



Nissan and Nissan Sales Finance affiliates

Sustainable Finance Framework

July 2022

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1. Introduction

Nissan Motor Co., Ltd ("Nissan") embraces the corporate purpose of "Driving innovation to enrich people's lives", and as a company worthy of trust, provides unique and innovative automotive products and services that deliver superior value to all stakeholders.

As a world-leading automobile manufacturer, Nissan operates globally, strongly focusing on key markets such as Japan, China and North America. By leveraging strengths such as high technological capabilities in electrification and autonomous driving, and the strong alliance with Renault and Mitsubishi Motors, Nissan efficiently develops and provides high-value added products with more innovative and advanced technologies.

Nissan also provides financing to dealers and retail customers for the purchase or lease of Nissan vehicles through sales finance group companies such as Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR Finance Mexico, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 5 other companies and the sales finance operations of Nissan Canada, Inc. (Canada) (together, "Nissan Sales Finance affiliates").

As Nissan continues to develop as a company through its full range of global activities, Nissan seeks to create economic value and contribute to the resolution of each issue facing society as a leading global automaker. Nissan is committed to all stakeholders including customers, shareholders, employees and the communities where it does business and contributing to the development of society, through the realization of cleaner, safer and more sustainable mobility as well as the provision of related services. Nissan's environmental philosophy is to promote "a symbiosis of people, vehicles and nature." Nissan is aware of the environmental impact of the operations and takes proactive measures to reduce its environmental impact by working to conserve energy, reduce carbon dioxide emissions, reduce waste, improve recycling programs and reduce pollution.

2. Sustainability Initiatives

Nissan has formulated a sustainability strategy in 2018 called Nissan Sustainability 2022. Also, Nissan has announced “Nissan Ambition 2030” corporate long-term vision, and the “Nissan Green Program 2022” (“NGP2022”) medium-term environmental action plan, which includes Nissan’s sustainability strategies.

Under Nissan Sustainability 2022, Nissan clarifies its activities in terms of the ESG (Environmental, Social and Governance) aspects. Nissan Sustainability 2022 also outlines Nissan’s initiatives toward contributing to the sustainability of society as well as its own sustainable growth as a company.

Key Themes for Nissan Sustainability 2022: Realizing a Zero-Emission, Zero-Fatality Society¹

The wide availability of automobiles has let countless people enjoy the convenience that comes with automotive mobility as well as the pleasure of driving itself. At the same time, however, increased greenhouse gas emissions and traffic accidents are pressing issues for the world today.

Nissan is using its position as a world-leading automaker to pursue the ultimate goals of achieving zero emissions, through carbon neutrality across the life cycle of its products by 2050, and zero fatalities, through the elimination of virtually all fatalities that result from traffic accidents involving Nissan cars.

To this end, Nissan will work together by growing as an inclusive organization that supports a diverse range of employees in demonstrating their abilities and developing as professionals over the medium and long term.



¹ Nissan Sustainability Report 2022 – P15
(<https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SR/2022/>)

Pursuing a Zero-Emission Society

Under the NGP2022, Nissan has aimed to reduce CO₂ emissions from new vehicles by 40% compared to fiscal 2000 by 2022 (in Japan, the U.S., Europe and China). The result for 2021 is 42.5%, which exceeds the target and is on track to achieve the target as of 2050. Nissan also commits to reduce absolute scope 1 and 2 GHG emissions 30% and scope 3 GHG emissions from use of sold products 32.5% per vehicle kilometer by 2030 from 2018. In addition to EV development, secondary use and recycling of batteries, construction of vehicle-charging infrastructure, helping to make smart grids a reality and standardization of charging methods with other manufacturers. Increasing uptake of zero-emission vehicles will bring lifestyle changes that lay the groundwork for a new mobility society. Nissan provides more than just EVs themselves, and also embraces the new values that they represent.

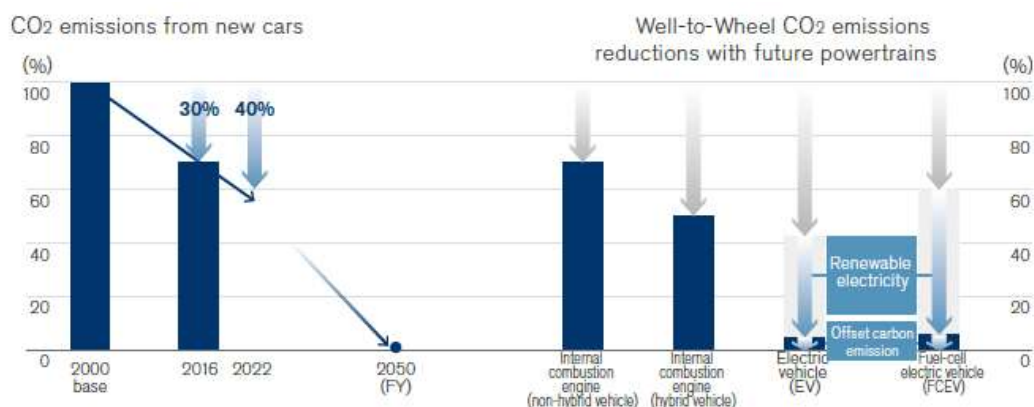
Although NGP2022 has achieved some success, Nissan is working toward higher goals. In January 2021 Nissan announced that Nissan has set the goal of achieving carbon neutrality across Nissan's operations and the life cycle of its products by 2050. As part of this effort, by the early 2030s every all-new Nissan vehicle offering in key markets will be electrified.

Further, Nissan announced Ambition 2030 vision in November 2021 to accelerate electrification plans. Nissan aims to accelerate the electrification of its vehicle lineup and rate of technology innovation with investments of 2 trillion yen by 2026. Based on customer demands for a diverse range of exciting vehicles, Nissan will introduce 23 new electrified models, including 15 new EVs by fiscal year 2030 aiming for an electrification mix of more than 50% globally across the Nissan and INFINITI brands. Nissan also aims to launch EV with its proprietary all-solid-state batteries ("ASSB") by fiscal year 2028 and ready a pilot plant in Yokohama as early as fiscal year 2024. With the introduction of breakthrough ASSB, Nissan will be able to expand its EV offerings across segments and offer more dynamic performance.

Nissan will continue to promote the evolution of new technologies and businesses, and under the umbrella of Nissan Intelligent Mobility², Nissan takes a unified approach to bringing new technologies, functions, businesses and services to market.

² Nissan Intelligent Mobility
(<https://www.nissanusa.com/experience-nissan/intelligent-mobility.html>)

CO₂ Reduction Scenario³



In line with the acceleration of vehicle electrification, intelligence and the Nissan Intelligent Mobility concept promoted by Nissan, vehicle functions and construction are becoming increasingly complex. As further technological innovations will be essential in the production process, Nissan announced the Nissan Intelligent Factory⁴ vehicle manufacturing concept and promotes clean manufacturing through the following initiatives;

(i) Promoting Renewable Energy:

Nissan takes three approaches toward promoting the adoption and integration of renewable energy in line with the characteristics of each region: (1) generating own power in company facilities; (2) sourcing energy with a higher proportion of renewables; and (3) leasing land, facilities and other assets to power companies

(ii) Sustainable Water and Wastewater Management:

Nissan manages wastewater quality to even stricter standards than required by local regulations at each of its production sites. At sites in Japan, Nissan has further strengthened measures against water pollution by attaching water quality sensors to the discharge points of the wastewater treatment facilities to automatically suspend water discharge if water quality problems are detected. Processing recycled water using reverse osmosis membrane has allowed some sites to achieve zero wastewater discharge.

(iii) Waste Management and Circular Economy:

As part of the NGP2022, Nissan is developing systems for using resources efficiently and sustainably across its entire lifecycle, and has adopted the concept of the "Circular Economy" to maximize the value it provides to customers and society. In an attempt to use resources efficiently with less energy, Nissan will promote the use of recycled materials and recycling end-of-life vehicles, and strive to incorporate reusable resources in the activities at the design, purchasing and manufacturing stages.

³ Nissan Sustainability Report 2022 – P39

(<https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SR/2022>)

⁴ Nissan Intelligent Factory

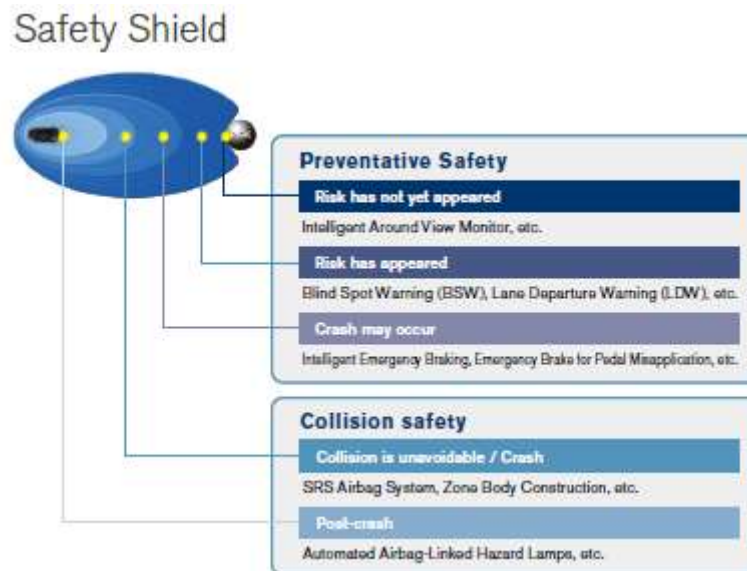
(<https://global.nissannews.com/en/releases/release-ca298f94d2418782118342f5fd0448b6-191128-02-e>)

Virtually zero fatalities involving Nissan vehicles

Nissan designs and engineers cars that embody the pleasure and richness of driving while prioritizing a high level of safety. More than 90% of traffic accidents are caused by human error. Nissan's goal is zero fatalities: reducing the number of deaths from accidents involving Nissan vehicles to virtually zero. To this end, Nissan continues working to help reduce traffic accidents

Aiming for Virtually Collision-Free Cars

Nissan's Safety Shield concept helps support the safety of vehicle occupants in a variety of scenarios from a comprehensive perspective, from accident prevention and avoidance to occupant protection. For example, during normal driving or parking, sensors and cameras can monitor vehicles and pedestrians that may be difficult for drivers to see; this supports drivers and allows them to drive with peace of mind. In times of potential danger, the vehicle can judge in an instant how to help avoid or lessen the danger. Nissan has set themselves the goal of providing optimal mobility worldwide. Nissan is committed as an automobile manufacturer to swift and widespread availability of their safety technologies.



Driver-Assistance Technology Leading to a Dramatic Enhancement in Collision Avoidance Performance

Nissan believes that driver-assistance technology, by which some highly complex accidents can be avoided, will be essential in enabling its customers to use their vehicles with confidence in the upcoming era of autonomous driving. We have therefore announced ground truth perception technology, which is a driver-assistance technology that can assist the driver in the collision avoidance performance of vehicles. Aiming to complete the development of this technology by the mid-2020s, Nissan will first make ground truth perception technology available on selected new models, and on virtually every new model by fiscal 2030.

This technology fuses information from next-generation high-performance LiDAR, radar and cameras, and can detect the shape and distance of objects, as well as the structure of the area surrounding the vehicle, in real time with a high degree of accuracy. Utilizing this information, it is possible for the vehicle to instantly analyze the current situation, judge and automatically perform required collision-avoidance operations. This technology can also detect slowed traffic and road obstacles in the

distance and execute lane changes accordingly. Importantly, the technology can also provide increased support to drivers in areas where detailed map information is not available.



ProPILOT Concept Zero test vehicle

Furthermore, Nissan recognizes local communities are an essential part of its business in every region, and is working to promote community engagement around the world.

In January 2022, five companies including Nissan commenced a proof-of-concept experiment for mixed cargo and passenger carrying in Namie Town, Fukushima Prefecture, to match on-demand vehicle dispatch services with the needs for moving people and goods, thereby verifying the efficiency of the flow of people and logistics. Based on the "Agreement on Collaboration for Community Development Using New Mobility in the Hamadori Region of Fukushima Prefecture," which was signed in February 2021, this proof-of-concept experiment represented the second phase of the "Namie Smart Mobility" proof-of-concept experiment that had started in November 2021. In addition to expanding the target area of the vehicle dispatch service from Namie town center to the entire town, including the area where the evacuation order has been lifted, the companies will also conduct a proof-of-concept demonstration for mixed cargo and passenger carrying that will combine parcel delivery by a shopping support service. Based on the results of last year's demonstration, we will contribute to the creation of a comfortable town in a rural area by improving the convenience of mobile services. Also in January 2022, three companies including Nissan started the Namie Virtual Shopping Street Service proof-of-concept experiment for a new shopping and home delivery model that will turn the local economy around. The three companies are aiming to revitalize the local economy by combining a system that allows people to select products while watching real-time images of multiple stores using VR technology with the efficient mixed delivery of cargo and the carrying of passengers as well as a simple and convenient shopping and home delivery service.

3. Structure of the Sustainable Finance Framework

In accordance with our sustainability strategy, Nissan has established a holistic Nissan/Nissan Sales Finance affiliates Sustainable Finance Framework (“Framework”) under which entities can finance Green Bond, Sustainability Bond, Green Loan, and/or Sustainability Loan (together, “Sustainable Finance”).

Funding entities will include both Nissan Motor Co., Ltd and Nissan Sales Finance affiliates, which include but are not limited to Nissan Financial Services, Nissan Motor Acceptance Company LLC, Nissan Canada, Nissan Leasing (Thailand), Nissan Financial Services Australia, Nissan Financial Services New Zealand, Dongfeng Nissan Auto Finance, Dongfeng Nissan Financial Leasing, NR Finance Mexico and Nissan Renault Financial Services India

This Framework has been developed in alignment with the Green Bond Principles (GBP) 2021, Social Bond Principles (SBP) 2021, Sustainability Bond Guidelines (SBG) 2021, Green Loan Principles (GLP) 2021, and Social Loan Principles (SLP) 2021 (together, “the Principles”), which are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of sustainable finance.

Following the Principles, this Framework addresses the following key pillars:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of the Proceeds
4. Reporting

Under this Framework, Nissan/Nissan Sales Finance affiliates also follows the recommendations of the Principles on external review.

Nissan/Nissan Sales Finance affiliates intends to update this Framework from time to time, at its sole discretion and on a best effort basis, reflecting the best practices in the sustainable finance market and the updates of the Principles.

3.1. Use of Proceeds

Nissan/Nissan Sales Finance affiliates will allocate an amount equal to the net proceeds from Sustainable Finance to new or existing projects that meet at least one of the Eligibility Criteria set forth below (“Eligible Projects”). The Eligibility Criteria applies to “Eligible Green Projects” for Green Bond and Green Loan, and also to “Eligible Green Projects” and “Eligible Sustainability (Green/Social) Projects” for Sustainability Bond and Sustainability Loan.

Nissan/Nissan Sales Finance affiliates’ Eligible Projects will have occurred not more than 36 months prior to the date of the related financing. Nissan/Nissan Sales Finance affiliates’ intention is to fully allocate the net proceeds of each Bond/Loan within 24 months of its financing.

Eligible Criteria for Nissan

1. Eligible Green Projects for Nissan

Eligible Green Categories	Eligibility Criteria	Environmental Objective	Sustainable Development Goals
Clean Transportation	<p>Zero-emission Vehicles</p> <ul style="list-style-type: none"> Research & development, investments and expenditures for the design, development, and manufacturing of zero-emission vehicle and components including E-Axle / batteries for "Battery Electric Vehicle (BEV)" or other future carbon-neutral transportation 	Climate change mitigation	7. Affordable and Clean Energy 11. Sustainable Cities and Communities 13. Climate Action
Scope 1 and 2 CO₂ emission reduction	<p>Renewable Energy</p> <ul style="list-style-type: none"> Investment related to the construction, development, acquisition, maintenance and operation of renewable energy projects, including wind and solar Expenditures related to the purchase of renewable energy power (including expenditures for the purchase of renewable energy through PPA / VPPA) 	Climate change mitigation	7. Affordable and Clean Energy 11. Sustainable Cities and Communities 12. Responsible Consumption and Production 13. Climate Action
	<p>Energy Efficiency</p> <ul style="list-style-type: none"> Investments for improved energy efficiency at manufacturing facilities mainly for "Zero-emission Vehicles" Nissan's action to CO₂ reduction including but not limited to: <ul style="list-style-type: none"> LED Air conditioning with less electricity consumption 		
Clean Manufacturing	Sustainable Water and Wastewater Management	Sustainable Water Management	6. Clean Water and Sanitation

Eligible Green Categories	Eligibility Criteria	Environmental Objective	Sustainable Development Goals
	<ul style="list-style-type: none"> Investments related to water efficiency and improved water quality in production and office facilities including sustainable water management in industrial processes⁵ 		11. Sustainable Cities and Communities 12. Responsible Consumption and Production
	<p>Waste Management and Circular Economy</p> <ul style="list-style-type: none"> Research & development and investments for the projects that decrease waste generation, increase waste diversion from landfill and reduce consumption of natural resources and energy, including: <ul style="list-style-type: none"> Increasing the use of renewable, recycled or reused materials Improving the separation and recovery of commodities from materials 	Sustainable Waste Management	11. Sustainable Cities and Communities 12. Responsible Consumption and Production

⁵ <https://www.nissan-global.com/EN/ENVIRONMENT/GREENPROGRAM/WATERSCARCITY/>

2. Eligible Sustainability (Green/Social) Projects for Nissan

Eligible Green / Social Categories	Eligibility Criteria	Environmental / Social Objective / Target Population	Sustainable Development Goals
Upstream Technology to create Nissan EV Ecosystem and Smart Cities			
Installation of basic infrastructure toward the realization of EV society	<p>Clean Transportation</p> <ul style="list-style-type: none"> • Research & development and investments for BEV charging ports for the Zero-emission Vehicles • Research & development, investments and expenditures for the promotion of reuse and recycling of used vehicle parts such as batteries⁶ 	<p>Green:</p> <ul style="list-style-type: none"> - Expansion of a basic infrastructure to achieve an EV society (Climate change mitigation / Pollution Prevention) 	<p>7. Affordable and Clean Energy 11. Sustainable Cities and Communities 13. Climate Action</p>
Vehicle-to-Everything (V2X)	<p>Vehicle-to-Everything (V2X) / using BEV Battery as an energy storage systems (ESS)</p> <ul style="list-style-type: none"> • Research & development, investments and expenditures for BEV batteries and Vehicle-to-Everything (V2X) technology for the above Zero-emission Vehicles • Research & development, investments and expenditures related to the usage of BEV batteries as an energy storage systems (ESS) for emergent events such as natural disasters 	<p>Green:</p> <ul style="list-style-type: none"> - ESS to increase a penetration rate of renewable energy (Climate change mitigation) <p>Social:</p> <ul style="list-style-type: none"> - Providing access to basic infrastructure for vulnerable groups impacted by natural disasters that may include the general public 	<p>7. Affordable and Clean Energy 9. Industry, Innovation and Infrastructure 11. Sustainable Cities and Communities 13. Climate Action</p>
Autonomous Driving Technologies (including Advanced Safety / Driver-assistance Technologies)	<p>Autonomous Driving Technologies for the realization of Cleaner, Safer and More Sustainable mobility</p> <ul style="list-style-type: none"> • Research & development for the Advanced Safety / Driver-assistance technologies towards 	<p>Social:</p> <ul style="list-style-type: none"> - Providing access to various types of transport and basic infrastructure for those who are not able to drive 	<p>9. Industry, Innovation and Infrastructure 11. Sustainable Cities and Communities</p>

⁶ Nissan's batteries reuse and recycling activities including but not limited to: <https://www.4r-energy.com/>

Eligible Green / Social Categories	Eligibility Criteria	Environmental / Social Objective / Target Population	Sustainable Development Goals
	<p>zero fatalities from traffic accidents / road safety. Nissan's "ProPILOT⁷", LiDAR or other future technologies composes of:</p> <ul style="list-style-type: none"> ○ Intelligent Cruise Control: Maintains a consistent following distance even with variable traffic speed ○ Steering Assist: Keeps the vehicle properly centered in the lane ○ Navi-link: supports the deceleration corresponding to the size of the curve ahead and changing the set speed by detecting speed limit signs ○ Nissan has been working closely with TRL⁸ and NASA⁹ for the application of Autonomous Driving Technology to MaaS. 	<p>themselves, including but not limited to:</p> <ul style="list-style-type: none"> - People with disabilities - Aging populations and vulnerable youth <p>Green:</p> <ul style="list-style-type: none"> - Autonomous Driving Technologies also contributes to reduction of energy consumption / CO₂ emission as a tool for promoting eco-driving (Climate change mitigation) 	
Downstream Social Experiment for a practical use in Nissan EV Ecosystem and Smart Cities			
Mobility as a Service (MaaS)	<p>Clean Mobility as a Service (MaaS) using Zero-emission and Low Carbon Vehicles</p> <ul style="list-style-type: none"> • Research & development, investments and expenditures related to the services using vehicles that meet the below eligibility criteria: <ul style="list-style-type: none"> ○ BEV or other future carbon-neutral 	<p>Green:</p> <ul style="list-style-type: none"> - Reducing environment load by promoting not only private vehicles but also shared-riding services to facilitate the wider spread of EV society 	<p>7. Affordable and Clean Energy</p> <p>9. Industry, Innovation and Infrastructure</p> <p>11. Sustainable Cities and Communities</p> <p>13. Climate Action</p>

⁷ <https://www.nissanusa.com/experience-nissan/news-and-events/nissan-propilot-assist.html>

⁸ <https://trl.co.uk/news/servcity--a-project-making-autonomous-mobility-a-reality-in-the-uk-s-cities>

⁹ <https://global.nissannews.com/ja-JP/releases/release-4a75570239bf1983b1e6a41b7d03bb7e-nissan-and-nasa-extend-research-into-autonomous-mobility-services?source=nng>

Eligible Green / Social Categories	Eligibility Criteria	Environmental / Social Objective / Target Population	Sustainable Development Goals
	<ul style="list-style-type: none"> transportation vehicles <ul style="list-style-type: none"> ○ Low carbon vehicles such as HEV (including e-POWER)¹⁰ • Nissan’s MaaS service including but not limited to: <ul style="list-style-type: none"> ○ Easy Ride¹¹ ○ WeRide¹² ○ e-share mobi¹³ 	(Climate change mitigation)	
	<p>Mobility as a Service (MaaS) operated in depopulated area / impacted by natural disaster</p> <ul style="list-style-type: none"> • Research & development, investments and expenditures related to the services using vehicles that provides access to passenger transport for residents in specified area where the access to public transport is limited, including but not limited to: <ul style="list-style-type: none"> ○ Namie¹⁴ (Fukushima Prefecture, Japan) ○ Blue Switch Project¹⁵ using BEV Battery as an energy storage systems (ESS) 	<p>Social: Providing access to various types of transport for: - Excluded and/or marginalized populations and/or communities, which does not have an easy access to public transport - People with disabilities and aging populations</p>	<p>9. Industry, Innovation and Infrastructure</p> <p>11. Sustainable Cities and Communities</p>

¹⁰ Expected to migrate over time to include a greater majority of BEVs versus qualifying HEV/PHEV models. By 2025, only BEV models are expected to be included as eligible models.

¹¹ https://www.nissan-global.com/EN/TECHNOLOGY/OVERVIEW/easy_ride.html

¹² <https://www.weride.ai/>

¹³ <https://e-sharemobi.com/>

¹⁴ <https://global.nissanstories.com/en/releases/namie>

Currently using ICE cars, but Nissan’s intention to use only ZEV in the near future.

¹⁵ <https://global.nissanstories.com/en/releases/nissan-blue-switch>

Eligible Criteria for Nissan Sales Finance affiliates

3. Eligible Green Receivables for Nissan Sales Finance affiliates

Eligible Green Categories	Eligibility Criteria	Environmental Objective	Sustainable Development Goals
Clean Transportation	Zero-emission and Low Carbon Vehicles <ul style="list-style-type: none"> • Offering automotive financing products (Wholesale finance, Loan, Lease and other) for vehicles that are purchased, by Nissan Sales Finance affiliates and that meet the below eligibility criteria: <ul style="list-style-type: none"> ○ BEV or other future carbon-neutral transportation ○ Low carbon vehicles such as HEV (including e-POWER)¹⁶ 	Climate change mitigation	7. Affordable and Clean Energy 11. Sustainable Cities and Communities 13. Climate Action

¹⁶ Nissan Sales Finance affiliates' Clean Transportation is expected to migrate over time to include a greater majority of BEVs versus qualifying HEV/PHEV models. By 2025, only BEV models are expected to be included as eligible models.

3.2. Process for Project Evaluation and Selection

Nissan has established a Sustainable Finance Committee (the “Committee”) to oversee the project evaluation and selection process and ensure selected projects comply with the eligibility criteria defined in the Use of Proceeds section of the Framework and are aligned with Nissan’s corporate sustainability strategy. The Committee is made up of senior leadership and other representatives from each of Nissan’s Treasury Group, Environmental Strategy Group, Operational Strategic Office, Corporate Strategy Department, and Global Sales Finance Department, and meets at least once per year. The Committee is responsible for:

Decision items

- Evaluating the compliance of proposed projects with the eligibility criteria throughout the life of the Bonds/Loans (with the policy of making only projects with positive long-term effects on the environment/society to be deemed Eligible Projects)
- Ensuring that the portfolio of Eligible Projects is aligned with the categories and eligibility criteria as specified in the “Use of Proceeds” section
- Replacing projects that no longer meet the eligibility criteria
- Confirming the content of the Framework, and reflecting/updating the relevant changes in Nissan’s business strategy, technology and market developments

Nissan’s Treasury Group in case the funding entity is Nissan and Nissan Sales Finance affiliates’ relevant department in case the funding entity is Nissan Sales Finance affiliates will track and monitor an amount equal to the net proceeds from Sustainable Finance at least once a year throughout the life of the instruments. Once Nissan/ Nissan Sales Finance affiliates becomes aware that certain proceeds do not meet the criteria of Eligible project, proceeds will be reallocated to other Eligible Projects and Nissan/ Nissan Sales Finance affiliates will report on the reallocations.

Risk Management for Environmental and Social Risks

Nissan applies environmental and social risk management measure in its project selection and capital allocation. Global Sustainability Steering Committee, a company-wide management chaired by Nissan’s Chief Sustainability Officer (CSO), is responsible for the specific activities under Nissan’s sustainability strategy, from setting goals to monitoring progress. The committee meets biannually and includes management representatives from functions for each of the ESG areas. Each function is responsible for advancing its own activities and progress is reported to the committee. Nissan implements the PDCA (plan, do, check, act) cycle in pursuit of improved sustainability performance.

Discussions at the Global sustainability Steering Committee are reported and proposed to the Executive Committee, Nissan’s highest decision-making body, which then uses that information to make decisions on sustainability policies and future initiatives.

3.3. Management of the Proceeds

Nissan

Nissan's Treasury Group will manage the proceeds from the financing instruments under this Framework in general account, and will track and monitor an amount equal to the net proceeds from Sustainable Finance to applicable Eligible Projects, using a register on an annual basis. Any pending allocation will be invested temporarily in cash, cash equivalents, or use it to repay short-term borrowings (which is not associated with carbon-intensive activities.) In case a project is cancelled or postponed, proceeds will be reallocated to projects that are compliant with the Framework within 12 months after Nissan is aware of project divestment, postponement or ineligibility

Nissan Sales Finance affiliates

Nissan Sales Finance affiliates' relevant department will manage the proceeds from the financing instruments under this Framework in general account, and will track and monitor an amount equal to the net proceeds Sustainable Finance on a portfolio basis using Excel files. Nissan Sales Finance affiliates will be responsible for monitoring and ensuring the aggregate amount of Eligible Portfolio (automotive financing products satisfying eligible criteria) is equal to or greater than the aggregate amount raised in each Sustainable Finance. If for any reason the aggregate amount in each Eligible Portfolio is less than the total outstanding amount of each Sustainable Financing, Nissan Sales Finance affiliates will hold the net amount in cash, cash equivalents, or use it to repay short-term borrowings (which is not associated with carbon-intensive activities.)

3.4. Reporting

Annually until full allocation of net proceeds in case of Nissan, and until maturity in case of Nissan Sales Finance affiliates, the funding entity will provide information on its website on the allocation and expected environmental and/or social impact, where feasible, set out below.

Allocation Reporting

Nissan

- The amount of net proceeds allocated to Eligible Green/ Sustainability Projects by category
- The balance of any net proceeds yet to be allocated to Eligible Green/ Sustainability Projects
- Brief description of allocated Eligible Green/ Sustainability Projects
- The proportion of new and existing projects within the allocated net proceeds

Nissan Sales Finance affiliates

- The amount of net proceeds allocated to Eligible Green Projects by category
- The balance of any net proceeds yet to be allocated to Eligible Green Projects

Impact Reporting

Eligible Green Projects for Nissan

Eligibility Categories	Eligibility Criteria	Sample Reporting Item
Clean Transportation	Zero-emission Vehicles	<ul style="list-style-type: none"> • Number of BEV sold, and/or percent of BEV sold to overall car sales • Environmental impact such as CO₂ emissions reduced (CO₂-t)
Scope 1 and 2 CO₂ emission reduction	Renewable Energy	<ul style="list-style-type: none"> • Annual amount of CO₂ emissions reduction (CO₂-t/year) • Annual amount of renewable energy consumed (TJ/year)
	Energy Efficiency	<ul style="list-style-type: none"> • Annual amount of CO₂ emissions reduction (CO₂-t/year)
Clean Manufacturing	Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> • Water input per vehicle
	Waste Management and Circular Economy	<ul style="list-style-type: none"> • Amount of waste per vehicle • Recycled material content per vehicle

Eligible Sustainability (Green/Social) Projects for Nissan

Eligibility Categories	Eligibility Criteria	Sample Reporting Item
Upstream Technology to create Nissan EV Ecosystem and Smart Cities		
Installation of basic infrastructure toward the realization of EV society	Clean Transportation	<ul style="list-style-type: none"> • Number of EV charging infrastructure installed • Number of batteries reused/recycled
Vehicle-to-Everything (V2X)	Vehicle-to-Everything (V2X) / Blue Switch Project using BEV Battery as an energy storage systems (ESS)	<ul style="list-style-type: none"> • Qualitative description of the projects • Number of beneficiaries / stakeholders
Autonomous Driving Technologies (including Advanced Safety / Driver-assistance Technologies)	Autonomous Driving Technologies for the realization of Cleaner, Safer and More Sustainable mobility	<ul style="list-style-type: none"> • Number of vehicles sold or manufactured with ProPILOT or other future technologies towards realizing zero casualties from traffic accidents
Downstream Social Experiment for a practical use in Nissan EV Ecosystem and Smart Cities		
Mobility as a Service (MaaS)	Clean Mobility as a Service (MaaS) using Zero-emission and Low Carbon Vehicles	<ul style="list-style-type: none"> • Qualitative description of the projects • Number of passenger transported / distance travelled • Number of beneficiaries / stakeholders
	Mobility as a Service (MaaS) operated in depopulated area / impacted by natural disaster	<ul style="list-style-type: none"> • Qualitative description of the projects • Number of passenger transported / distance travelled • Number of beneficiaries / stakeholders

Eligible Green Projects for Nissan Sales Finance affiliates

Eligibility Categories	Eligible Criteria	Sample Reporting Item
Clean Transportation	Zero-emission and Low Carbon Vehicles	<ul style="list-style-type: none"> • Number of BEV and e-POWER vehicles financed • Environmental impact such as CO₂ emissions reduced by BEV and e-POWER vehicles (CO₂-t)

4. External Review

4.1. Second Party Opinion

Nissan has obtained the Second Party Opinion (SPO) from Sustainalytics that our Sustainable Finance Framework is in alignment with the GBP 2021, SBP 2021, SBG 2021, GLP 2021 and SLP 2021. The SPO will be available on Sustainalytics's website.

4.2. Compliance Review

Until full allocation of the net proceeds from Sustainable Finance in case of Nissan and until maturity in case of Nissan Sales Finance affiliates, Nissan or Nissan Sales Finance affiliates will have Sustainalytics conduct a compliance review on an annual basis to provide assurance as to the amount of net proceeds that has been allocated in compliance with the eligibility criteria set forth in the Framework.

Disclaimer

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