit</p> <p>Director since June 2019</p>	<p><b>Jean-Dominique Senard</b></p>  <p>Director, vice-chair of the board of directors</p> <p>Nomination</p> <p>Director since Apr 2019</p>	<p><b>Bernard Delmas</b></p>  <p>Independent outside director, lead independent outside director</p> <p>Compensation Audit</p> <p>Director since Jun 2019</p>	<p><b>Keiko Ihara</b></p>  <p>Independent outside director, chair of Compensation Committee</p> <p>Nomination Compensation</p> <p>Director since Jun 2018</p>
<p><b>Motoo Nagai</b></p>  <p>Independent outside director, chair of Audit Committee</p> <p>Nomination Compensation Audit</p> <p>Director since Jun 2019</p>	<p><b>Andrew House</b></p>  <p>Independent outside director, chair of Nomination Committee</p> <p>Nomination Compensation</p> <p>Director since Jun 2019</p>	<p><b>Brenda Harvey</b></p>  <p>Independent outside director</p> <p>Audit</p> <p>Director since Jul 2023</p>	<p><b>Pierre Fleuriot</b></p>  <p>Director</p> <p>Audit</p> <p>Director since Feb 2020</p>
<p><b>Makoto Uchida</b></p>  <p>Director, representative executive officer, president and CEO</p> <p>Director since Feb 2020</p>	<p><b>Hideyuki Sakamoto</b></p>  <p>Director, executive officer, executive vice president</p> <p>Director since Feb 2020</p>		

## Board features as of July 1st, 2023

### Highly independent representation in Board and committee composition

- All chairs of the Board of Directors and three committees are independent outside directors.

### Board of Directors

- Majority of the Board of Directors (6 out of 10) are independent outside directors\*1 \*2

### Committee

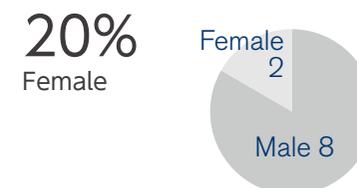
- Nomination Committee : Majority (4 out of 5) are independent outside directors
- Compensation Committee : All (4 out of 4) are independent outside directors
- Audit Committee : Majority (4 out of 5) are independent outside directors

### Diversity of nationality and gender

#### Nationality

4 Nationalities

#### Gender



\*1 Click here for more information on each member of the Board of Directors. <https://www.nissan-global.com/EN/COMPANY/PROFILE/EXECUTIVE/>

\*2 Click here for reasons of appointment of Board members, on the Corporate Governance Report, Outside directors' relationship with the Company(2). [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g\\_report.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g_report.pdf)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

## 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: \*1

Prohibited categories	
1	Executive or employee of Nissan (within last 10 years)
2	Major shareholder of Nissan (within last 5 years)
3	Director, corporate auditor, statutory accounting advisor or executive of a company of which Nissan is a major shareholder
4	Major business partner of Nissan
5	Executive of an organization that received a significant amount of donations and contributions from Nissan
6	Director, corporate auditor, statutory accounting advisor or executive of a company that has a director who was seconded from Nissan
7	Major creditor of Nissan
8	Certified public accountant or tax attorney appointed as statutory accounting auditor / advisor of Nissan
9	Attorney, certified public accountant, tax attorney or any other type of consultant who has received significant business from Nissan
10	Member, partner or any other executive of an accounting firm, tax firm, or consulting firm that has received significant business from Nissan
11	Family member of any of the above categories
12	Person who has served as director of Nissan (for more than 8 years)
13	Person who may otherwise consistently have substantial conflicts of interest with the shareholders of Nissan

## Status of the Board of Directors' activities in fiscal 2022

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
- Confirmation on new Alliance framework agreement
- Report on withdrawal from Russian business
- Activity report on internal control and risk management
- Revisions to the Corporate Governance Report, etc.

Additionally, to enhance the Board of Directors 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.

Major activities during the fiscal year under review included multiple discussions with the executive side to agree on a new Alliance framework announced on February 6, 2023, and the subsequent conclusion of individual agreements based on that framework.

Also, two meetings were held during the fiscal year under review between the independent outside directors and the independent auditors to exchange opinions on sustainability disclosure and supply chain trends associated with the recent geopolitical risks. \*2

## 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 removal 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 / removal 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, 2023, 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.

\*1 All items stated above are summaries of the full qualifications as defined in Nissan director independent standards. Click here for more details of each categories [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Standards\\_EN.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Standards_EN.pdf)

\*2 Click here for more information on the Board of Directors' activities in fiscal 2022. >>>P163

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy	Corporate governance		Risk management	Compliance	

### Nomination Committee: Number of meetings and participation rate in fiscal 2022

- The Nomination Committee met 9 times in fiscal 2022.\*1
- Average participation per meeting was 100%.

### Main activities in fiscal 2022

- Deliberated proposals for representative executive officer appointments
- Deliberated proposals for director appointments / dismissals at the 124th Ordinary General Meeting of Shareholders
- Deliberated president and chief executive officer succession plan

### Compensation Committee system and authority

Authority / Role
<ul style="list-style-type: none"> <li>· 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</li> <li>· To determine the aggregate and individual amounts of director and representative executive officer compensation</li> </ul>
Resolution Items
<ul style="list-style-type: none"> <li>· Policies and systems regarding compensation for directors and executive officers</li> <li>· Specific amount or (in the case of noncash compensation) specific content of compensation for each individual director and representative executive officer</li> <li>· Specific amount or content of compensation for each individual executive officer</li> </ul>

As of March 31, 2023, 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 2022

- The Compensation Committee met 12 times in fiscal 2022.\*2
- Average participation per meeting was 100%.

### Main activities in fiscal 2022

- 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 \*3 \*4

\*1 From April 1, 2022 to March 31, 2023

\*2 From April 1, 2022 to March 31, 2023

\*3 Click here on the 2022 Securities Report (P67-76), for details on the performance indicators of the compensation program. <https://www.nissan-global.com/EN/IR/LIBRARY/FR/2022/ASSETS/PDF/fr2022.pdf#page=69>

\*4 Click here for more information on the executives' role and performance assessment. [>>> P010](#)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy	Corporate governance		Risk management	Compliance	

## Audit Committee system and authority

### Authority / Role

- To audit (monitor and supervise) executive officers' business execution and directors' performance of their duties
- To make executive officers and employees / subsidiaries report on business execution and investigate the status of operation and financial conditions
- To seek injunctions against illegal acts of directors, executive officers, and employees
- To produce annual audit reports
- To select / dismiss external auditors (Appointed Audit Committee member) to represent the company in any litigation brought against directors / executive officers

### Resolution Items

- Annual audit reports to be submitted to shareholders meeting
- Audit policy / rules and annual audit plan / budget of the Audit Committee
- Proposal for shareholders meeting concerning the appointment / dismissal of external auditors
- Assignment of staff employees of Audit Committee secretariat
- Annual audit plan, budget and HC of Global Internal Audit Office, assignment and evaluation to the head of Global Internal Audit Office
- Filing of litigation against directors / executive officers

As of March 31, 2023, 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 2022

- The Audit Committee met 12 times in fiscal 2022
- Average participation per meeting was 100% \*1

## Main activities in fiscal 2022

During the fiscal year under review, the Audit Committee designated the following as priority audit items, and each was reviewed and deliberated at committee meetings and other forums. Recommendations were made to the execution team and others as necessary. \*2

### Monitoring of business execution by executive officers, etc.

- Receive reports on and appropriately monitor the status of progress of the Nissan NEXT transformation plan as well as major management issues such as sales quality improvement and electrification initiatives and issues and semiconductor shortages and supply chain disruptions and other challenges facing the company.

### Confirmation of activities of the internal audit department

- Have the internal audit department attend Audit Committee meetings frequently so committee members can receive reports on major audit findings and to identify problems as early as possible. In addition, direct the internal audit department to closely follow up on the implementation of corrective action plans based on these findings to ensure that the execution team faithfully implements them.

\*1 From April 1, 2022 to March 31, 2023

\*2 Click here on the 2022 Securities Report (P64), for details on the status of the Audit Committee' major activities in every month of this fiscal year. <https://www.nissan-global.com/EN/IR/LIBRARY/FR/2022/ASSETS/PDF/fr2022.pdf#page=66>

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy	Corporate governance		Risk management	Compliance	

### Supervision of the operation of internal control and risk management systems

· In addition to regular activity reports on the overall operation of the internal control system, the Audit Committee also receives individual reports on key items such as the integrated risk management system, cyber security, and group governance. Furthermore, the committee directs the internal audit department to conduct audits of each department in charge of these items to appropriately supervise the operation of such matters.

The committee conducted the following activities during the fiscal year in addition to the above-mentioned priority audit items.

#### Response to fraud cases

· Responded to a lawsuit for damages filed against the former chairman and former representative director and took other appropriate measures to pursue accountability and recover damages for serious misconduct by the former chairman and others.

#### Deepening ties with accounting auditors

· In addition to receiving reports from the accounting auditors on the results of their quarterly reviews during the fiscal year under review, the Audit Committee exchanged opinions with the accounting auditors on key audit matters (KAMs) and the impact of stricter regulations on accounting auditors. The committee also verified the appropriateness of the accounting auditors' audit quality from various perspectives.

#### Initiatives to strengthen group internal controls

· The Audit Committee conducted on-site inspections of

sites and major subsidiaries in Japan and overseas (5 sites and 23 companies) (on-site visits were resumed).  
· The committee holds a semi-annual liaison meeting for auditors of group companies with the aim of improving the quality of audits at each group company.

### 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, 2023, six executive officers (including two representative executive officers) have been appointed. \*1

### 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

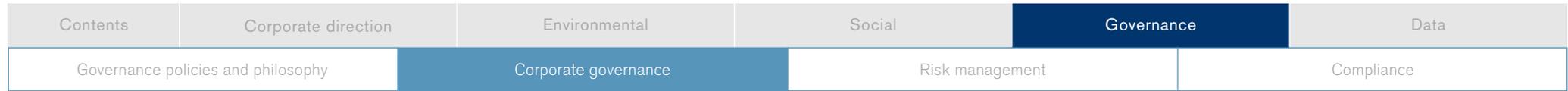
chaired by the CEO under the monitoring and supervision of the Board of Directors. All executive officers, corporate officers, and departments, as well as group companies, cooperate closely under the CEO to improve the internal control system. \*2

### 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 the 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.

\*1 Click here for more information on each executive officer. <https://www.nissan-global.com/EN/COMPANY/PROFILE/EXECUTIVE/>

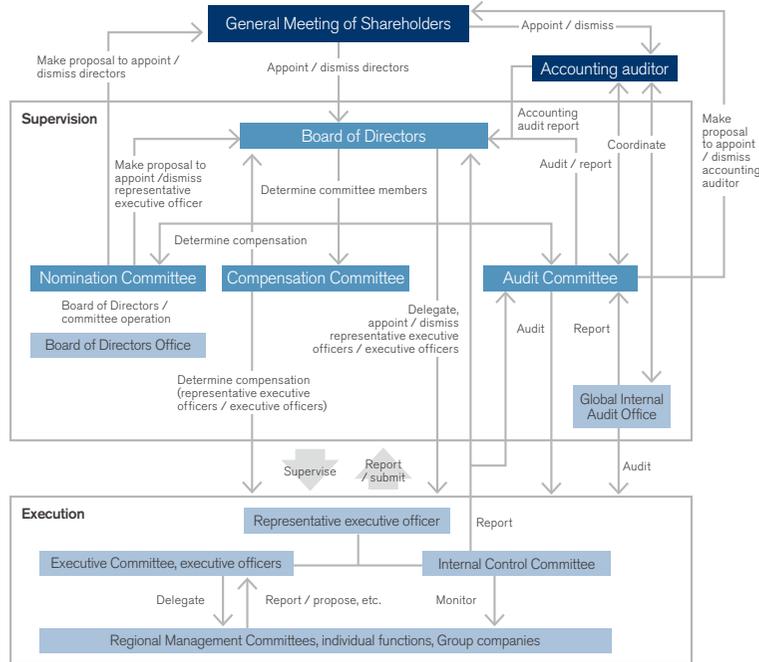
\*2 Click here for more information on the Nissan Corporate Governance Overview, for the internal control system. [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Overview\\_EN.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Overview_EN.pdf)



### Independent internal audits

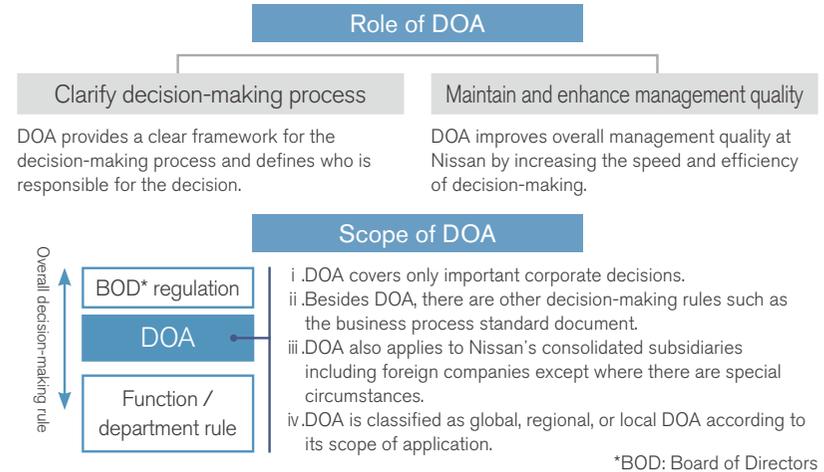
The Company has the global internal audit function, as an independent group to conduct internal auditing tasks under the Audit Committee. Regional audit teams are in each regional headquarters, and for sales finance, and IT and monozukuri auditing which requires a higher level of expertise, global specialty 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.

### 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



### 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.

<p><b>01 Robustness</b> Any revisions, creation and deletion are strictly controlled by the DOA Committee, which is chaired by corporate officers</p>	<p><b>02 Transparency</b> DOA defines the appropriate individuals who must propose, validate and decide, are disclosed in the Nissan Group employee's intranet</p>
<p><b>03 Fairness</b> 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</p>	<p><b>04 Effectiveness</b> DOA representatives and coordinators are assigned in each function and region for efficient operation and for enhancing global management</p>

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy	Corporate governance		Risk management		Compliance

## 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.

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.\*<sup>1</sup>

## Three key pillars of director conflict of interest resolution policy

### Three key pillars of director conflict of interest resolution policy \*<sup>1</sup>

#### Duty to report

Mandates two affirmative duties for directors:

- i . Timely reporting of actual and potential conflicts;
- ii . Advance disclosure of interested transactions

#### Resolution group

Establishes the Director Conflict Resolution Group, comprising (of at least) three independent directors, led by the chair of the Audit Committee.

The chair can prevent a director, with consensus among the members of the Conflict of Interest Resolution Group, from:

- i . Receiving materials,
- ii . Presenting at any discussion, and,
- iii . Participating in any vote, related to any specific conflict of interest reported.

#### Resolution procedure

Establishes procedures to resolve director conflicts before and during Board / committee meetings including:

- i . Maintaining a database of all specific conflicts of interest identified,
- ii . Suspending or postponing the matter in question, and,
- iii . Excluding the conflicted member from the meeting

\*<sup>1</sup> Click here for more information on the Corporate Governance Report, for the director conflict of interest resolution policy. [https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g\\_report.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/g_report.pdf)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

# Risk management

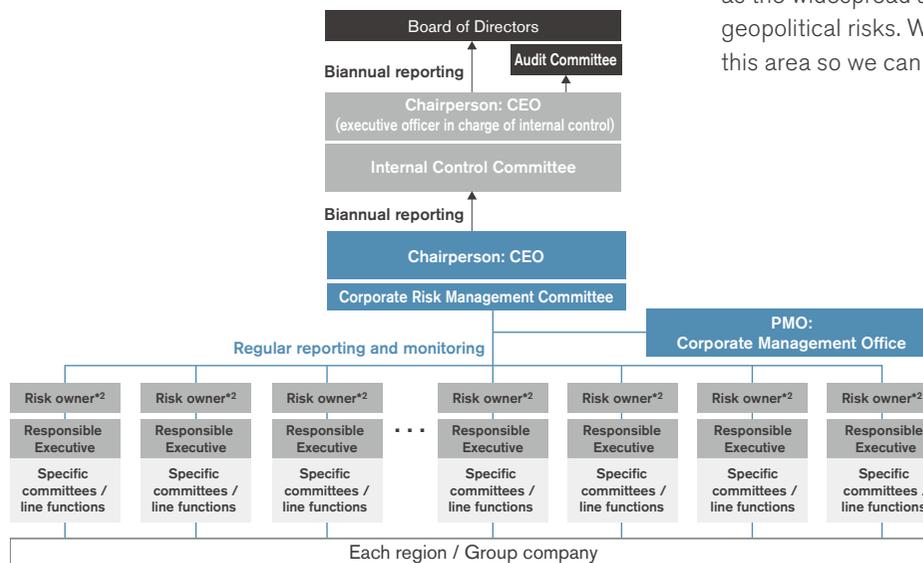
## Risk management systems

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 group-wide 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. Specifically, to respond to changes in our business environment within and outside the company, we have carried out periodic interviews of corporate officers and conducted hearings in each corporate function by department in charge of risk management. Furthermore, in cooperation with the Corporate Strategy Department, we have carefully investigated various potential risks and revised 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. 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 probability 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\*1 by creating a 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. 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.

## Corporate risk management



(As of March 31, 2023)

\*1 Click here for more information on Securities report “Business and other risks”. (P25-31). <https://www.nissan-global.com/EN/IR/LIBRARY/FR/2022/ASSETS/PDF/fr2022.pdf#page=27>

\*2 In principle, risk owners are Executive Committee members.

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

### 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. 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.

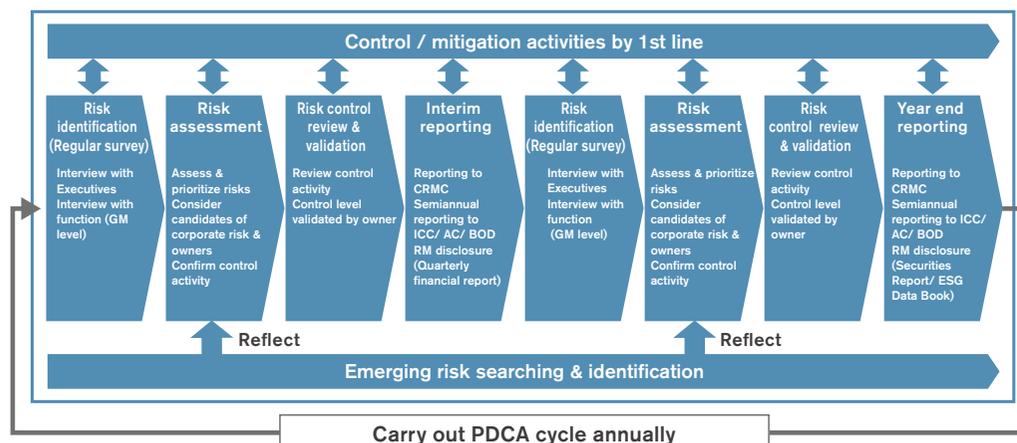
### Reinforcing information security

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. There were no major instances of loss or leaking of personal information at any Nissan Group companies during fiscal 2022.

### Protecting personal data

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 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.

### Annual process of corporate risk management



CRMC: Corporate Risk Management Committee | ICC: Internal Control Committee | AC: Audit Committee | BOD: Board of Directors (As of March 31, 2023)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

# Compliance

To raise compliance awareness throughout the company and all employees to act with integrity and high standards, 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 2022, the third Nissan Ethics Day was held globally in December to enhance a culture of ethics and compliance in the company. This event focuses upon reinforcing both Nissan's tone at the top and tone in the middle. Employees at all levels of the company had an opportunity to discuss Nissan's Global Code of Conduct and the Whistleblowing process.

## 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.\*1

### 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, the Global Compliance Office started compliance risk monitoring oversight of the regions' risk monitoring including the residual risk remediation plans.

### 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 a self-assessment program (Control Self-Assessment) for dealerships to enhance understanding of compliance matters and improve their compliance management status. We supply check items which is reflected in 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.

\*1 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/)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

## 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. \*1 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.

### Anti-bribery: Management

Nissan has established a Global Code of Conduct\*2 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 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. There were no major instances of violating the laws and regulations at any Nissan Group company during fiscal 2022.

## Business ethics

### Business ethics: Policies and philosophy Employees and compliance

In 2001, Nissan 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.

\*1 Click here for more information on the Avoidance of Conflict of Interest. [>>> P131](#)

\*2 Click here for more information on the Global Code of Conduct. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN\\_GCC\\_E.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN_GCC_E.pdf)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

### Global Compliance Committee Organization (As of April 1st, 2023)



### Global Code of Conduct

The Global Code of Conduct\*2 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. 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. In fiscal 2022, the completion ratio for indirect employees was 96.5%. Factory-focused training material was prepared for factory workers, who received the training via regular shift-start messaging or in a seminar setting. 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.

### 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\*3, is operated by an independent third party, NAVEX Global, which specializes in ethical hotlines. SpeakUp can be used by employees to ask questions or voice concerns to the company, thereby improving workplaces and operations. SpeakUp permits anonymous reporting and two-way confidential communication. It is available 24 hours a day, 365 days a year, in more than 20 languages. SpeakUp is promoted to employees through various internal communication means, such as posters, intranet banners, internal articles, and events such as Nissan’s annual Ethics Day. Employees are encouraged to report violations of the Code of Conduct or other company rules, and are protected from retaliation by our Global Whistleblowing Policy, a cornerstone of our compliance program.

\*1 Each Regional Compliance Committee oversees various local compliance committees as appropriate.

\*2 Click here for more information on Global Code of Conduct. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN\\_GCC\\_E.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN_GCC_E.pdf)

\*3 Click here for more information on the Nissan Corporate Governance Overview, for the Global whistleblowing system, SpeakUP. [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)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

Reports are assigned by compliance personnel to the appropriate team for handling, such as HR, security, or legal. Compliance cases are handled by independent compliance officers, and substantiated cases are presented to a cross-functional compliance committee. In fiscal 2022, 2078 concerns were reported globally. Among those, 19% were compliance-related matters while 62% were human resource related. These figures include 238 inquiries, making "Inquiry" the second most common report category. In addition to inquiries, the most recurrent types of reports are "Human Resource Concern", "Offensive or Inappropriate Communication", and "Other Company Policy Violations". Measures taken range from termination of employment to procedural improvements.

## 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 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.

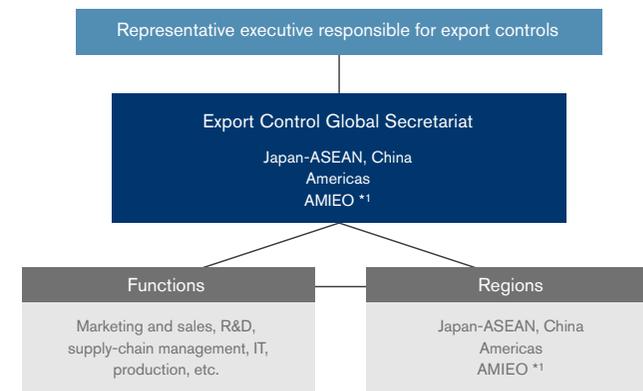
In 2022, we finalized and published our Global Export Regulatory Compliance Policy to ensure compliance with regulations across the Nissan Group. We respond in a timely manner to export control regulation changes and related developments around the world. One of our primary focal points this fiscal year has been management of the Russia / Ukraine crisis and the quickly changing regulatory landscape. 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.

We have been addressing export control of advanced technologies on a global level to prepare for the future of the company. 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.

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 sharing of this information.

### Global export control policy framework



\*1 AMIEO (Africa / Middle East / India / Europe / Oceania)

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

## 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. 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 such as those in Australia or the U.K.\*1.

Nissan effectively manages its tax risks by involving its 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, legislative changes 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 developed by the Organisation for Economic Co-operation and Development (OECD)) for the pricing of transactions between the companies within the group. Intercompany transactions are priced on an arm's-length basis, which means that Nissan entities transact 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.

Nissan's business is structured according to the commercial substance of its operation. No artificial or unusual business structures are used to evade taxes. Nissan does not engage in any transaction aimed at tax avoidance or not aligned with its normal course of business.

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, its risk management tools and overall adherence to the group's tax strategy.

### 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, distribution and financing operations

are of paramount importance.

Nissan seeks to close tax audits by reaching an agreement with the tax authorities on the appropriate tax treatment of items under review. In case Nissan is unable to reach an agreement with the tax authorities, Nissan will take necessary actions to defend its tax positions, including seeking recourse to litigation.

Nissan has several methods for identifying and managing tax risks.

For example, the Tax Department maintains a global database containing a list of the group's ongoing audits, uncertain tax positions and topics that may represent a tax risk in the future (such as new tax rules and inconsistent application of existing rules by tax authorities). It includes all potential tax risk: both direct and indirect taxes. All such risk items are extensively documented and qualified. Reports can be produced as needed and key findings are discussed quarterly with global senior 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

\*1 Click here for more information on Nissan's U.K. tax strategy. <https://www.nissan.co.uk/legal/nissan-uk-tax-strategy.html>

Contents	Corporate direction	Environmental	Social	<b>Governance</b>	Data
Governance policies and philosophy		Corporate governance		Risk management	Compliance

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 can anonymously report unethical or illegal activities they have witnessed or that they suspect may exist. It is a means to bring potential tax-related violations to the attention of management.

### Nissan’s stakeholder engagement and management of concerns related to tax

Nissan seeks to build and maintain long-term, open, and constructive relationships with national tax authorities by proactively engaging with them, as well as other governmental and 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 regularly engages with policy makers to support the development of tax rules and regulations based on sound tax policy principles that reflect the business reality of its operations. Nissan also provides technical 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.