

Approach to governance

The Company submitted a corrective action report to the Japan Fair Trade Commission (“JFTC”) on March 5, 2025, in relation to the recommendation received from the commission on March 7, 2024 based on violations of the Japanese subcontract act (“Subcontract Act”).

The Company has taken the recommendation very seriously and implemented various improvement and corrective measures, including revising and reforming its companywide processes and organizations.

As part of the establishment of regulatory compliance management system, the Company has revised and reformed its companywide processes and organizations, including establishment of a department responsible for the Subcontract Act to strengthen internal controls, creation of an external window (hotline) to receive inquiries and reports from business partners, and establishment of the Partnership Transformation Office directly under the President/CEO to directly gather feedback from business partners. Furthermore, the Company has enhanced the compliance awareness and knowledge by conducting educational programs and events to raise employee compliance awareness. Going forward, the Company will continue its efforts to regain the trust of its business partners and work together as a company to promote fair transaction.

Considering the above, 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.

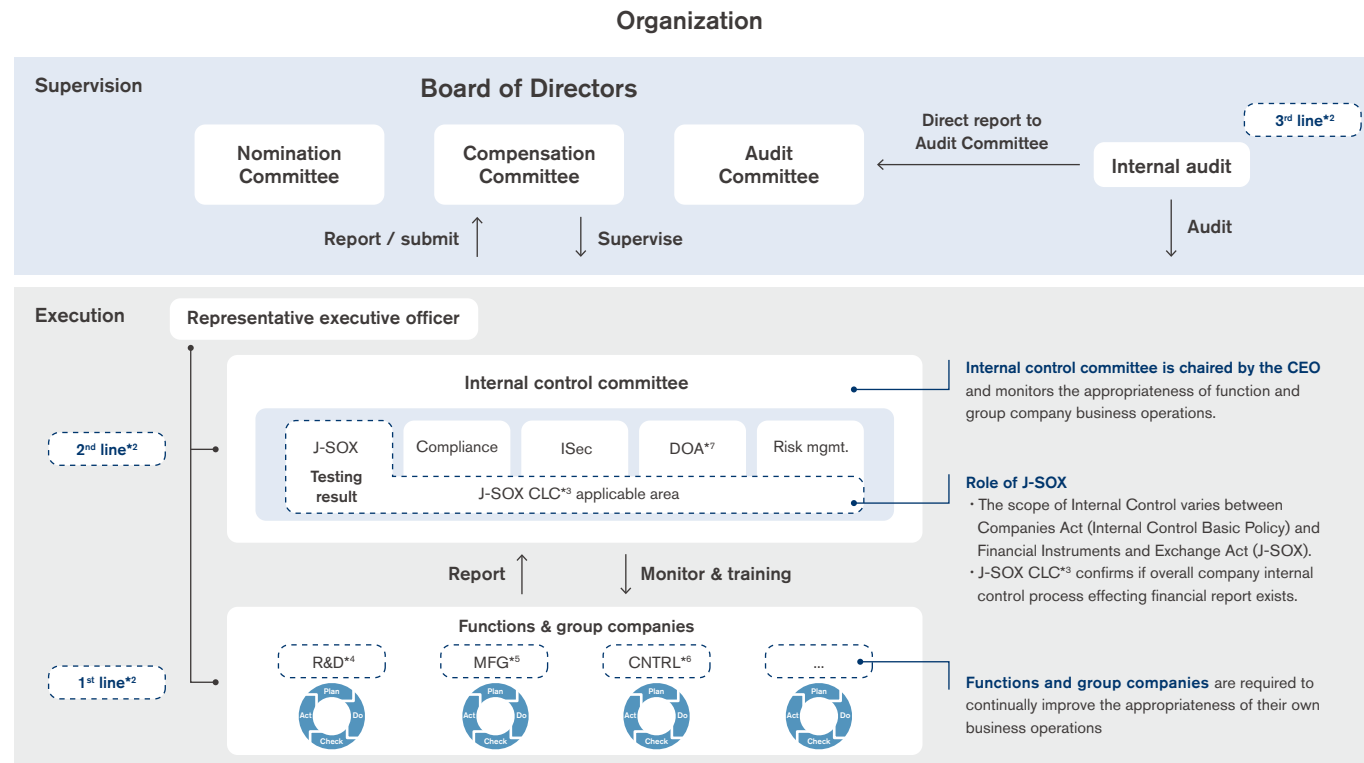
To be a sustainable company, Nissan must have a high level of ethics and transparency, as well as a strong foundation for the organization. It is also expected that we will actively disclose our initiatives to this end. We have extensive global operations with numerous stakeholders around the world. 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 Nissan 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

*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

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*¹ to pursue these goals and its own basic policy. The Board of Directors 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.



Updated in July 2024

*1 Please refer to the 2024 Securities Report (P55-59) for details of the internal control systems. https://www.nissan-global.com/EN/IR/FINANCIAL_RESULTS/ASSETS/FR/2024/PDF/fr2024.pdf#page=57

*2 Nissan adopts "Three lines of defense" for operating internal control as effectively and efficiently.

*3 Company level control

*4 R&D: Research & Development / *5 MFG: Manufacturing / *6 CNTRL: Control / *7 DOA: Delegation of authority