<TRANSLATION>



December 7, 2018

Company NameNissan Motor Co., Ltd.Code No.7201InquiryIR Department<br/>(TEL 045-523-5523)

Regarding recall in Japan of additional vehicles due to nonconformities in final vehicle inspection process

The Company has announced "Regarding recall in Japan of additional vehicles due to nonconformities in final vehicle inspection process" as attached release.

- END -

# NISSAN MOTOR CORPORATION



# Regarding recall in Japan of additional vehicles due to nonconformities in final vehicle inspection process

**YOKOHAMA**, **Japan** (Dec. 7, 2018) – Since October 2017, after the discovery of nonconformities in the final vehicle inspection process (*kanken*) at plants in Japan, Nissan has submitted recall notifications to the Japanese Ministry of Land, Infrastructure and Transportation (MLIT) on Oct. 6 and 25, 2017, and Jan. 12 (an amendment to the notification issued on Oct. 6 and 25, 2017) and June 29, 2018. A total of 1,143,540 affected vehicles have been recalled across 42 models.

Following these actions, Nissan has newly found several nonconformities that may have caused inaccurate pass/fail judgments during the inspection process. Nissan will promptly prepare for recall procedures in Japan, and notify MLIT of its recall plan as soon as possible.

This recall action is limited to Japan.

# Background and new findings

- In November 2017, Nissan announced the results of its investigation into nonconformities in the *kanken* and the countermeasures the company was implementing. The company also started companywide compliance enhancement activities.
- In April 2018, as part of its ongoing efforts to ensure thorough compliance at all of the company's production facilities in Japan, Nissan established the Japan Manufacturing & SCM Operation Division, which includes teams dedicated to regulations and legal affairs.
- During the course of voluntary checks, Nissan discovered additional instances of misconduct related to exhaust emissions and fuel economy tests (July 2018) and precision testing (September 2018).
- Nissan has been ensuring full implementation of countermeasures and proper understanding of correct procedures by inspection staff. In the course of further voluntary checks, the company was able to verify verbal accounts related to several improper acts that may have caused inaccurate pass/fail judgments in some testing processes for vehicles produced at the Oppama Plant and Auto Works Kyoto.
- On December 13, Nissan will issue a notification regarding the recall of additional vehicles due to the following nonconformities.

# Newly found nonconformities in the final vehicle inspection process

New findings	Production plant
1. Use of the parking brake lever when testing the rear wheel	Oppama Plant
braking force	
2. Use of the brake pedal when testing the parking braking force	<ul> <li>Oppama Plant</li> </ul>
	Auto Works Kyoto
3. In order to meet company standards, turning back the	Oppama Plant
steering wheel when testing the steering angle	
4. In order to meet company standards, turning the steering	Oppama Plant
wheel to the right or left when starting to test the steering	
angle	
5. Taking measurements as soon as vehicle speed reaches 40	Oppama Plant
km/h, instead of maintaining vehicle speed at 40 km/h	
6. Carrying out the sideslip test at a speed of approximately 6-	Oppama Plant
8 km/h, instead of the company standard of 5 km/h	



# Models and number of vehicles to be recalled

Plants	Affected models	Production period
Oppama Plant	Note (E12)	Nov. 7, 2017, to
	LEAF (ZE1)	Oct. 25, 2018
	Juke (F15)	
	Sylphy (B17)	(On a line-off
	Cube (Z12)	basis, vehicles
	March (K13)	produced on Oct.
Auto Works	Atlas (F24)	17 and earlier)
Kyoto	Civilian (W41)	
	Isuzu Elf (F24) and Journey (W41)	
	Mitsubishi Fuso Canter Guts (F24)	
Number* of affected vehicles Approx. 150,000		

\*Exact figure now under investigation

#### Causes and enhanced measures to prevent recurrence of nonconformities

Nissan places high importance on implementing the 77 countermeasures outlined in its Sept. 26, 2018, announcement, "Regarding measures to address misconduct in sample testing within final vehicle inspections in Japan." The newly found instances are viewed as having resulted from ambiguity regarding final vehicle inspection procedures and a lack of understanding of noncompliant practices. Therefore, Nissan intends to additionally take the following measures and enhance its ongoing initiatives.

1. Widespread dissemination of information regarding noncompliant practices

- Noncompliant practices will be listed in the standard operation manual. In standard work, inspectors will be required to confirm and be retrained on noncompliant practices.
- Education on noncompliant practices will be added to training content within the process to register final inspectors.
- The monitoring system for the entire *kanken* will be reviewed. Compliance with standard operation procedures as well as inappropriate operations, including the additional monitoring of noncompliant practices.

2. Enhancement of checking function

- The work of inspectors will be observed and advisors for the inspectors will be newly stationed on the inspection line.
- Cameras to monitor the implementation status of standard operation procedures will be installed on the inspection line.

# NISSAN MOTOR CORPORATION



3. Physical measures to prevent recurrence of nonconformities

#### **Recurrence prevention measures**

Nonconformity with kanken	Measure
1. Use of the parking brake lever when testing the rear wheel braking	- Addition of a controller to the brake tester. When the parking brake and the
force	main brakes (front wheels and rear
	wheels) are operated simultaneously
	during brake-force testing, the inspection is automatically voided.
2. Use of the brake pedal when	- Inclusion of a stopper for the brake
testing the parking braking force	tester. The device is aimed to prevent
	testing results from becoming inconsistent when the position of the
	vehicle shifts on top of the tester.
3. Turning back the steering wheel	- A review of test specifications for the
when testing the steering angle	steering angle testing. Company standards for the steering angle testing
	will be modified, with the aim of making
4. Turning the steering wheel to the	the testing valid and consistent with the
right or left when starting testing the	designed value of the vehicle
steering angle	- Addition of a controlling function to the steering angle measurement device to
	prevent inspections from starting when
	wheel is already fully turned
5. Taking measurements as soon as	- Modification of the speed assessment
vehicle speed reaches 40 km/h, instead of maintaining vehicle speed	program. If the cord is pulled before a speed of 40 km/h has been maintained
at 40 km/h	for 1 second, the inspection is voided.
6. Carrying out the sideslip test at a	- Installation of a lamp to indicate
speed of approximately 6-8 km/h,	whether the vehicle speed when passing
instead of the company standard of 5 km/h	over the tester is within the specified range

Nissan regrets any inconvenience or concern this has caused to its valued customers and other stakeholders in Japan.

Nissan will continue to carry out comprehensive checks of frameworks, organizations and processes related to regulatory compliance, within functions not limited to those directly involved in manufacturing. Strict adherence to compliance is a top priority for Nissan's management, and if issues are discovered, appropriate measures will be taken. Nissan is committed to promoting and enforcing compliance and awareness thereof in all operational areas.

Through steadfast implementation of these initiatives, Nissan will work diligently to regain the trust of its valued customers and stakeholders in Japan.

#### About Nissan Motor Co., Ltd.

Nissan is a global full-line vehicle manufacturer that sells more than 60 models under the Nissan, INFINITI and Datsun brands. In fiscal year 2017, the company sold 5.77 million vehicles globally, generating revenue of 11.9 trillion yen. On April 1, 2017, the company embarked on *Nissan M.O.V.E. to 2022*, a six-year plan targeting a 30% increase in annualized revenues to 16.5 trillion yen by the end of fiscal 2022, along with cumulative free cash flow of 2.5 trillion yen. As part of *Nissan M.O.V.E. to 2022*, the company plans to extend its leadership in electric vehicles, symbolized by the world's best-selling all-electric vehicle in history, the

#### NISSAN MOTOR CORPORATION



Nissan LEAF. Nissan's global headquarters in Yokohama, Japan, manages operations in six regions: Asia & Oceania; Africa, the Middle East & India; China; Europe; Latin America; and North America. Nissan has partnered with French manufacturer Renault since 1999 and acquired a 34% stake in Mitsubishi Motors in 2016. Renault-Nissan-Mitsubishi is today the world's largest automotive partnership, with combined sales of more than 10.6 million vehicles in calendar year 2017.

For more information about our products, services and commitment to sustainable mobility, visit <u>nissan-global.com</u>. You can also follow us on <u>Facebook</u>, <u>Instagram</u>, <u>Twitter</u> and <u>LinkedIn</u> and see all our latest videos on <u>YouTube</u>.