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Governance policies and philosophy		Corporate governance		Risk management	Compliance

Risk management

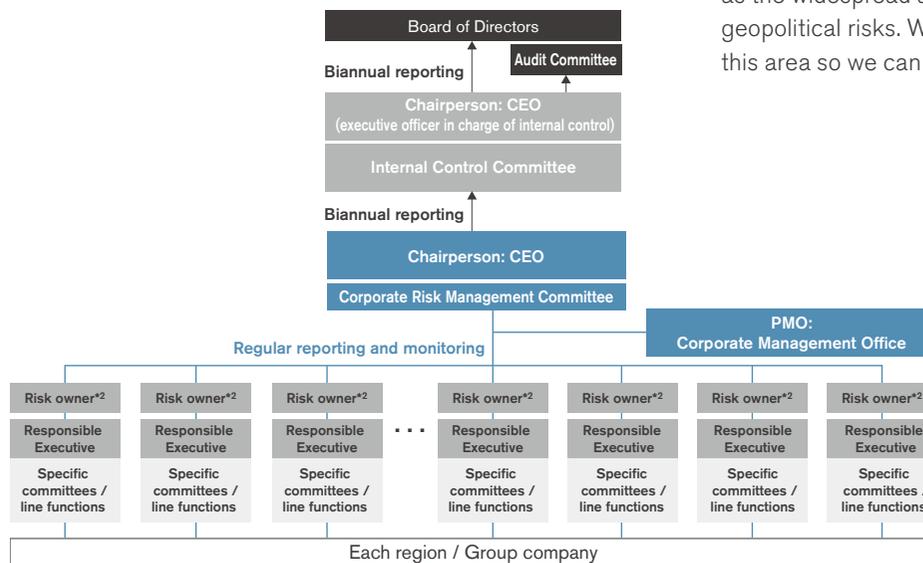
Risk management systems

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.

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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.

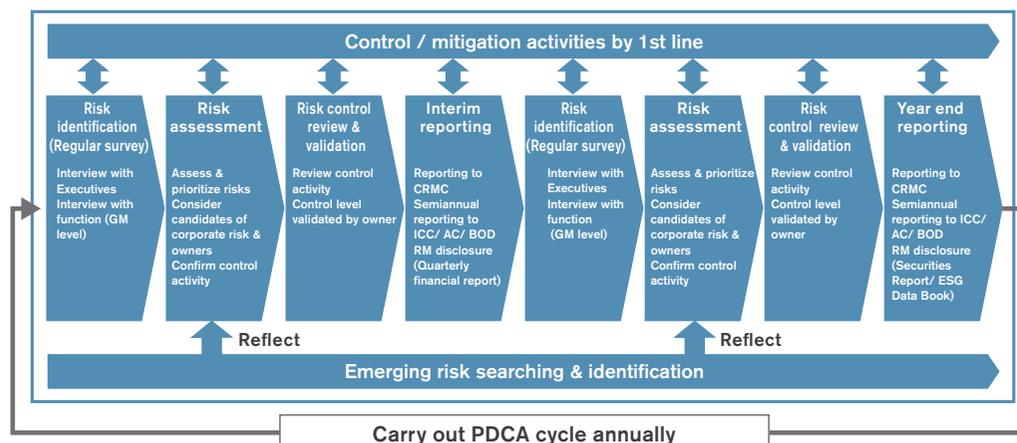
Reinforcing information security

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)