

# Responsible sourcing

## 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. Nissan's business and supply chain expand across the globe. We share Nissan's vision and policies with business partners, with whom we strategically collaborate to achieve our goals through the promotion of consistent procurement activities on a global scale.

In accordance with Nissan's corporate purpose is "Driving innovation to enrich people's lives," the mission of our Purchasing Division is "to deliver vehicles that inspire and delight our customers by sourcing all goods and services essential to Nissan's operations. To this end, we are committed to developing a competitive supplier base and supporting the sustainable and sound business operations of both Nissan and our suppliers". We conduct our procurement activities with consistency, guided by globally unified values and standards, while strictly complying with the laws and regulations of each country and region. All transactions are carried out in accordance with the Nissan Purchasing

Principle outlined below.

- 1. Fair and Equitable:**  
We conduct procurement fairly, equitably, and with transparency. We collaborate with companies of all sizes and select our suppliers based on clear selection criteria.
- 2. Mutual Trust and Prosperity:**  
We respect our suppliers, build trust, and strive for sustainable growth in partnership together. We continuously innovate and improve to ensure healthy operations and better future for Nissan and our business partners.
- 3. Responsible Purchasing:**  
We aim for a cleaner, safer, and more inclusive future, by conducting business ethically and considering society and the environment throughout the entire supply chain.

In Japan, we are also making efforts to adhere to the "proper trading guidelines" issued by the Ministry of Economy, Trade and Industry for the automotive industry.

In addition, based on the recommendation received from the Japan Fair Trade Commission in March 2024 regarding compliance with the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (hereinafter referred to as the "Subcontract Act"), we have implemented improvements as part of our company-wide efforts to

strengthen education effort on the Subcontract Act. With the aim of promoting fair transactions, these improvements include revising educational materials for purchasing personnel and providing more practical education on the Subcontract Act education.\*<sup>1</sup>

## Approach to responsible sourcing

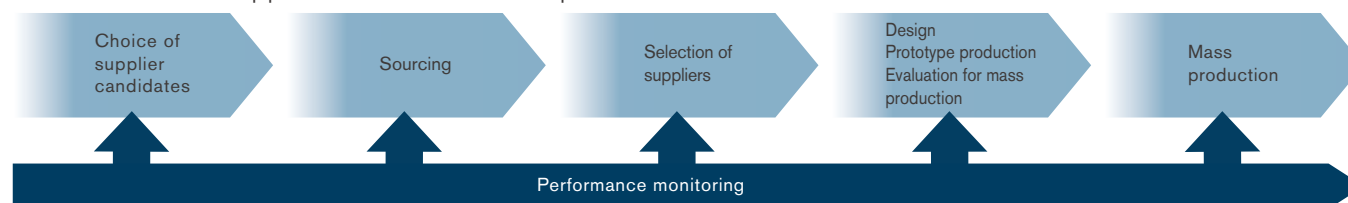
### Initiatives with suppliers

Nissan is committed to conducting business in an ethically, socially, and environmentally responsible manner at every stage of its global supply chain. In March 2024, Nissan announced the Nissan Social Program 2030 and Nissan Green Program 2030 as mid-term action plans to achieve these initiatives.

In addition to the values that Nissan cherishes, Nissan aims to build a sustainable supply chain and realize responsible procurement of all parts and raw materials. To this end, Nissan established the Nissan Supplier Sustainability Guidelines (revised in 2025)\*<sup>2</sup> and the Nissan Green Purchasing Guidelines (revised in 2024)\*<sup>3</sup>, defining the initiatives that suppliers are expected to implement. We request our suppliers and their business partners be aware of, manage, and practice these policies.

The Nissan Supplier Sustainability Guidelines explain expected initiatives in 31 categories across seven areas with the aim of encouraging suppliers to review their corporate activities from a sustainability perspective and implement Sustainability initiatives. (Refer to the table on next page). As one aspect of this, we require suppliers to undergo assessments by third-party organizations and

## Processes from supplier selection to mass production



\*1 Click here for more information on our initiatives to promote compliance related to the Subcontract Act. [>>> P134](#)

\*2 Click here for more information on the "Nissan Supplier Sustainability Guidelines". <https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SUPPLIERS/>

\*3 Click here for more information on collaborations with suppliers within "Value chain activity achievements." [>>> P060](#)

Contents	Corporate direction			Environmental		Social		Governance		Data		085
Approach to social issues	Human rights	Safety	Quality	Intellectual property	Responsible sourcing	Communities	Power of employees	Employee human rights	DEI	Learning and development	Health and safety	

provide a written commitment to ensure that suppliers and their business partners will maintain the same levels of management. Further, if suppliers are found to be in a state of non-compliance with the Nissan Supplier Sustainability Guidelines, the guidelines prescribe required responses, such as filing a report immediately, investigating, 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 addition, Nissan requires its suppliers to perform due diligence in accordance with the Nissan Sustainability Due Diligence Standard (risk assessment and analysis, risk prevention and mitigation, risk monitoring, establishment of a grievance mechanism, etc.).

When issuing each policy, we distributed booklets that were explained at supplier meetings to ensure that suppliers were fully aware of these policies. In addition to Japanese and English language booklets, we also publish Chinese language versions as appropriate.

In the Nissan Social Program 2030, we have set the goal of 'Establish a framework to promote respecting human rights in the supply chain to aim for "No human rights violation"' and are undertaking initiatives to achieve it.

## Approach to Supply Chain Management

### Nissan Global Code of Conduct, Global Environmental Policy, Human Rights Policy\*1

#### Approach to Supply Chain Management

##### Nissan Supplier Sustainability Guidelines ■ Seven Areas and 31 Categories of Initiatives Expected of Suppliers

###### ■ Compliance

Compliance with laws, Compliance with competition laws, Preventing corruption, Managing and protecting confidential and personal information, Managing exports and imports, Protecting intellectual property, Elimination of antisocial forces

###### ■ Human Rights and Labour

Respecting human rights, Prohibition of discrimination, Prohibition of harassment, Prohibition of child labour, Prohibition of forced labour, Remuneration, Working hours, Dialogue and consultation with employees, Ensuring a safe and healthy working environment

###### ■ Due Diligence

###### ■ Responsible Sourcing of Raw Materials

###### ■ Safety and Quality

Providing products and services meeting that meet customer needs, Ensuring safety of products and services, Ensuring quality of products and services

###### ■ Environment

Environmental management, Reducing greenhouse gas emissions, Preventing environmental impact on air, water, and soil pollution, Saving resources and reducing waste, Managing chemical substances, Conservation of biodiversity, Noise and vibration

###### ■ Communities and Global Society

Contribution to community life, Disclosure of information to stakeholders

##### Nissan Green Purchasing Guidelines

###### ■ Compliance with regulations and Nissan's basic environmental principles

- Establishment of management system
- Management of chemical substances

###### ■ Activities to reduce environmental load

- Completion of surveys on CO<sub>2</sub> emissions, water usage, other environmental factors

Nissan continues its initiatives to prevent and mitigate negative impacts on human rights through dialogue with its suppliers.

Since fiscal year 2023, Nissan has established a hotline to receive escalations from suppliers.

- Scope of reporting: Negative impacts on human rights, the environment, and local communities (including negative impacts by suppliers)
- Areas in scope: Japan, China, Europe (local language support)
- Reports can be made 24 hours a day, 365 days a year
- Declares whistleblowers are protected from retaliation from Nissan and demands that suppliers also prohibit retaliation
- Whistleblowers are not required to waive their right to relief through judicial process and are not obliged to maintain confidentiality
- Negative impacts identified through this hotline are reported to top management
- The wording was changed to make it easier to make an escalation following feedback from a mock whistleblowing drill conducted with five suppliers, questionnaires, etc.
- There was one report through the hotline (as of the end

of March 2025). No negative impact on human rights, the environment, or local communities by employees of Nissan or its suppliers was confirmed.

Also, as far as Nissan is able to confirm, there were no cases of discrimination or other violations of human rights or significant risks related to forced labor or child labor among Nissan's suppliers in fiscal year 2024.

Furthermore, based on the belief that forced labor is one of the most important human rights issues in the supply chain, Nissan focused on migrants, who are considered to be particularly vulnerable to adverse impacts, and in fiscal year 2023 partnered with the International Organization for Migration (IOM), an organization affiliated with the UN, to conduct a pilot project\*2 on human rights due diligence for migrant workers in the supply chain.

Through this project, we have gained an understanding of the human rights violations of migrant workers and the likelihood of such violations. Nissan recognizes that these are potential human rights issues and risks that we should focus on within its supply chain and will use the results of this project to consider how to enhance its future activities.

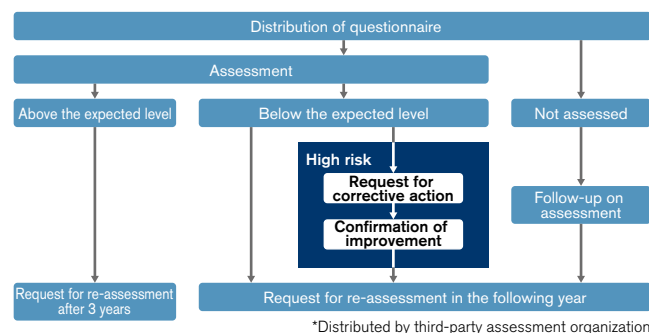
\*1 Click here for more information on Nissan human rights policies and initiatives. >>> P066

\*2 Click here for more information on this project. <https://thailand.iom.int/blogs/pilot-project-automobile-sector-assessment-migrants-human-rights-nissans-supply-chain-thailand>

## Responsible sourcing management

### Evaluation, Monitoring, and Auditing of Suppliers' Sustainability Practices

Nissan has been confirming suppliers' commitment of the Nissan Supplier Sustainability Guidelines and also 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 year 2024, 100% of them met both Nissan's social standards and basic environmental principles. In 2016 Nissan began third-party assessment of suppliers' sustainability activities, including those related to the environmental and human right issues, to raise the level of activities through mutual confirmation. When results do not meet Nissan's expectations, suppliers are requested 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 on how to answer assessment questions and formulate improvement plans. By now, more than 90% of Nissan's purchase turnover is covered by a third-party assessment.



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

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. In fiscal year 2024, we conducted Third-Party Compliance risk monitoring in accordance with the Global Third-Party Compliance Risk Management Policy. There were no suppliers whose compliance was problematic, and no supplier contract was terminated for such a reason.\*<sup>3,4</sup>

### 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 year 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.

## THANKS

Trusty and  
Harmonious  
Alliance  
Network  
Kaizen activity with  
Suppliers

\*1 Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors

\*2 Act on Prohibition of Private Monopolization and Maintenance of Fair Trade

\*3 Click here for more information on the detail of Nissan Human Rights management and its structure. [>>> P068](#)

\*4 Click here for more information on initiatives related to third-party compliance risk. [>>> P134](#)

Contents	Corporate direction			Environmental		Social		Governance		Data		087
Approach to social issues	Human rights	Safety	Quality	Intellectual property	Responsible sourcing	Communities	Power of employees	Employee human rights	DEI	Learning and development	Health and safety	

## Engagement with suppliers

Providing suppliers with timely and accurate information is a key task for Nissan. Partners Conferences 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. The purpose of this awards program is to ensure that Nissan's concept of balanced management in terms of social and environmental<sup>\*1</sup> considerations as well as quality<sup>\*2</sup>, cost reduction, technological development, and other economic activities, permeates the entire supply chain on a global level. At the Nissan Global Innovation and Quality 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 year 2024, six companies received Global Quality Awards, while Global Innovation Awards went to seven projects and eight companies.

## Responsible materials sourcing

### Raw materials sourcing policy

In 2013, Nissan moved quickly to establish a policy against use of conflict minerals, and in July 2020 it formulated and published its new Global Minerals Sourcing Policy Statement. In 2025, in addition to all minerals including 3TGs (tin, tungsten, tantalum, and gold) from conflict-affected and high-risk areas, the scope was expanded to include raw materials required for battery manufacturing, natural rubber, other materials that may have social and environmental impacts and published our Responsible Materials Sourcing Policy<sup>\*3</sup>.

Nissan's goal is to conduct ethical, social, and environmentally conscious business practices at every level of our global supply chain.

We conduct due diligence on the natural resources contained in materials and components used in our products, assessing potential impacts on sustainability issues such as the environment and human rights in accordance with the Nissan Sustainability Due Diligence Standard.<sup>\*4</sup> We monitor also our supply chain, and when concerns are identified, we take steps to prevent or mitigate risks and implement corrective measures based on the Nissan Supplier Sustainability Guidelines. Nissan requests that suppliers ensure similar controls.

<sup>\*1</sup> Click here for more information on collaborations with suppliers within "Value chain activity achievements." [>>> P060](#)

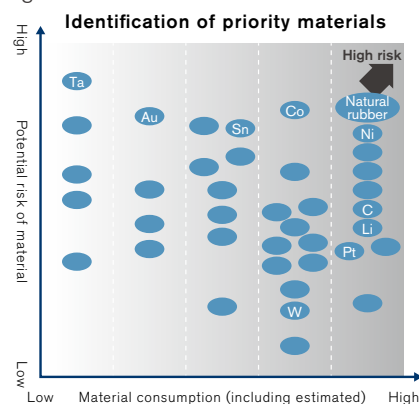
<sup>\*2</sup> Click here for more information on initiatives with suppliers within "Quality." [>>> P079](#)

<sup>\*3</sup> Click here for more information on the Global Minerals Sourcing Policy Statement. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals\\_Sourcing\\_Policy\\_e.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals_Sourcing_Policy_e.pdf)

<sup>\*4</sup> Click here for more information on the Nissan Sustainability Due Diligence Standard. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/DUE\\_DILIGENCE/](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/DUE_DILIGENCE/)

## Responsible materials sourcing management

Nissan is committed to promoting the sustainable sourcing of materials by procuring them with due consideration for ethical, social, and environmental factors. We have identified materials that should be prioritized based on factors such as their usage volume (including future projections) and potential risks related to ethics, society, and the environment. In fiscal year 2024, we identified priority materials, including natural rubber, as the top priority targets for our initiatives. Going forward, we will implement measures to mitigate the potential risks associated with each of these materials and promote sustainable procurement, while regularly reviewing and updating our risk assessments.



## Initiatives related to natural rubber

In March 2025, Nissan joined the Global Platform for Sustainable Natural Rubber (GPSNR<sup>\*1</sup>) and published its approaches to the sustainable procurement of natural rubber in its Responsible Materials Sourcing Policy. In line with this policy, it is conducting due diligence in cooperation with suppliers in order to ensure sustainable natural rubber procurement.

## Initiatives related to cobalt and other minerals necessary for the manufacture of batteries

We are aware that cobalt poses geopolitical risks, environmental damage and human rights issues during mining. We have conducted interviews with lithium-ion battery suppliers, from the viewpoint of cobalt content, and since 2018, we have been working to identify supply chains and smelters and refiners. The results are disclosed annually in our "Actions for minerals sourcing" report.<sup>\*2</sup> The EU battery regulations, which was adopted on August 17, 2023, requires due diligence on social and environmental risks for cobalt as well as natural graphite, lithium, nickel and their compounds. We are currently studying the implications using a third-party research organization.

## Initiatives related to minerals including 3TGs (tin, tungsten, tantalum, and gold) sourced from conflict and high-risk areas

Referring to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict and High-Risk Areas, Nissan carries out due diligence. Since 2021, Nissan has joined the RMI<sup>\*3</sup> and tracks 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.

In fiscal year 2024 we conducted surveys in 10 markets Japan, the U.S., Mexico, Europe, China, Thailand, India, South Africa and Brazil, and Argentina. No suppliers were found to be using minerals from smelters / refineries believed to be connected to armed groups.

We will also continue to seek responses from suppliers that did not reply to the survey.

These initiatives are reported to executive management in accordance with the Nissan Sustainability Due Diligence Standard for use in determining future initiatives.

## Potential risks of materials ● : High risk ○ : Risk present

Potential risks of materials		Natural rubber	Cobalt (Co)	Nickel (Ni)	Lithium (Li)	Natural graphite (C)	Tin (Sn)	Tungsten (W)	Tantalum (Ta)	Gold (Au)
Ethics	Countries with weak rule of law	●	●	○	-	○	●	●	●	●
	Countries experiencing corruption	●	●	○	-	○	●	●	●	●
Social	Child labor	●	●	-	-	-	●	-	●	●
	Forced labor	●	●	-	-	-	●	-	●	●
Environment	Impact on indigenous peoples/communities	●	○	●	●	○	○	○	-	●
	CO <sub>2</sub> emissions	○	○	○	-	-	-	-	-	●
	Impact on biodiversity	●	●	●	-	-	●	-	●	●
	Environmental pollution during refining (acid discharge)	-	●	●	-	-	●	-	●	●
Toxicity of the substance		○	○	●	-	○	-	-	-	●

Compiled from "Material Change" (Drive Sustainability, The Responsible Minerals Initiative, Dragonfly Initiative) and other sources. Insufficient information is indicated by -.

<sup>\*1</sup> Global Platform for Sustainable Natural Rubber <https://sustainablenaturalrubber.org/>

<sup>\*2</sup> Click here for more information on our Actions for minerals sourcing. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals\\_e.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/Minerals_e.pdf)

<sup>\*3</sup> 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.