

Global environmental management governance

To promote comprehensive environmental management as a global company while responding to a diverse array of environmental issues, Nissan has a governance framework built on dialogue and partnership with each region and many corporate functions as well as stakeholders.

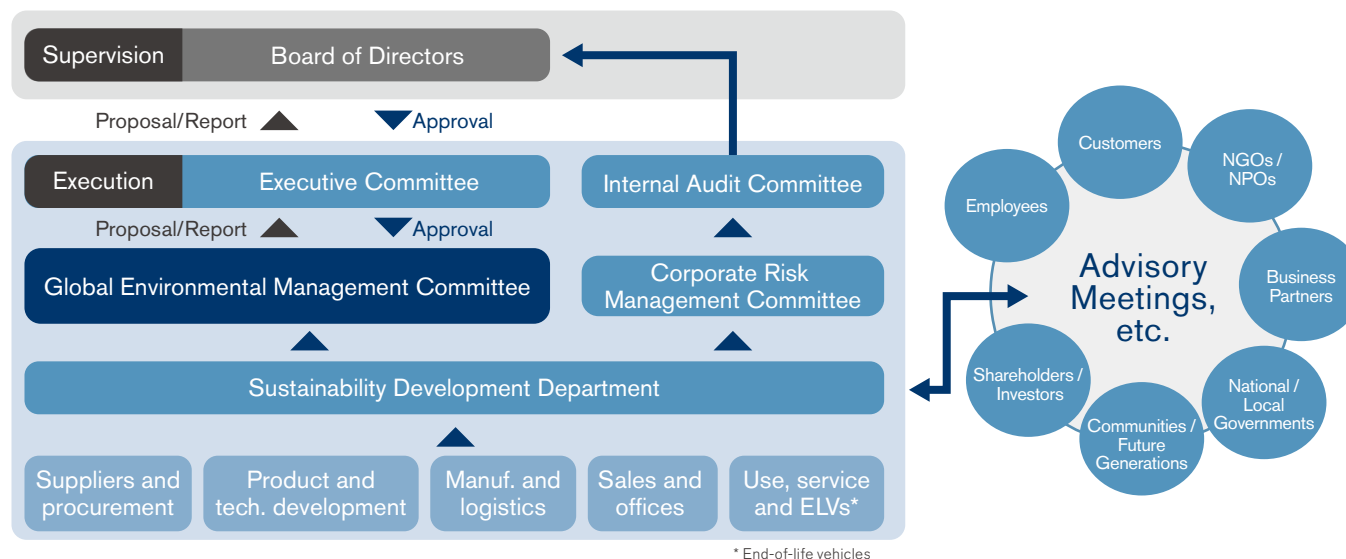
The Global Environmental Management Committee (G-EMC), determines overall policy and the content of reports before the Board of Directors. The relevant corporate officers attend this committee to cover the whole value chain. Executives also clarify risks and opportunities and determine the specific programs to be undertaken by each division, using PDCA cycles to manage the environmental programs efficiently.

Resolutions made by the G-EMC are reported via the Executive Committee to the Board of Directors, which is responsible for supervising the committee.

In parallel, climate change issues are discussed at Corporate Risk Management Committee meetings and regularly reported to the Board of Directors through the Internal Control Committee. At the front-line level, risk management is enhanced through the acquisition of ISO 14001 certification at major global sites.

We actively communicate with a broad range of stakeholders through our sustainability data book and by answering inquiries from various environmental ratings agencies.

Decision-making process related to sustainability strategy



Organization	Role	Matters to be resolved	Meeting frequency
Global Environment Committee (G-EMC)	Delegation of authority (DOA) from the Board of Directors to make resolutions on company-wide environmental policies, etc.	<ul style="list-style-type: none"> Clarification of risks/opportunities related to environmental topics Progress management of targets Examples of topics covered: Climate change, nature dependence, air quality and water, nature-related issues, including biodiversity, etc. 	Twice a year

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Climate change in executives' performance-based cash incentives

Since fiscal year 2021, the company has incorporated the performance indicators for sustainability in performance-based cash incentives*¹ that form a part of the executives' long-term incentive program to increase its medium- to long-term corporate and social value. In fiscal year 2024, those performance indicators and evaluation weights were reviewed and updated to strengthen the climate change-related initiatives.

- FY2021 - FY2023 An external evaluation on carbon neutrality (evaluation weight 5%).
- <New>FY2024 - A CO₂ performance score covering the entire value chain based on emission reductions*² across seven areas of NGP activities (evaluation weight 10%).

Enhancing environmental management based on ISO 14001

Nissan has obtained ISO 14001 certification at its major manufacturing plants and other non-manufacturing sites around the world.

In Japan, product development processes and all major facilities, including Global Headquarters, research and development, production, and logistics, have also obtained ISO 14001 certification.

The assigned environmental management officer coordinates companywide goals and shares the goals with the employees through local offices. Local offices are responsible for the 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 toward established goals, share best practices, improve management systems, develop plans for the next fiscal year, and communicate requests from local facilities and divisions. The items discussed are reported to the environmental management officer twice a year (once at the management review conference) to enhance overall management.

We periodically conduct third-party audits to confirm that management is functioning appropriately. We also conduct internal audits of areas covered by third-party audits and all other environmental activities, prioritizing compliance with regulatory reporting requirements and identifying and assessing risks.

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.

Working with dealerships

We believe that concern for the environment at our dealerships is essential to earning the trust and appreciation for Nissan's environmental efforts.

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. This program also includes annual reviews and certification renewal audits conducted every three years by Nissan Motor Co., Ltd. (NML). As of the end of March 2025, the system has certified approximately 2,700 dealerships of 147 dealers, including parts dealers, as Nissan Green Shops. Certified dealers introduce and actively share their environmental initiatives with customers.

Raising environmental awareness among employees

Nissan's environmental activities are supported by the environmental knowledge, awareness, and competence of each employee. As part of our ISO 14001 activities, we provide Nissan employees and the employees of partner companies working in our offices and plants with education aimed at reducing CO₂ emissions, energy and water consumption, and waste with the aim of achieving carbon neutrality based on the Nissan Green Program 2030 (NGP2030). We also provide annual training to prevent environmental accidents.

In addition to education and training, quantitative evaluations of all employees are conducted at plants to develop human resources able to continuously improve their competence

*1 Click here for the social indicator. [>>> P010](#)

*2 Click here for more information on CO₂ emission reductions in the seven areas of NGP activities [>>> P007](#)

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and reduce environmental risk. The training curriculum is reviewed annually to ensure that employees acquire the necessary competencies.

In Japan, we provide orientation for new employees and compliance training for new supervisors and executives to promote an understanding of NGP2030 and the environmental issues related to the automotive industry. We also share new information on environmental initiatives with our employees through an in-house portal site.

Outside Japan, we share information not only through the in-house portal site but also by means of videos, events, and other locally appropriate tools. These efforts aim to raise awareness and share information with all our employees.

Nissan's voluntary operational standards

Stricter controls on environment-impacting substances are being implemented in countries around the world. Examples include the European End-of-Life Vehicles (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.

This program utilized the VOC guidance value established by the Ministry of Health, Labour and Welfare for specific substances in January 2002. This value has had to be met for all new models manufactured or sold by Nissan in Japan after April 2007. In accordance with the Ministry's guidance value revision in January 2019, new guideline values have been met for new models released in 2022 or later.

Nissan is strengthening its management of chemical 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 as dangerous by NGOs. 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*¹ launched globally since July 2007.

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. In the revision for fiscal year 2017, we established criteria for proactively reevaluating hazards and risks related to regulations to enhance compliance levels. For example, we disclose information to users and submit REACH reports to the relevant authorities regarding the vehicles and parts produced in or exported to Europe from Japan and other countries, including some from the U.S.A. We also comply with Classification, Labeling and Packaging of Substances and Mixtures regulations.

Sanctions and government guidance at Nissan production facilities

With regard to our environmental management system activities in fiscal year 2024, there were no significant violations of environmental laws or government sanctions imposed. However, there were cases in which an agreed-upon limit was exceeded. We coordinated with authorities to take appropriate corrective actions and implement recurrence prevention measures.

*1 Excluding vehicles manufactured outside of Nissan