Corporate Governance Report

July 8th, 2024
NISSAN MOTOR CO., LTD.
Makoto Uchida, Representative Executive Officer, President and Chief Executive Officer
Contact: IR Department

The corporate governance of Nissan Motor Co., Ltd. (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1.Basic Views

- Under the Nissan's corporate purpose, we defined the company's reason for existence in society as "Driving innovation to enrich people's lives." Accordingly, we will work to improve corporate governance as one of our highest priority management tasks in order to be considered a trustworthy company and provide unique and innovative automotive products and services that deliver superior measurable value to all stakeholders.
- 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.
- We will select, as our corporation form, to be a company with three statutory committees, which can clearly separate management functions and supervisory, oversight and auditing functions. As such, we will improve the transparency of the decision-making process and also conduct speedy and agile business execution.
- Through the supervision, oversight, and auditing by the Board of Directors and other corporate bodies, we will ensure the effectiveness of our structure related to internal controls, compliance, and risk management. Officers and employees, including Executive Officers, will sincerely respond to the supervision, oversight, and auditing contemplated hereby.

【Reasons for Non-compliance with the Principles of the Corporate Governance Code】

The company has implemented all of the principles of the Corporate Governance Code.

【Disclosure Based on the Principles of the Corporate Governance Code】 UPDATED

Principle 1-4 Cross-Shareholdings

(1) Policy regarding Cross-Shareholdings

The Company's basic policy on crossholding of stocks is to limit its collaborative/cooperative relationship with counterparties to within a reasonable scope with the aim of achieving the Company's business advantages.

(2) Assessment regarding individual cross-shareholdings

For each individual stocks held by the Company, the Company examines each stock, such as the purpose of holding, nature of transactions, future business significance and risks etc. On top of these verification from strategic viewpoint, the return associated with holdings and the cost of capital are compared and the appropriateness of holding is determined by the execution side. The result is assessed by the Board of Directors. If a continued holding is determined to be inappropriate, its treatment shall be studied, including sell-off.

As a result, the Company holds three crossheld stocks (including deemed holdings) as of March 31, 2024.

(3) Voting rights regarding Cross-Shareholdings

In view of the purpose of holding the stock and after thoroughly examining the management policy and strategy of the holding company, we will decide whether to approve the proposal from the perspective of improving corporate value over the medium to long term.

Principle 1-7 Related Party Transactions

The Company has an internal rule covering all transactions including those with its directors or major shareholders. Such rule provides for transactions to be reviewed by various functions e.g., financial, accounting, tax, legal, etc. and approved by the appropriate level of decider depending on the importance and nature of the transactions.

Besides, in case of any transaction that involves conflicts of interest between the Company and a director or an executive officer, the Board Regulations provide that board approval, as well as a post-fact report of important facts associated with such a transaction to the board, are required. In addition, the Director Conflict of Interest Resolution Policy defines the conflicts of interest between a director and the Company, requires directors to

report any actual, potential or perceived conflicts and also establishes the procedures to resolve such conflicts. Further, the Global Conflict of Interest Code came into force in March 2022 and applies to all officers and employees.

Supplementary Principle 2-4-1 Ensure diversity in core human resources

(1) Promoting workplace diversity

Nissan is committed to promote diversity, equity, and inclusion (hereinafter referred to DEI) as one of its key corporate strategies in Japan. DEI is now embedded into the corporate culture and DNA of Nissan. Nissan has upheld its DEI mission: 'Foster a diverse and inclusive environment where we value and respect employees to drive innovation in automotive products and services that enrich people's lives', and is accelerating its penetration as a source of company's competitiveness. Employees with different backgrounds and perspective lead to the creation of new value while meeting the increasingly diverse needs of our customers. We place great importance on establishing a truly inclusive organization where employees can demonstrate their potential to the fullest, which is our corporate strength. We have established a Global DEI council chaired by the CEO with executives representing respective divisions and regions as its members. This council makes decisions on Global DEI policy and direction of initiatives. Also, regional DEI councils operate under the respective region chairpersons so that the regions can execute the initiatives as global Nissan actions in alignment with the Global council's decision as well as making their effort to handle various diversity issues faced locally.

(2) Actively hiring females, non-Japanese and mid-career talents

Nissan has nurtured a corporate culture that allows everyone to perform their potential to the fullest regardless of their gender, nationality or career backgrounds, which is reflected in a high percentage of female, non-Japanese and mid-career talents in management.

i) i) Woman manager ratio

・Ratio based on Nissan Motor Co., Ltd. (Non-consolidated) Actual : 10.7% (March 2024)

・Ratio based on Global Nissan group Actual : 15.9% (March 2024) (63 overseas companies including the above)

As for the ratio of women managers, Nissan aims to narrow the gap between the ratio of women managers and the ratio of women indirect employees. As of March 2024, the ratio of women managers was 10.7%, and this ratio will be brought closer to 19.9%, the ratio of women indirect employees. Nissan has a high woman management ratio compared to our peers in the automotive industry or other manufacturers in Japan. However, there is further opportunity for enhancement compared to other industries. To further increase the ratio of women managers, we will target to raise the ratio of women indirect employees to 30% by accelerating the hiring and development of women to enrich the pipeline. Specifically, we will support women's career development through a range of measures, such as talent development trainings, mentoring programs, career interviews by career advisors, Self-Career Dock, and employee mixer events, to help women overcome obstacles in their career pursuit. In Nissan, the CEO, and other executives communicate directly with women leaders, young employees, and mid-career talents at roundtable events, actively committing themselves to women's career development. Nissan has received considerable external recognition such as third-level "Eruboshi" accreditation, as a company that successfully promotes women participation in the workplace. Nissan is accelerating women's empowerment not only in Japan but also globally. Additionally, among the officers defined by the Companies Act (Board of Directors and Executive Officers), woman ratio is 26.7% (June 2024).

ii) Non-Japanese manager ratio

・Ratio based on Nissan Motor Co., Ltd. (Japan) Actual: 6.2% (March 2024)

Nissan has been actively empowering non-Japanese talents. Nissan's non-Japanese ratio in management is the highest level among Japanese companies. We continue to hire, develop and promote talents regardless of nationalities while keeping the same level of non-Japanese ratio in management. In Nissan's global headquarters in Japan, the ratio of non-Japanese indirect employees in management positions is 6.2%, and the ratio of non-Japanese indirect employees is 6.4%. Additionally, among the officers defined by the Companies Act (Board of Directors and Executive Officers), the non-Japanese ratio is 40.0% (June 2024).

iii) Mid-career recruitment manager ratio

・Ratio based on Nissan Motor Co, Ltd. (Japan) Actual: 35.6% (March 2024)

On a regular basis, Nissan hires, develops and promotes talents with various career backgrounds. Nissan's mid-career recruitment ratio in management is higher than the average Japanese companies. Our mid-career recruiting ratio in management exceeds that in indirect employees. In Nissan Japan, our mid-career recruitment ratio in management is 35.6%, and that in indirect employees is 33.2%.

(3) Nurturing and Retaining Diverse Talents

In order to leverage diversity as a true strength, create greater value, and meet the diverse needs of customers, we believe it is important to establish a culture of DEI, where employees acknowledge and accept each other without discrimination or bias.

Nissan has continuously organized local events and worldwide training on DEI.

To equally provide career opportunities to all employees regardless of gender, career histories, culture and generation, we implemented diversity management training for management and unconscious bias training for all employees globally. Also, employees can learn about the concepts and importance of DEI and related internal efforts through articles on the global intranet and readily available e-learnings.

(4) Aligning work environment to varied needs of diverse talents

Nissan is implementing a series of workstyle reforms that provide a crucial foundation for supporting DEI and allow employees with a range of values and life needs to perform at their best.

In the 1990s, we started encouraging employees to use paid leave and introduced flex time work arrangements to increase flexibility in the employees' workstyles. Remote working systems were also available, regardless of the reason or need, even before the pandemic. This is how we have provided employees with varied work style options to choose from according to their situations.

We are building an environment to help employees balance work with childcare through both facilities, such as on-site childcare centers, and initiatives, such as seminars and organizational support. Onsite nurseries first started at our Nissan Technical Center (NTC) in 2005, then at Nissan Global Information System Center (NGIC) and at Nissan Global Headquarters (GHQ) in 2012 and 2013 respectively. In 2017, our first onsite nursery on a plant premise opened in Oppama and in 2022, we opened our fifth on-site childcare center, "March Land Yokohama," at the Yokohama plant. The nursery is available during all shift hours to support employees working at the plant.

In 2023, Nissan launched Employee Resource Group (ERG) as a bottom-up initiative to promote DEI in Japan.

Both Nissan's DEI initiatives and its attitude of emphasizing employee diversity, have been promoted and have received external recognition. Major awards include the following:

Japan

- 'Platinum Kurumin' - Nissan became the first company in Kanagawa Prefecture to earn certification in 2015 which is granted to Kurumin accredited companies that provide an even higher standard of childcare support.
- PRIDE Index - This is an award that recognizes efforts to support LGBTQ+ employees. Since becoming the first Japanese automotive company to receive Gold in PRIDE Index, the top award, in 2017, we have received this Gold award for seven consecutive years.

Americas

- U.S. - Received Champion for Diverse Talent Award – Organization from the Center for Automotive Diversity, Inclusion & Advancement (CADIA) in 2023
- Canada - certified as Great Place to Work for the fifth year in a row.
- Mexico - achieved certification of "Best Places to Work LGBTQ+2024" with a score of 100% for the third consecutive year granted by the "Human Rights Campaign Equidad MX (HRC Equidad MX).

UK

- Gained Pride 365 certification for three consecutive years.

China

- Nissan (China) Investment Co., Ltd. (NCIC) received The Most Attractive Employers (Top 100) for two consecutive years.

These high recognitions prove Nissan's strong commitment to DEI is resulting in benefits to our stakeholders and increasing our business competitiveness.

For more details about our effort for nurturing and retaining workforce diversity, please read our website and ESG data book, 'Diversity, Equity & Inclusion'.

- ESG data book 2023 (P.079-) Diversity, Equity & Inclusion
  https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SR/2023/ASSETS/PDF/ESGDB23_E_P079-090.pdf
- Nissan Motor Co., Ltd. Website for Diversity, Equity & Inclusion
  https://www.nissan-global.com/EN/SUSTAINABILITY/SOCIAL/DIVERSITY/

Principle 2-6 Roles of Corporate Pension Funds as Asset Owners

Nissan adopts contract type defined benefit corporate pension plan.

Decisions on matters related to the pension fund investment such as asset allocation and organizational structure are made based on the 'Pension Plan Standard Investment Policy' by Investment Committee consisted of the Finance executives and other proper talents and the investment of each fund is entrusted to external investment managers to avoid the conflict of interests between the existing members, beneficiaries, and the Company.

Also, Corporate Pension Management Committee which is consisted of those who represent HR, Treasury, Control, Internal Auditing, Legal, and the Labor Union are regularly convened to check on the overall state of financial management and investment to ensure stable asset building for the subscribers and the beneficiaries and sound management of the pension plan on the continued basis.

Principle 3-1 Full Disclosure

(1) Company objectives (e.g., business principles), business strategies and business plans

For our corporate purpose and mission, refer to:
https://www.nissan-global.com/EN/COMPANY/MESSAGE/VISION/

For our mid-term plan, refer to: https://www.nissan-global.com/EN/IR/MIDTERMPLAN/

(2) Basic views and guidelines on corporate governance

Refer to I-1. Basic Policy of this report.

(3) Board policies and procedures in determining the remuneration of senior management and directors

The compensation policies are disclosed in pages 74-80 of Financial Information as of March 31, 2024
https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

(4) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of directors candidates

The company has established its Corporate Governance Guidelines (https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Guidelines_EN.pdf), the nomination policy for directors is defined in Article 15 thereof.

Regarding the process of nomination, the Nomination Committee has the right to determine the necessary general principles and the contents of a proposal (of which to be submitted to the general shareholders meeting) regarding the appointment and dismissal of directors.

The Nomination Committee also determine the proposal regarding the representative executive officers, to be submitted to the board of directors for its decision.

The representative executive officer proposes the candidates of executive officers to the board of directors for its decision.

(5) The rationale for the nomination of individual appointment/dismissal and nomination based on the above (4)

The rationale for selection and nomination of each director candidate is as explained in the general shareholder meeting reference materials. Each candidate's experience etc. as provided therein is consistent with the company's policy for nominating directors.

As for appointment of representative executive officers, the Nomination Committee determined the proposal to the board of directors considering the candidates' management skill and experience etc. for the decision by the board of directors. Executive officers were proposed by representative executive officer considering the

management skill and experience etc. and appointed by the board of directors.

Supplementary Principle 3-1-3 Disclosure of Sustainability Initiatives

(1) Sustainability initiatives and governance

To realize our corporate purpose, " Driving Innovation to Enrich People's Lives", Nissan will create innovative vehicles and services that are full of originality and provide excellent value to all stakeholders as a trusted company. To this end, we frequently discuss social and environmental issues at the top management level meetings, and we are implementing a sustainability strategy that identifies key issues that should be addressed by the entire group company as a global company and as an automaker.

Based on the materiality, in FY2023, Nissan created the 5th environmental action plan, "Nissan Green Program 2030 (NGP2030)", and "Nissan Social Program 2030 (NSP2030)" to promote the social initiatives inclusively towards 2030. NGP2030 aims to further reduce environmental impact and create positive value through improving technologies and business processes, which will make our lives sustainable and harmonious with nature. NSP2030 is the first program dedicated to social initiatives, which aims to grow together with employees, suppliers, partners, and society to become a people-centric company and provide value to employees and other stakeholders. Both NGP2030 and NSP2030 form the foundation of The Arc and play an important role in realizing a cleaner, safer, and more inclusive world that Nissan Ambition 2030 aims to achieve.

In addition, 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.

Furthermore, we review the key issues as appropriate based on the concerns and interests of our stakeholders and the latest trends in technological innovation and reflect them in our sustainability strategy. As part of that in FY2021, Nissan defined "Nissan's Human Rights Want-to-be Statement" and clarified important issues, policies, and systems, and Nissan continues to globally and continuously strengthen management based on the Statement.

Company-wide management of specific activities under Nissan's sustainability strategy, from setting goals to monitoring progress, is the responsibility of the Global Sustainability Steering Committee, held twice a year chaired by the company's Chief Sustainability Officer (CSO). And the results of discussions at the Global Sustainability Steering Committee are reported and proposed to the Executive Committee (EC), Nissan's highest decision-making body, which then uses that information to make decisions on sustainability policies and future initiatives.

In FY2021, the Company added new performance indicators for sustainability in the performance-based cash incentive that form a part of the long-term incentive program for our executives.

Nissan is currently considering what kind of value we will create over the long term and contribute to solving social issues and achieving SDGs goals, not only to realize the sustainability of the company but also to the society by utilizing an "Outside-In approach" to contribute to sustainability and are actively discussing it among relevant executives, including Executive Committee members.

We are working to realize our corporate purpose by incorporating sustainability into its management framework and corporate strategy more clearly.

Please visit the following site if you need more information.

- Nissan sustainability-related information

https://www.nissan-global.com/EN/SUSTAINABILITY/

- "ESG data book 2023"

https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SR/2023/ASSETS/PDF/ESGDB23_E_All.pdf

- Incentive program, new performance indicators for sustainability in pages 77-80 of Financial Information as of March 31, 2024

https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

(2) Impact of climate change risks and profit opportunities on our business activities and profits

Nissan is persistently addressing significant environmental issues such as climate change by establishing targets and KPIs in its mid-term environmental action plan, the Nissan Green Program.

Furthermore, in January 2021, Nissan announced a new goal to achieve carbon neutrality across the company'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 and pursue further innovations in electrification and manufacturing technology. The life cycle includes raw material extraction, manufacturing, use of vehicles, and the recycling or reuse of end-of-life vehicles.

The electrification of vehicles is an opportunity to create a decarbonized society, contributing to business activities and profits, and creating value for society. This is in line with Nissan's corporate purpose of "Driving innovation to enrich people's lives. In FY2023, we launched NGP2030, the fifth generation of the NGP that looks ahead to 2030. This will clarify the direction of technological evolution and social collaboration for the future, and we will share the goals with our supply chain and partners to aim together to address environmental issues and create social values.

We fully support TCFD recommendations and have been a member of the TCFD Consortium in Japan since its establishment. To comply with the recommendations, we conducted scenario analyses to reveal the impact of climate change-related risks and opportunities on our business operations, management strategies, and financial plans to be disclosed in our financial report and sustainability report.

In August 2021, the company also received Science-based Target (SBT) certification. This ensures that Nissan's 2030 CO2 reduction target has been validated as being aligned with the latest climate science.

Please follow each link for details.

- Risks associated with climate change < in pages 32 of Financial Information as of March 31, 2024 >
- Press release: Nissan sets carbon neutral goal for 2050

https://global.nissannews.com/en/releases/release-18e8181d3a7c563be5e62225a70c61b2-nissan-sets-carbon-neutral-goal-for-2050

- ESG Data Book 2023 (P23-) Strategy for Addressing Climate Change, Toward a Carbon-Neutral Society

https://www.nissan-global.com/JP/SUSTAINABILITY/LIBRARY/SR/2023/ASSETS/PDF/ESGDB23_J_All.pdf

- TCFD CONTENT INDEX

https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SR/2023/TCFD/

(3) Investing in human resources and intellectual properties

Nissan sees its employees as its most valued assets and their development essential for the growth of both the Company and individual employees. To nurture a strong culture of voluntary and active self-learning of the employees, a range of talent development measures have been taken to help individuals reach their full potential, which will drive the Company's growth as well. Nissan is offering a full variety of trainings to meet the employees' varied needs for their career development both in knowledge and skills on themes such as effective management, business in general, or leadership.

To be specific, we have mandatory trainings designed for respective career stages and different job grades, as well as optional trainings that people can choose according to their interest, and e-learning courses available globally for their further self-study. We are also shifting from in-class trainings to online trainings to change with changing times, building infrastructure for the employees to take their trainings remotely on their personal mobile devices. In FY2022, our online courses were accessed by 514,187 people who spent a total of 358,597 hours on our online courses. That was 14.9 hours per person and their satisfaction rating was 4.2 or above (Highest rating: 5.0). Amount invested on each talent was 76,000 yen.

Increasing our business competitiveness is essential for the Company to survive and thrive in future. And investing on the source of our competitiveness, that is, talent especially in R&D as well as intellectual property is crucial. So, we will keep active investment on our valued assets.

As one of examples for our investment on human resources, we established Nissan Software Training Center (STC) at the site of Nissan Advanced Technology Center (NATC) in 2017 to develop engineers who have skills for both cars and software development. The ongoing technological advances in CASE areas foretells us that software will hold the key to car business success in future. STC has provided both knowledge and skill courses to develop talents who can fulfill their jobs in the coming digitalization age.

One of examples for our investment on the creation and acquisition of intellectual property is laid out in Nissan Ambition 2030, a long-term vision presented in November, 2021. In the vision, Nissan places electrification at the core of its long-term strategy and describe plans to invest approximately 2 trillion yen over the next five years to

accelerate the electrification of its vehicle lineup and the innovation of its technology. As for all-solid-state batteries, Nissan aims to launch EVs with its proprietary batteries by FY2028 and introduce a pilot plant in Yokohama by FY2024. Nissan is focusing particularly on cutting-edge technologies needed to produce competitive products in areas such as autonomous driving and electrification in the era of CASE through close collaboration of R&D and production departments. Nissan is also promoting development of a high-quality global patent portfolio by creating an environment that facilitates innovations in these areas and obtaining patents resulting from the innovations.

Nissan is also actively investing in intellectual property other than patents, such as trademarks and designs. To strengthen our brand power as a part of corporate competitiveness, Nissan has been strategically creating a global trademark portfolio in accordance with our market size, which consists of house marks, vehicle model names and technology names that promote and strengthen our brands. For the unique designs of our products, Nissan has applied for design patents and built a global design patent portfolio to prevent others from imitating Nissan's unique designs.

Supplementary Principle 4-1-1 Roles and Responsibilities of the Board

The Company selected, as its corporation form, the company with three statutory committees system which can clearly separate management functions and supervisory, oversight and auditing functions. The Board of Directors has established Board Regulations matters to be resolved by the board, including the matters defined in laws and the Articles of Incorporation, such as the basic management policies. The Board of Directors shall decide on important matters set forth in the Regulations of the Board of Directors, and, in order to carry out effective and flexible management, as a general rule, delegates its power to decide on business activities to executive officers. Further, we set forth internal rules specifying the scope of delegation to representative executive officers, other executive officers and corporate officers.

Principle 4-9 Independence Standards and Qualification for Independent Directors

The Company has established and disclosed Director Independence Standards. (https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Standards_EN.pdf).

Supplementary Principle 4-10-1 Establishment of independent nomination committee and compensation committee and the mandates, roles policy regarding the independence of the composition.

The company applies a structure with three committees therefore this supplementary principle is not applicable to the company.

Supplementary Principle 4-11-1 Preconditions for Board Effectiveness

The Company secures high degree of independence at composition of the Board of Directors and the Statutory Committees to fully fulfill the function and role of supervising the execution side. The Board of Directors, Nomination Committee and Audit Committee appoint Independent Outside Directors for the majority of their members and for their chair, and the Compensation Committee appoints Independent Outside Directors for all of its members and for its chair. In order to ensure diversity of viewpoints, the Company considers the following factors upon nominating the directors: nationality, gender, age, professional knowledge and experience. At present 12 directors are from 4 countries, of which 3 members are women, and each individual has different professional background. The Company set strict conditions to appoint the Independent Outside Directors in order to ensure the independency and a Nomination Policy of the Directors and Committee members in the Corporate Governance Guideline Chapter IV.

https://www.nissan-global.com/EN/SUSTAINABILITY/GOVERNANCE/ASSETS/PDF/Guidelines_EN.pdf

And also, the Company discloses the skill matrix of the Directors in the Notice of Convocation of the 125th Ordinary Meeting of Shareholders.

https://www.nissan-global.com/EN/IR/LIBRARY/SHAREHOLDER/125/ASSETS/PDF/shousyu2024.pdf

Supplementary Principle 4-11-2 Preconditions for Board Effectiveness

Upon appointing the Directors, the Nomination Committee confirms that Directors are able to devote sufficient time and effort to fulfill their duties. The status of major concurrently held offices of Directors are explained in the Business report and General shareholder meeting reference material.

Supplementary Principle 4-11-3 Analysis and evaluation of the effectiveness of the Board

<Implementation of effectiveness evaluation>

The Company is conducting the “Board of Directors Effectiveness Evaluation” once a year to continuously enhance the effectiveness of the board and its management environment. For the activities of the Board of Directors in FY2023, an evaluation based on a questionnaire from all directors was conducted in February 2024, and based on the results, an interview was conducted with each director by an external corporate governance expert in March 2024, with the aim of deepening opinions. Based on these results, the evaluation for FY2023 and the content of initiatives for FY2024 were decided at the Board of Directors meeting held in May 2024.

<Evaluation items>

The following was conducted.

- Role & Responsibilities of the board
- Board composition
- Operation of the board
- Supervisory function of the board
- Relationship between the board and the management
- Relation/dialogue with shareholders/investors

<Implemented measures based on the previous year’s evaluation results>

Responses to the measured identified in the FY2022 evaluation are as follows:

- Further strengthening the relationship between Directors and the execution side: In order to enhance discussions based on the separation of “execution and supervision”, the roles of execution and supervision were rearranged and confirmed at the Board meeting in September. Mutual understanding was promoted through the implementation of subsequent deliberations and the proceedings by the chairman.
- Further enhancement of deliberations at the Board of Directors meetings: A forum for discussion was established and implemented according to the priority and purpose of each management issue. The new management plan "The Arc" was approved by the Board of Directors after a total of eight discussions by all directors. In addition, a total of five study sessions on individual businesses related to "The Arc" were held at the IDC (Independent Directors Conference) in order to enhance the level of knowledge of Independent directors.
- Provide materials that contribute to appropriate decision-making: The following measures were implemented; strict observance of the deadline for information provision in accordance with the management policy, minimization of materials that are "projection only“, and expedite the “easy-to-understand” materials preparation.
- The composition of each committee: Replacement of some Independent directors, Lead Independent director and chair of the Nomination Committee were conducted with the aim of securing new perspectives and stimulating deliberations through regular replacement of members.

<Summary of evaluation results>

1. The results of the evaluation: It was confirmed that the Effectiveness of the Board of Directors has been largely secured as a result of the steady improvement from the previous fiscal year.

   - As independent directors constitute the majority of the Board of Directors, and the diversity of the board structure is ensured.
   - Mutual understanding and recognition of roles among directors have advanced, and a relationship of trust has been fostered.
   - Quality improvement of the board operation including the improvement in provision of materials, were evaluated.

2. Further actions to be taken: Based on discussions at the Board of Directors meetings taking suggestions from outside experts into consideration, the following measures will be taken to further improve effectiveness of the board.

   - Continue further promoting mutual understanding of “ideal image in supervision" in a company with three statutory committees.
   - In addition, from the perspective of legal compliance, such as the antitrust law and insider trading regulations, which have become increasingly important since the rebalance of capital relationship with Renault, to organize and establish management standards for the discussions of the Board of Directors.
   - The composition in each committee will be reviewed for necessary revisions in the future
   - The Board of Directors will draw up a roadmap for discussions on specific strategies that are components of the new mid.-term management plan "The Arc," to monitor the progress by executives.

Supplementary Principle 4-14-2 Director Training

We provide trainings, including, but not limited to those regarding code of conduct, compliance and information security to directors, and provide explanations about the business and offer opportunities to observe the business as necessary.

Principle 5-1 Policy for Constructive Dialogue with Shareholders

i) A member of the management or a director responsible for constructive dialogue with shareholders;
The Company (under responsibility of Corporate Officer in Charge of IR) engages in constructive dialogue with shareholders and investors and will build a relationship of mutual trust through timely and adequate disclosure of company information and continuous communication.

ii) Measures to ensure positive cooperation between internal departments with the aim of supporting dialogue;
We have a dedicated IR department, and it will conduct the above dialogue by cooperating with other departments as necessary, such as the corporate planning, finance, accounting and legal departments, and obtaining necessary information.

iii) Measures to promote opportunities for dialogue;
For analysts and institutional investors, we have held timely financial results briefing sessions, as well as business strategy briefings consistent with the interests of investors etc. Further we meet with overseas investors on a regular basis.

iv) Measures to relay shareholder views and concerns to the management;
Comments from shareholders and investors obtained through the above dialogue are provided to management through the corporate officer in charge, and referred to by management.

v) Measures to control insider information when engaging in dialogue;
In order to prevent insider trading, we refrain from communications related to our financial information for

the period from the day after the end of each financial quarter until the date of official announcement of our financial information.

【Action to Implement Management that is Conscious of Cost of Capital and Stock Price(under consideration)】

Nissan is committed to enhancing shareholder returns and capital efficiency, as well as continuously improving its financial performance and maintaining financial flexibility for future growth. Nissan recognizes that the Company's share price is falling short of its real potential at 608.30 JPY and PBR of approximately 0.4x as of March 31, 2024.

During the preparation of the new management plan "The Arc" management had in depth analysis and review of the financial key performance indicators such as Operating profit margin, FCF, Net Cash as well into R&D and CAPEX expenditures. We believe the execution of the strategy and improvement of these fundamental KPIs are an important key to improve the market valuation of Nissan. Under its new business plan, The Arc, the Company aims to lift annual sales volumes by 1 million units (from FY2023) and increase its operating profit margin to more than 6% by the end of FY 2026, and 8% by the end of FY 2030. By managing its investments and maintaining strict financial discipline, Nissan remains focused on delivering benefits to all stakeholders. The Company targets a positive free cash flow before onetime items such as M&A. In addition, the Company aims to maintain a healthy level of automotive net cash at the 1 trillion JPY level. In addition, the company established a shareholder return target of more than 30%, combining share buybacks and dividends where the dividend per share is expected to gradually increase every year. By this policy shareholders will be able to participate in Nissan's performance. Under The Arc, Nissan will enhance its competitiveness and achieve sustainable profitability. The company also strengthened the Investor Relations resources and will increase its global presence and interaction with capital markets to better showcase the full potential of Nissan.

Nissan expects investors and analysts to appreciate its progress in underlying performance and strategy, which is expected to be reflected in the Company's valuation and improve its PBR ratio. Also, management will continue to discuss and evaluate how to increase corporate value in the future.

MTP "The Arc" https://www.nissan-global.com/EN/COMPANY/PLAN/ARC/

【Status of dialogue with shareholders】

Status of dialogue with shareholders is disclosed at "2. IR Activities" in this Corporate Governance Report.

2.Capital Structure

Foreign Shareholding Ratio	More than 30%

【Major Shareholders】 UPDATED

Status of Major Shareholders	Number of Shares Owned	Percentage (%)
NATIXIS SA AS TRUSTEE FOR FIDUCIE NEWTON 701910	987,729,718	24.63
Renault S.A.	633,107,309	15.79
The Master Trust Bank of Japan (Shintaku-guchi)	375,419,300	9.36
JP Morgan Chase Bank 380856	126,312,701	3.15
Custody Bank of Japan (Shintaku-guchi)	113,139,000	2.82
State Street Bank West Client - Treaty 505234	46,461,970	1.16
Nippon Life Insurance	37,820,052	0.94
MOXLEY & CO	33,108,593	0.83
BNYMSANV AS AGENT / CLIENTS LUX UCITS NON TREATY 1	25,868,600	0.65
The Bank of New York Mellon 140044	24,519,608	0.61

Controlling Shareholder (except for Parent Company)	N/A

Parent Company	N/A

Supplementary Explanation UPDATED

The above status of Major Shareholders is as of March 31, 2024.
Of the shares held by Renault S.A., 1,198,729,718 thousand shares were transferred on November 8, 2023 to a trust in France, managed by Natixis S.A. as trustee for Renault S.A., which is the trustee and beneficiary under the trust agreement. Subsequently, Renault S.A. decided to sell some of the shares transferred to Natixis S.A., and on December 13, 2023, the Company acquired 211,000,000 shares of the Company from Natixis S.A. All acquired shares were cancelled on December 19, 2023.

3.Corporate Attributes

Listed Stock Exchange and Market Section	Tokyo Stock Exchange (Prime)
Fiscal Year-End	March
Type of Business	Transportation Equipment
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Sales (consolidated) in the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4.Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

N/A

5.Other Special Circumstances which may have Material Impact on Corporate Governance UPDATED

■Nissan Shatai Co., Ltd.

1) Concept of and policies for group management

· We share management philosophy and strategies throughout entire of group company including our corporate purpose of "Driving innovation to enrich people's lives" to build an adaptive organization that embraces new ways of delivering value with a strong resilient spirit that makes us agile and sustainable. Nissan Shatai Co., Ltd. (hereinafter: NS, or the Company) is the listed subsidiary which we have 50.01% of the voting rights. While respecting the independence of the management of the Company, we enhance the value of the Company by maintaining close cooperative relationships with us and our group companies in conducting business activities.

· Regarding the management system of group companies including listed subsidiaries, the effectiveness of the corporate group's governance system is secured by the establishment of multiple channels such as reporting meetings for important business matters and the close connection between our functional department and the group company's function, etc.

· In addition, as a concept and policy regarding group management, the transactions of automobiles with the Company are based on a manufacturing service agreement, and the transaction price is determined through the negotiations with consideration of the total cost of manufacturing.

· Regarding fund management, the Company deposits funds in our group finance to realize the efficient funds management.

2) Reasons for having the listed subsidiaries/Affiliates

· The Company is an automobile manufacturer that produced 139,000 vehicles a year in FY2023. The Company has comprehensive functions from vehicle development to production preparation such as factory production line design and equipment introduction, vehicle production, and quality assurance, centered on LCVs and frame vehicles. We recognize that the Company is located in an important position in terms of the production consignment for mainly our products. In the field of vehicle production, the Company contributes to providing our products to global customers through efficient and high-quality vehicle production.

· We recognize that maintaining the Company as a listed company can realize a stable and sustainable company in terms of building trust, management transparency, maintaining and improving employee motivation, and recruiting excellent human resources.

3) Measures to ensure the effectiveness of the governance system of listed subsidiaries

·We prioritize the independence of the Company, and based on the deliberations and reports of a nomination and remuneration committee, we verify the suitability of the candidates selected at board of directors of the Company to improve its corporate value and shareholder's value in mid-long term as the Company's director. Then, we appropriately exercise our voting rights at the general meeting of shareholders of the Company.

・The Company has two independent outside directors out of six directors. In January 2020, in order to increase the transparency and objectivity of the procedures used for decisions concerning nomination of directors and statutory auditors of the Company and remuneration for directors, a nomination and remuneration committee consisting of a majority of independent outside directors was established.

・In addition, the Company has established a Business Monitoring Committee consisting of independent outside directors and independent outside statutory auditors to deliberate on the details of negotiations on certain important transactions with us. We respect such efforts to enhance the transparency and objectivity of the Company and the independence of management, and strive not to impair the common interests of shareholders.

■NISSAN TOKYO SALES HOLDINGS CO., LTD.

1) Concept of and policies for group management

・We put our management philosophy and strategies at the center of our activities including our corporate purpose of "Driving innovation to enrich people's lives", in order for us to build an adaptive organization that embraces new ways of delivering value with a strong resilient spirit that makes us agile and sustainable.

・NISSAN TOKYO SALES HOLDINGS CO., LTD. (hereinafter: NTH, or the Company) is the listed affiliate company which we have 34.0% of the voting rights. While respecting the independence of the management of the Company, we enhance the value of the Company by maintaining close cooperative relationships with us and our group companies in conducting business activities.

2) Reasons for having the listed subsidiaries/Affiliates

・We recognize that the Company is the key sales company for Tokyo Metropolitan area in our group's domestic business, having Nissan Tokyo Sales Corporation which sold 27,000 units annually in FY2023. We recognize that maintaining the Company as a listed company can realize a stable and sustainable company in terms of building trust, management transparency, maintaining and improving employee motivation, and recruiting excellent human resources, on top of contributing to enhance Nissan's presence in the Tokyo market.

3) Measures to ensure the effectiveness of the governance system of listed subsidiaries

・We prioritize the independence of the Company, and based on the deliberations and reports of a nomination and remuneration committee, we verify the suitability of the candidates selected at board of directors of the Company to improve its corporate value and shareholder's value in mid-long term as the Company's director. Then, we appropriately exercise our voting rights at the general meeting of shareholders of the Company.

・The Company has three independent outside directors out of seven directors. In order to increase the transparency and objectivity of the procedures used for decisions concerning nomination of directors and statutory auditors of the Company and remuneration for directors, a nomination and remuneration committee consisting of a majority of independent outside directors was established.

・ In addition, a board of statutory auditors, consisting of a majority of independent outside statutory auditors, plays a central role in monitoring the Company and its group, contributing to the improvement of group management practices. We respect such efforts to enhance the transparency and objectivity of the Company and the independence of management, and strive not to impair the common interests of shareholders.

■MITSUBISHI MOTORS CORPORATION CO., LTD

1) Concept of and policies for group management

・We maximize value creation of Alliance partners, Renault / Nissan / Mitsubishi Motors, and are based on a balanced, fair and effective new governance. Alliance partners will continue to pursue projects with win-win, large-scale and realistic expected merit in various markets.

・MITSUBISHI MOTORS CORPORATION CO., LTD (hereinafter: MMC, or the Company) is the listed affiliate accounted for by the equity method, which we have 34.0% of the voting rights. While respecting the independence of the management of the Company, we, as the largest shareholder, respect the Company's brand and history, and support their possibility of further growth.

・On May 25th, 2016, we signed Basic Agreement with respect to Investment with the Company.

2) Reasons for having the listed subsidiaries/Affiliates

・We recognize that maintaining the Company as a listed company is reasonable by contributing to creating synergies between the two parties through the following alliance.

・We have signed a capital and business alliance agreement with the Company on May 25th, 2016, and have the following collaborative relationships.

・Mutual OEM of vehicles, parts, etc.

・Cross manufacturing of products

・The research and development of existing and new / future technologies

3) Measures to ensure the effectiveness of the governance system of listed subsidiaries

・The Company has five independent outside directors out of thirteen directors. In June 2019, the Company transitioned to a company with three committees to enhance the transparency and objectivity of decision-making

procedures.
・We respect such efforts to enhance the transparency and objectivity of the Company and the independence of management, and strive not to impair the common interests of shareholders.

■Renault
1)Concept of and policies for group management
・We maximize value creation of Alliance partners, Renault / Nissan / Mitsubishi Motors, and are based on a balanced, fair and effective new governance. Alliance partners will continue to pursue projects with win-win, large-scale and realistic expected merit in various markets.
・The Company announced that the New Alliance Agreement between Renault Group and Nissan came into force and replaced the former agreements governing the Alliance (namely, the Restated Alliance Master Agreement, the Alliance Equity Participation Agreement and the Memorandum of Understanding of March 12, 2019).
・Hence, Nissan will be able to freely exercise 15% of voting rights to Renault, which will create more growth opportunities and help secure operating efficiencies for each Alliance company to innovate and transform in the fast-changing market for automotive products and mobility services.

2) Approaches and measures to ensure independence from other affiliated companies necessary from the perspective of protecting minority shareholders
・Renault nominates two directors at the meeting of the board of directors of the Company. If a Director has held the position of Director, Executive Officer or other positions with a title at Renault, its subsidiaries or affiliates thereof, such Director shall not participate in the deliberation and resolution of an agenda raised at the Company's meeting of board of directors that may cause a conflict of interest between the Company in which the Director has held a position and the Company.
・A majority eight of the twelve members of the board of directors are independent outside directors, including the Chairman of the Board. There is no risk of a conflict of interest with ordinary shareholders.
・Renault has transferred 28.4% out of 43.4% of Nissan shares into a French trust which they held as of Nov. 8th, 2023. The freely exercisable voting rights became 15% from 43.4%. The voting rights from the entrusted Nissan shares into a French trust by Renault will be voted neutrally, subject to limited exceptions.

Director Independence Standards.
https://www.nissan-global.com/EN/COMPANY/GOVERNANCE/

Ⅱ. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with three statutory-committees

【Directors】

Number of Directors Stipulated in Articles of Incorporation	No maximum limitation
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board of Directors	Outside Director
Number of Directors UPDATED	12

【Outside Directors】

Number of Outside Directors UPDATED	8
Number of Independent Directors UPDATED	8

Outside Directors' Relationship with the Company (1) UPDATED

Name	Attribute	Relationship with the Company *1										
		a	b	c	d	e	f	g	h	i	j	k
Yasushi Kimura	From another company								△			

Bernard Delmas	From another company								△			
Keiko Ihara	N/A											
Motoo Nagai	From another company								△			
Andrew House	From another company								△			
Brenda Harvey	From another company								○			
Teruo Asada	From another company								△			
Mariko Tokuno	From another company											

* Categories for "Relationship with the Company"
* "○" when the director presently falls or has recently fallen under the category;
"△" when the director fell under the category in the past
* "●" when a close relative of the director presently falls or has recently fallen under the category;
"▲"when a close relative of the director fell under the category in the past
a. Executive of the Company or its subsidiaries
b. Non-executive director or executive of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party who has a significant business relationship with the Company or an executive thereof
e. A party with whom the Company has a significant business relationship or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/statutory auditor
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a party with whom the Company has a business relationship (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company outside directors/statutory auditors are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k. Others
* If the person corresponds to each item in "current/recent", "○"; if corresponding to "past", "△"

Outside Directors' Relationship with the Company (2) UPDATED

Name	Committee			Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
	Nomination Committee Member	Compensation Committee Member	Audit Committee Member			
Yasushi Kimura	○		○	○	Mr. Yasushi Kimura was the Representative Chairman of JXTG Holdings, Inc. (currently ENEOS Holdings, Inc.) and the Representative Chairman of the Board of JX Nippon Oil & Energy Corporation (currently ENEOS Corporation). There is a business relationship between the ENEOS Group and the Company in the current fiscal year, but it is judged that there is no risk of affecting the judgment of shareholders or investors in light of the scale of the transactions, so the details are omitted. There is no other conflict of interest between the ENEOS Group and the Company.	He has experience serving as top management in a key industry in Japan. He also has wealth of experience and deep insight in corporate management and leadership experience in Japan Business Federation (Keidanren), as well as Chairman of Petroleum Association of Japan (PAJ). Nissan expects him to continuously contribute to the Company through his global management, corporate strategy, ESG, and sales/marketing skills. Since his inauguration in June 2019, Mr. Kimura has supervised the companies' overall management providing an objective and broad perspective as the Chair of the Board of Directors, Member of the Nomination Committee, Member of the Audit Committee and he has fulfilled the duties of outside director. Therefore,

						the Company appointed him as an outside director for Nissan. And he meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Bernard Delmas		○	○	○	Mr. Bernard Delmas was the President and CEO of Michelin Korea Tire Co., Ltd. and the Chairman of the Board of Nihon Michelin Tire Co., Ltd.. There is no conflict of interest between Nihon Michelin Tire and Michelin Korea Tire and the Company. Although there is a business relationship between Michelin and the Company in the current fiscal year, it is judged that there is no risk of affecting the judgment of shareholders or investors in light of the scale of the transactions, so the details are omitted. There is no other conflict of interest between Michelin and the Company.	Due to his extensive international experience in the automotive industry. He has a wealth of experience and deep insight in management of R&D, business planning, and managing the cross-functional organization. Nissan expects him to continuously contribute to the Company through his global management, automobile industry, and product/technology skills. Since his inauguration in June 2019, Mr. Delmas has supervised the companies' overall management providing an objective and broad perspective as the Member of the Compensation Committee and from June 2023, as the Lead independent outside director and the Member of the Audit Committee as well, he has fulfilled the duties of outside director. Therefore, the Company appointed him as an outside director for Nissan. And he meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Keiko Ihara	○	○		○	―	Due to her wealth of experience and deep insight in the auto industry as an international female racing driver, being many years involved with domestic and global auto makers including technology development and popularization of eco-friendly car and MaaS research at University research institute. Also, Ms. Ihara has an extensive business experience leading organizational governance and talent development in international organizations.

						Nissan expects her to continuously contribute to the Company through her global management, automobile industry, ESG, and digital transformation skills. Since her inauguration in June 2018, especially after June 2019, Ms. Ihara has supervised the companies' overall management providing an objective and broad perspective as the Chair of the Compensation Committee, Member of the Nomination Committee, and she has fulfilled the duties of outside director. Therefore, the Company appointed her as an outside director for Nissan. And she meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Motoo Nagai	○	○	○	○	Mr. Motoo Nagai was the Managing Executive Officer of Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.) and the Deputy President (Executive Officer and Director) of Mizuho Trust & Banking Co., Ltd. There is a business relationship, such as deposits, between the Mizuho Financial Group and the Company in the current fiscal year, but it is judged that there is no risk of affecting the judgment of shareholders or investors in light of the scale of the transactions, so the details are omitted. There is no other conflict of interest between the Mizuho Financial Group and the Company.	Due to his wealth of experience and deep insight on risk management gained through executive leadership positions in institutions including Mizuho Corporate Bank and Mizuho Trust & Banking Co. Nissan expects him to continuously contribute to the Company through his global management, legal/risk management, finance/accounting, and ESG skills. Since his inauguration as full-time Statutory Auditor in 2014, Mr. Nagai has a wealth of management experience in Nissan and from June 2019, he has supervised the companies' overall management providing an objective and broad perspective as the Chair of the Audit Committee, Member of the Nomination Committee, Member of the Compensation Committee and he has fulfilled the duties of outside director. Therefore, the Company appointed him as an outside director for Nissan. And he meets the requirements of Independent Director of the

						Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Andrew House	○	○		○	Mr. Andrew House was the Group Executive and Chief Marketing Officer of Sony Corporation, and the EVP and Chairman of Sony Interactive Entertainment Inc. (formerly Sony Computer Entertainment Inc.). There is a business relationship between the Sony Group and the Company in the current fiscal year, but it is judged that there is no risk of affecting the judgment of shareholders or investors in light of the scale of the transactions, so the details are omitted. There is no other conflict of interest between the Sony Group and the Company.	Due to his wealth of experience and deep insight in international business management, understanding of customer needs and consumer products, and emerging technologies through key roles in global companies. Having worked both inside and outside Japan, he has a strong cross-cultural perspective, and he also has accumulated experience as an outside director and about committee activities at Japanese and overseas companies. Nissan expects him to continuously contribute to the Company through his global management, ESG, product/technology, and sales/marketing skills. Since his inauguration in June 2019, he has supervised the companies' overall management providing an objective and broad perspective as the Member of the Nomination Committee, and from June 2023, as the Chair of the Nomination Committee and the Member of the Compensation Committee, and he has fulfilled the duties of outside director. Therefore, the Company appointed him as an outside director for Nissan. And he meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Brenda Harvey			○	○	Ms. Brenda Harvey is the Managing Director of International Business Machines Corporation (IBM). There is a business relationship between IBM and the Company in the current fiscal year, but it is judged that there is no risk of affecting the judgment of shareholders or investors in light of the scale of the transactions, so the details are omitted. There is no	Due to her wealth of experience and deep insight in digital transformation, business transformation, and IT technology trends and innovation through key roles in the global companies. Having worked and lived in multiple countries, she has a strong cross-cultural perspective. Nissan expects her to contribute to the Company through her global

					other conflict of interest between IBM and the Company.	management, product/technology, and sales/marketing skills. Since her inauguration in June 2023, she has supervised the companies' overall management providing an objective and broad perspective as the Member of the Audit Committee and she has fulfilled the duties of outside director. Therefore, the Company appointed her as an outside director for Nissan. And she meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Teruo Asada			○	○	Mr. Teruo Asada was the Chairman of the Board of Marubeni Corporation. There is a business relationship between Marubeni and the Company in the current fiscal year, but it is judged that there is no risk of affecting the judgment of shareholders or investors in light of the scale of the transactions, so the details are omitted. There is no other conflict of interest between Marubeni and the Company.	Due to his experience serving as top management in a Japanese general trading company. He also has a wealth of experience and deep insight in corporate management and finance, and leadership experience in Japan Business Federation as well as Japan Association of Corporate Executives. Having worked in multiple countries, he has a strong cross-cultural perspective. Nissan expects him to contribute to the Company through his global management, corporate strategy, and finance/accounting skills. Therefore, the Company appointed him as an outside director for Nissan. And he meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.
Mariko Tokuno		○		○	-	Due to her wealth of experience and deep insight on corporate management, brand, and marketing from a global perspective, gained through executive leadership positions in global prestige brand companies. She also has knowledge of corporate governance from her experience as an outside director and about

						committee activities at several Japanese companies. Nissan expects her to contribute to the Company through her global management, sales/marketing, and ESG skills. Therefore, the Company appointed her as an outside director for Nissan. And she meets the requirements of Independent Director of the Tokyo Stock Exchange as well as "Director Independence Standards" of the Company.

【Three statutory-committees】

Constitution and Chair of each Committee UPDATED

	Total	Full-Time	Internal Directors	Outside Directors	Chair
Nomination Committee	5	0	1	4	Outside Director
Compensation Committee	5	0	0	5	Outside Director
Audit Committee	6	1	1	5	Outside Director

【Executive Officers】

Number of Executive Officers	5

Status of Additional Duties

Name	Representative Authority	Additional Duties as Director			Additional Duties as Employee
			Nomination Committee Member	Compensation Committee Member	
Makoto Uchida	○	○	×	×	×
Stephen Ma	×	×	×	×	×
Hideyuki Sakamoto	×	○	×	×	×
Asako Hoshino	×	×	×	×	×
Kunio Nakaguro	×	×	×	×	×

【Auditing Structure】

Appointment of Directors and/or Staff to Support the Audit Committee	Appointed

Matters Related to the Independence of Such Directors and/or Staff from Executive Officers

The Company has Audit Committee secretariat as an organization to support the activities of the Company's Audit Committee. The required number of dedicated staff members shall be assigned to the Audit Committee secretariat, and they carry out their duties under the direction of the Audit Committee member.
The evaluation of staff members in the Audit Committee secretariat is discussed among the Audit Committee members, and consent of the Audit Committee is necessary for personnel changes and disciplinary actions.

Cooperation among Audit Committee, Independent Auditors and Internal Audit Department

The Audit Committee, in conducting its audits, cooperates with the internal audit department and the independent auditors in an appropriate manner, to enhance the effectiveness of "tri-parties" audit. Under the leadership of the Audit Committee, collaboration among three parties is contributing to the enhancement of the effectiveness of internal control systems by sharing information on the issues pointed out by their respective audits and the status of their remediation in a timely manner. Furthermore, the Audit Committee supervises the internal audit department, having secured the internal audit department's very high independence of the execution side as follows, and periodically receives reports from the internal audit department on the progress and results of their internal audit activities conducted in accordance with their internal audit plan and, as necessary, provides

instructions regarding internal audits. The Audit Committee receive similar reports from the Independent Auditor, as well as detailed explanations on the status of the quality control of internal audits, to confirm whether their oversight is at a suitable level.

【Independent Directors】

Number of Independent Directors UPDATED	8

Matters relating to Independent Directors

All Outside Directors that meet the requirements of Independent Directors have been designated as Independent Directors.

【Incentives】

Incentive Policies for Directors / Executive Officers	Performance based cash incentive, Others

Supplementary Explanation UPDATED

The compensation paid to the Company's executive officers consists of (1) a fixed basic compensation and (2) an annual bonus and long-term incentive (that are collectively described as variable compensation).

In order to make the compensation system and compensation composition focus on improving mid- to long-term corporate value and shareholder value, the proportion of long-term incentive composition (especially performance-based compensation) is set higher, and the composition ratio of compensation for the representative executive officer serving as the CEO is estimated to be "basic compensation : annual bonus (base amount) : long-term incentive (base amount)" = "1 (26.7%) : 1 (26.7%) : 1.8 (46.6%)." The composition ratio of compensation for the representative executive officer (COO) and other executive officers are determined according to the composition ratio of compensation for the representative executive officer (CEO) and based on respective duties and compensation level, and the upper-ranked executive officers have a higher percentage of variable compensation (annual bonus and long-term incentive) as a proportion of total compensation.
The composition ratio of compensation for this fiscal year is disclosed in pages 74-75 of Financial Information as of March 31, 2024.
https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

Variable compensation consists of an "annual bonus" paid according to annual business performance, and two types of "long-term incentive compensation" designed to motivate executive officers to take actions that enhance shareholder value and sustainable growth and profitability for the company. This "long-term incentive compensation" consists of both the non-performance-linked compensation "restricted stock units (RSUs)" and a "performance-based cash incentive" that is paid only when the objectives are achieved. As a result, the Company's executive officers' variable compensation programs are designed to motivate management to achieve both annual performance objectives as well as mid- to long-term business performance objectives and to enhance the shareholder value.

Annual bonus
The annual bonus which is a performance-based compensation is paid based on the calculation of multiplying the annual basic compensation by eligible percentage set for each executive position and the total achievement rate for a set of performance indicators that are defined for sustainable growth.
This policy is disclosed in pages 76-77 of Financial Information as of March 31, 2024.
https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

Long-term incentive program
The Company's long-term incentive program consists of two compensation vehicles: "Restricted Stock Units (RSUs) " and "performance-based cash incentive". The "Restricted Stock Units (RSUs) " represent 40% and the "performance-based cash incentive" represents 60% of the total long-term incentive program. The performance-based cash incentive uses a multi-year performance period to reward long-term value creation as opposed to short-term results, which are rewarded through the annual bonus.
This policy is disclosed in pages 77-80 of Financial Information as of March 31, 2024.

https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

【Compensation for Directors and Executive Officers】

Disclosure of Individual Directors' Remuneration	Only for certain Directors
Disclosure of Individual Executive Officers' Remuneration	Only for certain Executive Officers

Supplementary Explanation

Details of the Director Remuneration are disclosed in accordance with related laws and regulations such as Companies Act, Financial Instruments and Exchange Act and Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.
The contents of compensation for each director and executive officer for the current fiscal year are disclosed in pages 81 of Financial Information as of March 31, 2024.
https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

Policy on Determining Compensation Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Compensation Amounts and Calculation Methods UPDATED

The Company's basic policy is that its executive compensation must be designed to motivate the Company's directors and executive officers to maximize value for the stakeholders, such as our customers, shareholders, the local communities in which the Company operates, and our employees. Based on this policy, the Compensation Committee applies the following principles to guide its decisions on compensation for directors and executive officers:

●Governance and oversight responsibility
The Company seeks to further improve its corporate governance, compliance, and corporate ethics. In that regard, the Company will appropriately monitor the compensation program to ensure it is both efficient and in line with the policy.

●Fairness and transparency
The compensation program shall be structured and applied in a fair and consistent manner, regardless of race, gender, nationality, or other attributions. The performance evaluation system and compensation program shall be open, transparent, and designed to treat individuals fairly.

●Value-creation and accountability
The compensation program shall foster performance and actions that create long-term value for the stakeholders, such as our customers, shareholders, the local communities in which the Company operates, and our employees.

●Competitiveness
Compensation will be competitive as compared to that offered by other automotive companies and large global companies with which the Company competes for securing talented personnel.

●Operational effectiveness
The compensation program must be a functioning system that is efficiently administered, easy for executives to understand, cost efficient, and capable of being implemented globally.

●Innovation and adaptability
The Company operates its business globally in an environment where technologies and people's lifestyles are changing dramatically. To that end, the Company adopts a global mindset to continuously adapt its compensation program to the diversity of the talent market and business environment.

The Compensation Committee designs a compensation program for each director and executive officer in accordance with the above basic policy and determines the contents of compensation for each director and executive officer for the current fiscal year after appropriate deliberation as described below. The Compensation Committee has determined that these contents are in line with the policy for determining the contents of compensation set forth by the committee.
The contents of compensation for each director and executive officer for the current fiscal year are disclosed in pages 80 of Financial Information as of March 31, 2024.
https://www.nissan-global.com/EN/IR/LIBRARY/FR/2023/ASSETS/PDF/fr2023.pdf

【Supporting System for Independent Directors】

The Company established the Board of Directors Office, where information is collected smoothly and appropriately so that directors can effectively fulfill their roles and responsibilities, and including independent outside directors meetings, necessary activities are carried out in order for directors to discuss a wide range of issues related to the company's corporate governance and business matters from the viewpoint of supervising the execution.

【Status of persons who have retired from a position such as Representative Director and President】

Name, etc., of Counselors, Advisors, etc., who have formerly served as Representative Director and President, etc., of the Company	None

Total number of Counselors, Advisors, etc., who have formerly served as Representative Director and President, etc., of the Company	None

Other

- The board resolved to abolish Advisor and Consultant (Soudanyaku and Komon) scheme in principle, on January 14th , 2020
- However, the company engage Special Advisor to past Corporate Officers and above to perform industrial activity or external activity which is beneficial to the Company. The Special Advisor is not paid, basically.
  In the following cases, the company will engage Special Advisor under stricter procedure.
  ①Past executive officers' engagement to the Special Advisor will be reported to the board.
  ②If past Executive Officer will be engaged to the duties which is not stated at the Special Advisor Regulations, the details of such duties shall be determined by the Board after deliberations at the Nomination Committee.
  ③In cases where the Company pays compensation to Special Advisors who have held the position of Executive Officer as consideration for the performance of duties, the specific details of the compensation shall be determined by the Board after deliberations at the Compensation Committee.

2. Matters on Functions of Business Execution, Auditing and Supervision, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) UPDATED

①Activities of the Board of Directors in FY2023

The board of directors of the Company is chaired by independent outside directors, and 6 of the 10 directors are independent outside directors. Based on the laws and the Regulations of the Board of Directors, the Board of Directors makes decisions on important matters related to the Company's group management such as the draft agenda of general meeting of shareholders, members of each committee, quarterly and full year financial results, Mid-to Long term plans and annual business plans.

Agenda items submitted to the Board of Directors meeting during this fiscal year are as follows:

・Regular reports on the business execution status
・Resolution of the Next Mid-Term Plan and report of the external announcement contents
・Resolution of conclusion of New Alliance Agreement with Renault Group
・Resolution of acquisition of own shares from Renault Group and cancellation of the acquired shares
・Resolution of violation of the Subcontract Act following recommendation from the Fair Trade Commission and report on internal investigation results
・Reports on Nissan Green Program 2030 (NGP2030) and Nissan Social Program (NSP2030).
・Regular reports on activities related to internal control and risk management
・Resolution of the Corporate Governance report

Regular meetings with outside directors chaired by the lead independent director are held to discuss a wide range of matters related to Nissan's corporate governance and business. During this fiscal year, outside directors held multiple discussions with executive side toward the conclusion of the New Alliance Agreement with Renault Group. In addition, business briefing sessions on individual business topics were held from the executive team. The Board of Directors also held sessions between the independent directors and independent auditors in order to exchange views on subjects such as the trend of Quarterly Disclosure System, Current Climate Change and Related Sustainability Disclosures, and impact-weighted accounts, twice this fiscal year.

②Activities of the each committee in FY2022

●Nomination Committee

The Board of Directors appoints the committee chair from an Independent director and appoints five committee members, four of whom are Independent directors. The Nomination Committee has the authority to determine the content of the general shareholders meeting agenda concerning the appointment and dismissal of Directors. In addition, the committee has the authority to decide on the content of the Board of Directors meeting agenda concerning the appointment and dismissal of the Representative Executive Officer and the authority to formulate an appropriate succession plan regarding the President and Chief Executive Officer.

The Nomination Committee's activities during this fiscal year are as follows:

・Discussed Representative Executive Officer's appointment proposal

・Discussed director's appointment proposal to be submitted to 125th Ordinary General Shareholders meeting

・Discussed the President and Chief Executive Officer's succession plan process

●Compensation Committee

All four members of the Compensation Committee are Independent directors, including the Chair. The Compensation Committee has the statutory authority to determine the policy of individual compensation of the Company's directors and executive officers and the contents of individual compensation for directors and executive officers.

The Compensation Committee's activities during this fiscal year are as follows:

・Set a policy for compensating directors and executive officers;

・Select benchmark companies and discuss the level of compensation based on the benchmark results of these companies and the results of surveys conducted by external compensation consultants; and

・Determine the aggregate and individual amounts of director and executive officer compensation for FY2022.

●Audit Committee

The Chair is an Independent director, and 4 out of 5 members are Independent directors. As part of audits on business execution including the organization and operation of Nissan's internal control systems, the Audit Committee receives reports from executive officers, corporate officers, and employees on their business execution for Nissan and its group companies, in accordance with the Audit Committee's annual audit plan and on an ad-hoc basis as necessary. In addition, the Chair has meetings with executive officers including the President and Chief Executive Officer periodically and exchanges opinions in various areas.

Furthermore, the Chair attends important meetings etc. to state his opinions, reviews internal approval documents and other important documents, and, when necessary, requests explanations or reports from executive officers, corporate officers, and employees. The Chair shares his collected information with other members of the Audit Committee in a timely manner. The Audit Committee, in conducting its audits, cooperates with the internal audit department and the independent auditors in an appropriate manner, to enhance the effectiveness of "tri-parties" audit. Under the leadership of the Audit Committee, collaboration among three parties is contributing to the enhancement of the effectiveness of internal control systems by sharing information on the issues pointed out by their respective audits and the status of their remediation in a timely manner.

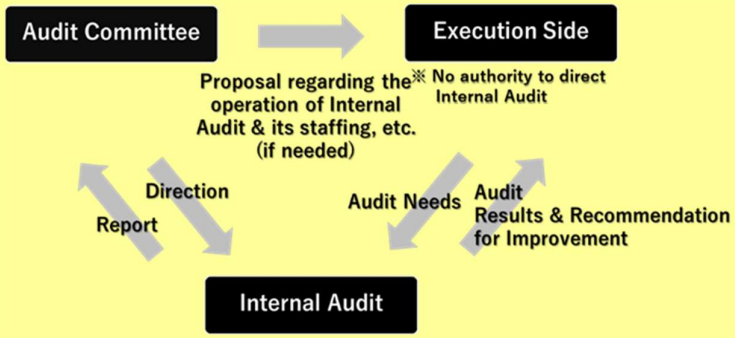
Furthermore, the Audit Committee supervises the internal audit department, having secured the internal audit department's very high independence of the execution side as follows, and periodically receives reports from the internal audit department on the progress and results of their internal audit activities conducted in accordance with their internal audit plan and, as necessary, provides instructions regarding internal audits.

Flamework to secure the independent of the internal audit division

Item	Framework
Authority to direct	The Audit Committee only has the authority to direct the internal audit Department

Personnel move & evaluation of the head of internal audit dept.	Approval by the Audit Committee is required for the transfer of, and the Audit Committee evaluates the head of the internal audit department. (The execution side is neither able to evaluate or to transfer him/her.)
Budget (including Payment)	The annual budget of internal audit department is approved by the Audit Committee, and a system is established so that the internal audit department can make payments under the budget without going through the execution side's approval procedures.

Relationship among Audit Committee, Internal Audit and Execution Side



The Audit Committee is the contact point for whistleblowing with concerns regarding the involvement of management such as executive officers and deals with whistleblowing by establishing a system where relevant executive officers cannot identify the whistleblower and the content of whistleblowing.

The Audit Committee set the following as key audit items for this fiscal year. The Audit Committee considered and deliberated each item at the meeting repeatedly, and made recommendations to the execution side as needed.

Item	Study & Discussion
Monitoring of the business execution status of the executive officers, etc. .	・Progress of the business transformation plan "Nissan NEXT" in the final fiscal year ・Responses to the major business challenges in "Nissan NEXT, " such as the improvement of sales quality, the initiatives of electrification etc. ・Responses to other business challenges (the improvement of profits/costs structure, the implementation status of the introduction of a new accounting core system, etc.) ・The status of the preparation of a new business plan "The Arc"
Monitoring of the operational status of the internal control system and the risk management system	・The handling of the integrated risk management system and of individual high risk items ・The activities concerning cybersecurity (the 3rd party evaluation results and the contents of the mid-term plan) ・The progress of activities to improve the violation rate of, as well as drastic overhaul to, the DOA (Delegation of Authority) ・The structural enhancement of the compliance division and the status of the activities to enhance internal awareness regarding compliance ・Facts-finding and confirmation of the contents of recurrence prevention measures regarding the violation of the Sub-Contract Act
Confirmation of the status of the internal audit department	・Significant audit findings and the execution of recommended improvements based thereon (The internal audit department's following-up to encourage the steady execution thereof by the execution side.) ・The internal audit department's initiatives to further enhance the operation of each Gemba

	(aiming at not only a "problem solver" but also an "insight generator") ・The integrate cooperation and close communication as "global one team" of internal audit ・Initiatives to enhance the 2nd line (proactive involvement by the internal audit department in the 2nd line operation such as cyber security)
Measures to enhance the internal control as the Company's group	・The integrated management of all group companies in Japan and overseas for further group governance enhancement. ・The collaboration between Nissan's internal audit department and major domestic companies' internal audit section.

In addition to those mentioned above for the key audit items, the Audit Committee also engaged in the following activities in this fiscal year:

Handling of Misconduct Matters

・The Audit Committee continuously implemented appropriate measures to seek responsibility for serious misconduct by the former chairman and a former representative director respectively and to recover damages, including the handling of the lawsuits filed against them to claim damages.

Deepening of Collaboration with the Independent Auditors

・The Audit Committee received reports on the quarterly review for this fiscal year from the independent auditors, exchanged opinions with the independent auditors on the activities for the next generation digital audit, other than the Key Audit Matters (KAM), and evaluated the appropriateness of the independent auditors' audit quality from multiple aspects.

On-site Audits and Collaboration with the Company Group's Statutory Auditors

・Audit Committee members conducted on-site audits on the Company's sites/plants and major domestic and overseas subsidiaries (2 sites and 14 subsidiaries), and Audit Committee received reports on the results of major on-site audits.

・The Audit Committee held semi-annual conferences with major domestic statutory auditors of group companies to improve their audit quality.

The status of the Audit Committee' major activities mentioned above in every month of this fiscal year are shown as follows:

Activity Status			APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
Key Audit Item	Monitoring of Business Execution Status		●	●	●	●	●	●	●	●	●	●	●	●
	Monitoring of the Operational Status of the Internal Control System and the Risk Management System	Overall Internal Control		●	●						●			
		Integrated Risk Management System						●			●		●	
		Cybersecurity		●						●	●			
		DOA(Delegation of Authority)											●	
		Compliance				●					●			

	Confirmation to Activity Status of Internal Audit Division	●	●	●	●	●	●	●	●	●	●	●	●
	Internal Control Enhancement for the Company Group	●				●	●	●	●		●	●	●
Collaboration with the Independent Auditors	Receipt of Audit and Review Reports	●	●	●	●				●			●	
	Information Exchanges			●	●		●	●	●			●	●

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted a company with three statutory committees, which can clearly separate management functions and supervisory, oversight and auditing functions, for the purpose of improving the transparency of the decision-making process and of conducting speedy and agile business execution.

Ⅲ. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Facilitate Smooth Exercise of Voting Rights UPDATED

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The notice of convocation of the general meeting of shareholders is sent out earlier than the legally required deadline and is posted on the Company's website etc. three weeks prior to the date of the general meeting of shareholders prior to the sending of the notice.
Scheduling AGMs Avoiding the Peak Day	The Company held the 125th AGMs on June 25, 2024.
Allowing Electronic Exercise of Voting Rights	The Company enables shareholders to exercise voting rights through the Internet Website.
Participation in Electronic Voting Platform	The Company participates in an electronic voting platform operated by ICJ Corporation.
Providing Convocation Notice in English	Disclosed in the Company's Website, etc.
Other	—

2. IR Activities UPDATED

	Supplementary Explanations	Presentation / Explanation by representative officers
Preparation and Publication of Disclosure Policy	Established the Disclosure Policy, consisting of "Basic Policy for Disclosure," "Timely Disclosure," "Voluntary Disclosure," "Disclosure Review Committee," "Quiet Periods," and "Information concerning forecasts" in 2020. The Disclosure Policy is disclosed on the Website of the Company. https://www.nissan-global.com/EN/IR/MANAGEMENT/DISCLOSURE/	
Regular Investor Briefings for Individual Investors	-	–

Regular Investor Briefings for Analysts and Institutional Investors	The IR department conducts quarterly results management briefings and meets frequently with institutional investors and analysts from securities companies. The department proactively communicates on the company's operations and initiatives at investor meetings and equity conferences hosted by the various securities companies worldwide. Each year, IR holds business briefing events, in which management from various functions and regions provide information on themes and topics of interest to investors and analysts. The following events were held in FY2023. -Presentation of The Arc business plan https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/SR/2023/ASSETS/PDF/ESGDB23_E_P005-013.pdf	○
Regular Investor Briefings for Overseas Investors	The Company meets with overseas investors on a regular basis.	○
Posting of IR Materials on Website	The Company has published IR materials including English materials on its Website.	
Establishment of Department and/or Manager in Charge of IR	Department: IR Department Management: Julian Krell (VP) Person Responsible for Handling of Information: Noriyuki Inagaki (Senior Manager)	
Other	—	

3. Measures to Ensure Due Respect for Stakeholders UPDATED

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Company has the related stipulation in its "Global Code of Conduct for NISSAN Group"
Implementation of Environmental Activities, CSR Activities etc.	The Company has pursued CSR and environmental activities and disclosed the outline in "Sustainability Report" published in its Website.
Development of Policies on Information Provision to Stakeholders	The Company has regarded the management transparency as important and pursued fair disclosure to stakeholders.
Other	The number of Directors and Executive Officers is 15, consisting of 9 Japanese and 6 foreigners, 11 men and 4 women (female ratio 27%). In addition, the number of Executive Officers, Executive Committee members and Corporate Officers is 52, consisting of 35 Japanese and 17 foreigners, 48 men and 4 women (female ratio of 8% of the Executive Officers, Executive Committee members and Corporate Officers).

Ⅳ. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development UPDATED

The following is an outline of matters related to Nissan internal control system. The Board of Directors has resolved the basic policy on internal control system based on the Companies Act.

i) Systems to ensure efficient and management of business activities by the Executive Officers

a. The Company chooses to be a company with three statutory committees as its legal organizational structure and its Board of Directors shall decide on basic management policies and important matters set forth under the law, articles of incorporation and the regulations of the Board of Directors.

b. The Company's Board of Directors delegates a great portion of its power to decide on business activities (excluding matters exclusive to the Board of Directors under law) to its Executive Officers, in order to carry out effective and flexible management.

c. The Company uses a proven system of an Executive Committee, in which Executive Officer President and Chief Executive Officer is a chair, where key issues such as business strategies, important transactions and investments are reviewed and discussed, as well as other committee meetings where operational business issues are reviewed and discussed.

d. For review and discussion of the regional and specific business area operations, the Company utilizes Management Committees.

e. One of the methods of the management is cross-functionality. Among others, Cross-functional teams – CFTs – address problems and challenge. CFTs are powerful management tools, developed within Nissan, that reach across the functions and organizations.

f. The Company implements an objective and transparent Delegation of Authority procedure which establishes the authority and responsibility of each Executive Officer and employee, for the purpose of speeding up and clarifying the decision making processes as well as ensuring consistent decisions.

g. The Company ensures the efficient and effective management of its business by determining and sharing management policy and business direction through establishment of the mid-term management plan and the annual business plan.

ii) Systems to ensure compliance of Executive Officers' and employees' activities with Laws and articles of association

a. The Company implements the "Global Code of Conduct", which explains acceptable behaviors of all employees working at the group companies of the Company worldwide and promotes understanding of our rules of conduct.

b. In order to ensure rigorous and strict compliance with the code of conduct, the Company and its group companies offer educational programs such as an e-learning system.

c. With regard to members of the Board of Directors as well as Executive Officers, etc. of the Company, the Company shall establish "Guidance for Directors, Executive Officers, etc.", which explains the acceptable behaviors of the members of the Board of Directors and Executive Officers.

d. The Company stands firm and takes appropriate actions against anti-social forces or groups. If any Director, corporate officer or employee is approached by such forces or groups, the said individual shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

e. All Directors, corporate officers and employees are encouraged to use good conduct, and to neither directly nor indirectly, be involved in any fraud blackmail or other improper or criminal conduct. In cases of becoming aware of any such impropriety or illegal activity, or the risk thereof, in addition to acting resolutely against it, he/she shall promptly report such matter to his/her respective superiors and specific committee, and shall follow their instructions.

f. For the purpose of monitoring and ensuring compliance with the code of conduct, the Company establishes the Global Compliance Committee. The compliance topics detected by the compliance department, which are suspected of involvement of management such as Executive Officers are directly reported to the Audit Committee.

g. The Company implements a hotline system with internal and external points of contact, by which the employees are able to submit their opinions, questions and requests, as well as report an act that may be suspected as a violation of compliance, freely and directly to the Company's management. The Company has established the system where, as for the matters with doubt of involvement of the management such as Executive Officers, etc., related Executive Officers, etc. do not be able to gain knowledge of the whistleblower or the detail of the report by making the Audit Committee the body to report to.

h. The Company is committed to continually implementing relevant company rules. The Company continually offers education programs to employees as part of its program to promote the understanding and compliance with such corporate rules.

i. The Company is committed to improve and enhance the internal control systems to ensure accuracy and reliability of its financial reports in accordance with the Financial Instruments and Exchange Law together with its related rules and standards. This is accomplished through adherence to J-SOX testing, review, and reporting protocols (required under the Financial Instruments and Exchange Law). The Company designs and effectively operates processes. Further the Company addresses identified accounting and internal control findings.

j. The Board of Directors appoints Outside Directors that has independency (Independent Outside Director) for the majority of its members and for its chair and shall focus on supervising the status of execution of duties by Executive Officers by taking a number of measures such as periodically receive reports from Executive Officers, periodically hold meetings only with the Independent Outside Directors, establish a lead Independent Outside Director, enhance the secretariat's personnel and function, and secure independency and further, shall receive assessment from a third party evaluation organization in respect to its functionality once every three years.

k. The Audit Committee appoints Independent Outside Director for a majority of its member and as its chair and also appoint adequately qualified and able Director and shall perform audit of Executive Officers' status of business execution. In addition, the Audit Committee shall appropriately audit the effectiveness with regard to the monitoring function of the Board of Directors on an ongoing basis.

l. The Company shall establish a department under the Audit Committee specialized in internal audit for the purpose of regularly auditing group companies' business and their observance of processes, policies, laws, and other matters as appropriate. Regional internal audit departments have been established to perform internal audits under the supervision of Nissan's global internal audit department.

m. The Audit Committee shall, as necessary, cooperate with the Nomination Committee and the Compensation Committee.

n. Considering the possibilities of conflict of interest between Renault, other major shareholders or MITSUBISHI MOTORS CORPORATION, which is one of the other parties of the Alliance, and the Company, Representative Executive Officer must not concurrently serve as a Director, Executive Officer, or any other officer or other positions of Renault, other major shareholders or MITSUBISHI MOTORS CORPORATION and the subsidiaries and affiliates thereof. If an Executive Officer concurrently serves in such position upon assuming the office of Representative Executive Officer of the Company, he/she and the Company shall promptly take necessary measures to leave such position at the other company.

o. If a Director has held the position of Director, Executive Officer or other positions with a title at Renault, other shareholders or MITSUBISHI MOTORS CORPORATION or its subsidiaries and affiliates thereof, such Director shall not participate in the deliberation and resolution of an agenda raised at the Company's meeting of Board of Directors that may cause a conflict of interest between the company in which the Director has held a position and the Company.

p. The Company's activities relating to the Nissan-Renault- Mitsubishi Motors Alliance, are subject to direction, supervision and oversight by the company's Board of Directors, Executive Committee and relevant Executive Officers, etc. Decision-making occurs by the Company's Board of Directors,

Executive Officers or employees in accordance with the Company's Delegation of Authority, and as otherwise necessary to comply with legal and regulatory requirements and also in consideration of the possibility of conflict of interest between the Company and Renault or the Company and Mitsubishi Motors.

q. Upon newly establishing or changing the organization internally, the Company shall not adopt a structure where the authority is divided in a way which may possibly inhibit the check function of the legal, accounting, financial and other managerial departments

iii) Rules and systems for proper management of risk and loss

a. The Company minimizes the possibility of occurrences of risk and, if they occur, mitigates the magnitude of losses by sensing such risks as early as possible and implementing appropriate countermeasures. In order to achieve such objectives, the Company and its Group companies implement the "Global Risk Management Policy."

b. Management of material company-wide risks is assigned primarily to the members of the Risk Management Committee, who are responsible to implement necessary measures such as preparing relevant risk management manual.

c. Concerning the management of other specific business risks beyond those supervised directly by the Risk Management Committee, they are handled by each manager in the business function who will evaluate, prepare and implement the necessary measures to minimize such risks.

d. The internal audit department of the Company on behalf of the Audit Committee shall conduct auditing activities pursuant to the relevant audit standards in order to provide assurance on the state of internal controls pursuant to a risk based methodology and consulting when appropriate.

iv) Systems to ensure accurate records and the retention of information of Executive Officers' execution of business

a. The Company preserves and appropriately manages the documents and other information relating to Executive Officers' execution of business.

b. Results of all corporate decisions made by various divisions and department pursuant to Delegation of Authority are preserved and retained either electronically or in writing.

c. While the departments in charge are responsible for proper and strict retention and management of such information, in particular, for materials related to important management councils, Directors and Executive Officers and other employees of the Company have access to any records within a reasonable range as required for the purpose of performing their business activities.

d. The Company has enacted a policy about the creation, use, management of information to enhance proper and strict retention and management of information and to prevent improper use of information and unintended disclosure of such information. Furthermore, the Company has established an Information Security Committee, which is engaged in overall management of information security in the Company and makes decisions on information security matters.

v) Systems to ensure proper and legitimate business activities of the group companies

(A) Systems to ensure the efficient execution and management of business activities by Directors of the group companies

a. The Company establishes various Management Committees which are trans-group organizations in order to ensure proper, efficient and consistent Group management.

b. In management committee meetings, the Company provides group companies with important information and shares with them management policies; this ensures that the business decisions of all group companies are made efficiently and effectively.

c. The group companies implement an objective and transparent Delegation of Authority procedures in cooperation with the Company.

(B) Systems to ensure compliance of activities of Directors and employees of the group companies to laws and regulations and articles of association

a. Group companies implement each company's code of conduct in line with the Global Code of

Conduct, establish a compliance committee and ensure full compliance with all laws and our corporate code of conduct. The Global Compliance Committee regularly monitors these companies and works to ensure further strict compliance with laws, the articles of association and the corporate behavior. In addition, group companies implement a hotline system which ensures that employees are able to directly communicate to the group company or to the Company directly their opinions, questions and requests.

b. The internal audit department of the Company carries out audits on the business of group companies for the purpose of evaluating and improving the effectiveness of risk management control and governance processes.

c. The Company's Audit Committee and group companies' Statutory Auditors shall have periodic meetings to share information and exchange opinion for the purpose of ensuring effective auditing of the group companies.

d. In particular, the scope and frequency of internal audits and other monitoring activities on the business of the group companies may vary reasonably because of, for example, risk identified as well as the size, nature of the business, and materiality of such group companies.

(C) Rules and systems for proper management of risk and loss of the group companies

a. The group companies implement the Global Risk Management Policy.

b. Management of risks related to the group companies that might have an impact on the entire Group is assigned mainly to the members of the Risk Management Committee, who are responsible to implement specific measures.

c. Concerning the management of other risks related to the group companies, each group company is responsible to monitor, manage and implement the necessary measures to minimize such risks.

(D) Systems for Directors of the group companies to report business activities to the Company

The Company requests the group companies to report and endeavors to maintain certain important business matters of the group companies, through multiple routes, including, (i) the systems stated in (A) through (C) above and (ii) relations and cooperation between each function of the Company and the corresponding function of the other group companies.

vi) Directors and employees supporting the Company's Audit Committee, systems showing the Directors and employees' independence from the Company's Executive Officers, and systems to ensure effectiveness of the Company's Audit Committee's instruction to Directors and employees

a. The Company has Audit Committee secretariat as an organization to support the activities of the Company's Audit Committee. The required number of staff members shall be assigned to the Audit Committee secretariat and they carry out their duties under the direction of the Audit Committee member.

b. The evaluation of staff members in the Audit Committee secretariat shall be discussed among the Audit Committee members, and consent of the Audit Committee is necessary for personnel changes and disciplinary actions.

vii) Systems to report business issues to the Company's Audit Committee and systems to ensure to prevent disadvantageous treatment of those who made such report

(A) Systems for the Company's board members (excluding Audit Committee members), Executive Officers and employees to report business issues to the Company's Audit Committee

a. The Company's Audit Committee determine their annual audit plan and perform their audit activities in accordance with that plan. The annual audit plan includes schedules of reports by various divisions. Directors (excluding Audit Committee members), Executive Officers and employees make reports in accordance with the annual audit plan.

b. When the Company's Directors (excluding Audit Committee members), Executive Officers and employees detect any incident which could have a materially negative impact on Nissan's business performance or reputation, or are believed to be non-compliant with the global code of

conduct or other standard for conduct, they are required to report such incidents to Nissan's Audit Committee.

c. In addition, the Company's Directors (excluding Audit Committee members), Executive Officers and employees are required to make an ad-hoc report to the Company's Audit Committee regarding the situation of business activities when so requested.

d. The internal audit department reports on an on-going basis to the Company's Audit Committee matters such as its risk based internal audit plan and audit findings identified through the internal audits performed.

(B) Systems for Directors, Statutory Auditors, other officers and employees of the group companies and those who received a report from the group companies to report business issues to the Company's Audit Committee

a. The Company's Audit Committee shall have periodic meetings of group companies' statutory auditors to share information and exchange opinions for the purpose of ensuring effective auditing of group companies and group companies' Statutory Auditors report the matters which could affect the entire group and other matters to the Company's Audit Committee.

b. Directors and employees of the group companies shall promptly make a report to the Company's Audit Committee regarding the situation of business activities when so requested by the Company's Audit Committee.

c. The Company's Directors (excluding Audit Committee members), Executive Officers and employees (including, those in the internal audit department), as stated in (A) of this Section, shall report to the Company's Audit Committee the business activities of each group company reported through the systems mentioned in Section v) above.

(C) Systems to ensure to prevent disadvantageous treatment of those who made a report as stated in (A) and (B) above on the basis of making such report

The Company prohibits disadvantageous treatment of those who made a report as stated in i) and ii) above on the basis of making such report. The Company takes the necessary measures to protect those who made such report and takes strict actions, including, disciplinary actions, against Directors and employees of the Company and its group companies who gave disadvantageous treatment to those who made such report.

viii) Policy for payment of expenses or debt with respect to the Company's Audit Committee members' execution of their duties, including the procedures of advancement or reimbursement of expenses

In accordance with Companies Act, the Company promptly makes advance payment of expenses or makes payment of debt with regard to the Company's Audit Committee members' execution of their duties if so requested by the Audit Committee except where it proves that the expense or debt relating to such request is not necessary for the execution of the duties of the Audit Committee member. Every year the Company establishes a budget with regard to the Company's Audit Committee members" execution of their duties for the amounts deemed necessary.

ix) Systems to ensure effective and valid auditing by the Company's Audit Committee

a. The Company's Audit Committee enhances its independence by appointing Independent Outside Directors for the majority of its members and for its chair. Further, in order to ensure that the audit by the Audit Committee is being carried out effectively, the Audit Committee appoints one or more full-time member of the Audit Committee.

b. The Audit Committee shall, as necessary, cooperate with the internal audit department and accounting auditor upon conducting the Audit Committee's audits. The Audit Committee shall take charge of the department for internal audit and instruct the internal audit department with regard to auditing. The internal audit department obtains approval from the Audit Committee regarding basic policy of the internal audit and, annual plans, budgets and personnel plans for internal audits, and will report to the Audit Committee the status of the performance of duties and any findings therefrom on an ongoing basis. Approval of the Audit Committee shall be obtained for appointment/removal and performance

assessment (incl. discipline) of persons responsible for the internal audit department.

c. The Audit Committee shall have meetings periodically or upon request from the Audit Committee with Executive Officers (including the President and Chief Executive Officer) and exchange views and opinions.

d. Audit Committee members may attend important meetings, etc. and state his/her opinions and further, may view documents giving approval and other important documents and may request, as necessary, explanations and reports from Executive Officers and employees.

e. The Audit Committee shall, as necessary, cooperate with the Nomination Committee and the Compensation Committee if necessary, such as by exchanging information and opinions mutually.

2. Basic Views on Eliminating Anti-Social Forces

The Company stands firm and take appropriate actions against anti-social forces or groups. If any Director, corporate officer or employee is approached by such forces or groups, the said individual shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation

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2. Other Matters Concerning Corporate Governance System

The Company's information is finally communicated to IR Department which takes charge of timely disclosure, and if needed, disclosed to Tokyo Stock Exchange through TDnet.
The routes whereby corporate information which might require timely disclosure is communicated to IR Department are as follows;

(1) The information (including the information related to the subsidiaries) concerning the management decision is communicated to Corporate Support Office that is the secretariat of the Board of Directors Meeting. Then the information is transferred to IR Department by distribution of the agenda and the materials of the meeting.

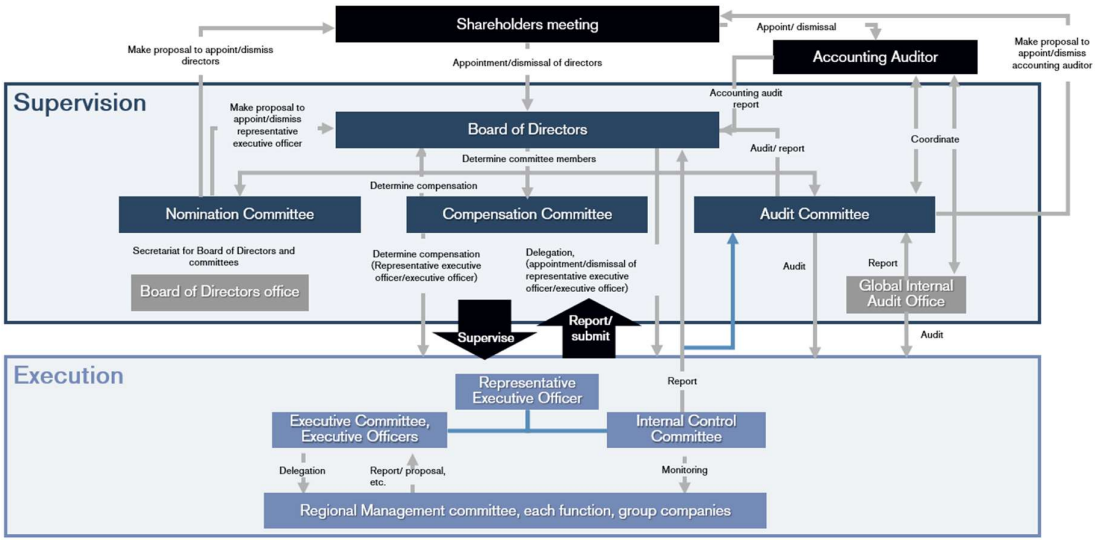
(2) The information (including the information related to the subsidiaries) concerning the occurrence of events is communicated to the Global Communications Division promptly from each section in the Company, and transferred to IR Department.

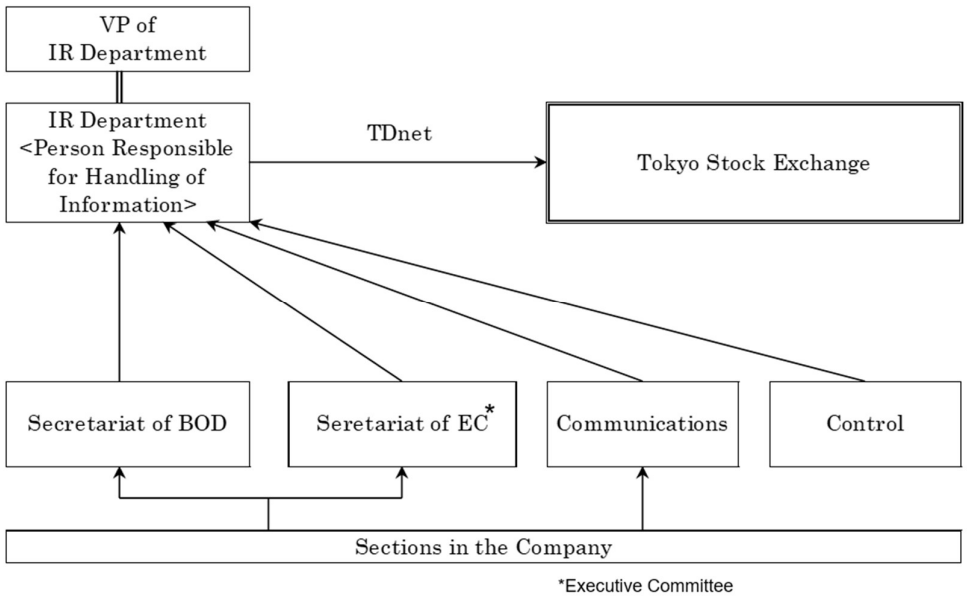
(3) The information concerning the financial results is transferred to IR Department from Budget and Accounting Department.

In addition, with regard to "1. Organizational Composition and Operation" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management", the Company's Articles of Incorporation stipulates the following:

- Number of Directors: six (6) or more

Nissan corporate structure





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