

# **EMPLOYEES**

The needs of customers are becoming increasingly diverse. To meet these needs Nissan employees from different backgrounds must work together. Employees are the driving force for the sustainable growth of Nissan. For Nissan, employees are valuable assets, and the company places great importance on establishing a workplace that maximizes the performance of all. The workplace environment is being strengthened around four pillars: "respecting diversity as a core component of management strategy," "offering career development and learning opportunities," "ensuring employee safety and health" and "strengthening internal communication."

## NISSAN PRIORITIES

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# **EMPLOYEES**

# NISSAN CSR SCORECARD

Nissan makes year-round use of the CSR scorecard as a fundamental tool to manage, review and validate its progress in each of the sustainability strategies defined for its CSR activities. The table below shows some of the values behind Nissan's ongoing activities and the indices used in the scorecard to gauge the company's performance.

Nissan Priorities	Nissan Objectives	Indicators of Progress (Scope of Application)	FY2011	FY2012	FY2013	Long-Term Vision
Respect for Diversity	Promotion of diversity through active utilization of female talent	Ratio of women in managerial positions	Global: 10% Japan (Nissan Motor Co., Ltd.): 6,7% Americas: 12% Europe: 15% (as of April 2012)	Global: 10.3% Japan (Nissan Motor Co., Ltd.): 6.8% Americas: 13% Europe: 16% (as of April 2013)	Global: 10.6% Japan (Nissan Motor Co., Ltd.): 7.1% Americas: 13% Europe: 17% (as of April 2014)	Provide greater value to customers through diversity
		Employee survey score on diversity	Survey not implemented	Survey not implemented	Survey not implemented	
	Promotion of diversity through crosscultural recruitment	Ratio of non-Japanese employees	1.0%	2.0%	2.0%	
Career Development and Learning Opportunities	Build a learning-oriented corporate culture	Trainee satisfaction: Based on annual employee survey scores (on a scale of 1 to 5), taking the lowest of the averages for each course	4.2 or higher	4.3 or higher	4.4 or higher	Create a learning-oriented corporate culture and an organization that allows individual employees to achieve growth
	Support for self-initiated career development	Number of successful applicants under Open Entry (employees can apply for advertised position openings) and Shift Career (employees can apply to the department or occupation of their choice, regardless of availability) Systems	99	94	73	Provide support for career development that emphasizes employees' voluntary action
Building Safe Workplaces	Creating a safe work environment	Lost-time injuries frequency rate (Japan) (Total lost-time injury cases + total working hours × 1 million)	0.35	0.25	0.24	Build and maintain a safe work environment
	Intensity of labor accidents (Japan) (Intensity = total working hours x 1,000)		0	0	0	
Dialogue with Employees	Enhance management quality and employee motivation based on global employee satisfaction surveys	Improved scores for management quality and employee motivation; ratio of positive responses to questions in employee satisfaction surveys	Global survey not implemented	Global survey not implemented	Global survey not implemented	Improve quality of management in order to realize an organization that inspires and enhances employee engagement

KEY FIGURES	
Consolidated number of employees	142,925
Ratio of managerial posts filled by women (global)	10.6%
Turnover ratio (Nissan Motor Co., Ltd.)	3.8%



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#### **NISSAN'S APPROACH TO EMPLOYEES**

Nissan strives to create workplaces where employees are motivated to rise to challenges and are able to work safely and comfortably, enjoying full mental and physical health. Nissan ensures employee rights by requiring all its people to respect the human rights of others and forbidding discrimination against or harassment of others based on race, nationality, gender, religion, physical capability, age, place of origin or other reason. Nor may Nissan employees allow such a situation to go unchecked if it is discovered. By respecting employee diversity, Nissan promotes the establishment of a work environment that maximizes the performance of every employee and encourages teamwork to achieve ambitious goals.

The company has established the Nissan Global Code of Conduct,\* which applies to all Group employees worldwide. It describes how employees should act, and the standards apply globally to all Nissan Group companies.

The Nissan Way is a guiding principle that aims to ensure sustainable growth by motivating each employee. Based on the company's belief that "the power comes from inside", the Nissan Way outlines five mindsets and five actions. The Nissan Way is implemented throughout the Group to ensure that the activities of all employees lead to value creation for the customer.

The Nissan Way has been made available in eight languages (Japanese, English, French, Chinese, German, Spanish, Dutch and Russian) for employees worldwide. It places importance on approaching all issues with clarity and shared understanding as well as nurturing a mindset to achieve maximum results with minimum resources. It also encourages employees to pursue ambitious goals. Welcoming diversity by being inclusive of a variety of views can establish a work environment that maximizes the performance of every employee—regardless of gender or nationality—and engender new thinking that can contribute to the company's business performance.

Nissan employees are evaluated based on the Nissan Way and they are educated with its principles. Best examples of implementing the Nissan Way are shared globally, and top executives communicate its importance as part of a companywide effort to promote its value.

### "The power comes from inside"

The focus is the customer, the driving force is value creation and the measurement of success is profit.

#### Mindsets

#### O Cross-functional, Cross-cultural

Be open and show empathy toward different views; welcome diversity.

#### 2 Transparent

Be clear, be simple, no vagueness and no hiding.

#### 3 Learner

Be passionate. Learn from every opportunity; create a learning company.

#### 4 Frugal

Achieve maximum results with minimum resources.

#### Competitive

No complacency, focus on competition and continuous benchmarking.

#### Actions

#### Motivate

How are you energizing yourself and others?

#### ② Commit and Target

Are you accountable and are you stretching enough toward your potential?

#### Opening the second s

Are you fully focused on delivering results?

#### Measure

How do you assess performance?

#### 6 Challenge

How are you driving continuous and competitive progress across the company?

#### **FISCAL 2013 PERFORMANCE**

- Expansion of work-at-home initiatives to help employees pursue an appropriate work-life balance (at Nissan Motor Co., Ltd.)
- Successful applicants for Open Entry System to support career development: 70 (at Nissan Motor Co., Ltd.)
- Lost-time injuries frequency rate (global): 1.20



\* Click here for more information on the Nissan Global Code of Conduct.

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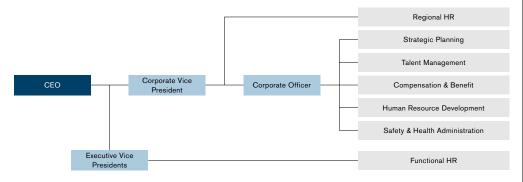
#### **FUTURE MEASURES**

- Raise global ratio of women in managerial posts to 14% by April 2017
- Worldwide efforts to enhance strategic human-resource training
- Continuation and improvement of open opinion exchange between managers and employees

#### **HR ORGANIZATION**

Nissan maintains a comprehensive human-resource management system on a global basis. There are specialized teams for strategic planning, talent management, compensation and benefits, human-resource development and employee safety and health. Each function reports to the corporate vice president in charge of human-resource matters. These initiatives are managed globally both by region and by function. Also, an organization independent of the Human Resources department exists for diversity promotion.

#### Human-Resource Management Structure\*



<sup>\*</sup> As of March 2014.

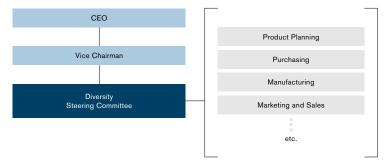
## **RESPECT FOR DIVERSITY**

Fostering diversity is an important management strategy at Nissan. The company undertakes a number of initiatives to realize the goal of achieving sustainable corporate growth while respecting diversity.

## **Activities of the Diversity Steering Committee**

Nissan established the Diversity Development Office (DDO) in Japan in October 2004 to play a principal role in promoting diversity as a key business strategy. Since then, the company has worked with offices in North America, Europe and other markets in a variety of ways. A Diversity Steering Committee (DSC), headed by executives representing each business division, has been established to set the direction and apply the PDCA cycle to the promotion of diversity throughout the company.

## Organization of the Diversity Steering Committee



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## Diversity as a Source of Strength

For Nissan, diversity is a source of strength. Ideas and perspectives contributed by employees from diverse backgrounds—in terms of gender, nationality, culture, age, academic background and lifestyle—can produce creative solutions with higher value, leading to enhanced corporate performance. Diversity rests at the foundation of Nissan's business strategy to meet the diverse needs of global customers by offering better products and services.

The DDO is an office dedicated to promoting diversity, and the team supports efforts to leverage workplace diversity in the areas of gender and culture. Nissan strives to increase female employees' participation while also actively exploring ways to create higher value through cultural diversity, in particular by utilizing the cross-cultural nature of the Alliance formed with Renault in 1999.

A key component of turning diversity into a source of corporate strength is to offer flexible working arrangements to allow employees to balance work with other aspects of their lives. Nissan seeks to improve the work-life balance of all employees, regardless of their gender or age, by providing them with the ability to choose a suitable lifestyle for their particular stage in life.

The company also undertakes a full set of initiatives to nurture a diversity-oriented mindset among all employees to reinforce a corporate culture that respects diversity.

## Nissan's Diversity Initiatives





\* Initiative in Japan.

▶▶ website

Click here for more

information on Nissan's

# Global Initiatives to Support Women's Participation

Since fiscal 2004 the Diversity Development Office (DDO) has been supporting the participation of female employees in two main areas: career development and active participation in the business process.

Work-Life Balance

**Diversity Mindset** 

# Supporting Women's Career Development Around the Globe

The participation of women, particularly in positions of responsibility, is essential to providing diverse value to customers. Nissan focuses on boosting women's presence in all levels of management and carries out training to ensure that top candidates will be ready to take on greater responsibility. Support is provided for women's career development in every region where the company operates.

In Japan, the DDO provides personalized support to female employees through individual counseling sessions with career advisors. The office works with Nissan's human-resource divisions to organize activities geared especially toward female employees, including skill-development training courses and networking events. Examples of career development initiatives include mentoring programs and roundtables led by Nissan executives. Furthermore, interviews with senior female employees contributing in a

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variety of fields within the company are posted on the corporate intranet. The DDO promotes young female employees to proactively network with other professional women outside of the company and with women who have risen into management roles in Nissan, who could share their experiences.

A variety of programs to support employees' career development have been implemented in the Americas as well. Mentoring programs have seen participation by numerous employees at Nissan North America, Inc. (NNA), Nissan Canada Inc. (NCI), the Nissan Technical Center North America (NTCNA) and Nissan Mexicana, S.A. de C.V. (NMEX).

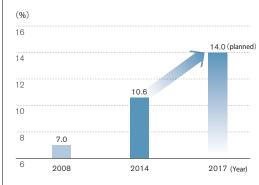
In the AMIE region (Africa, Middle East, India, Europe), Nissan ensures female representation in all development programs. The Women @ Nissan network also supports the company's diversity strategy by organizing various events to provide networking opportunities.

In Asia, Nissan offers a range of activities to promote diversity and women's career development. Through discussion sessions bringing female employees together with executives and young female workers together with women in senior positions, the company aims to deepen its culture of respect for diversity.

As a result of a broad range of efforts, women comprise 5% of general and higher-level managers in Japan (as of April 2014), more than double the 2% in 2008, and a total of 7% of managerial positions are filled by women. This compares favorably to the average of 2.9% for Japanese manufacturers with 1,000 or more employees (according to 2013 statistics from Japan's Ministry of Health, Labor and Welfare).

As of April 2014, women fill 11% of the managerial positions at Nissan globally, up from 7% in 2008. Nissan's plan is to raise the global ratio of women in managerial positions to 14% by April 2017.

#### Global Ratio of Women in Managerial Positions



#### Women's Forum

The Renault-Nissan Alliance sponsors the Women's Forum for the Economy and Society, which is an international platform to promote the advancement of women at the workplace. The annual global meeting in France gives women an opportunity to build networks and expand horizons through dialogue with their counterparts in diverse industries and participating in workshops. Female employees from Nissan Group companies around the globe are selected to participate in the meeting each year, and 15 employees took part in 2013.

## Inviting Women's Input in the Business Process

In Japan, 30% of all cars are purchased by women and roughly another 30% of purchases are by men with input from women, meaning that women participate in nearly two-thirds of vehicle purchase decisions. Globally, too, women have a large say in vehicle purchasing decisions. Adopting female employees' views is essential for meeting diverse customer needs worldwide.

Nissan facilitates input from female employees in all stages of its business, from the development of new vehicles through their manufacture

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and sales. Models like the Nissan Note global compact car, for example, have benefited from recommendations from women to adjust the rear door's opening angle to make it easier for both men and women to access child seats. In the assembly stage as well, Nissan promotes ergonomic design of equipment and work processes at its manufacturing plants to benefit female workers. As a result, the assembly lines have been optimized for men and women of all ages—and thus, are more efficient and less error prone.

Nissan sales staff must also be prepared to respond to the needs and questions of men and women customers alike. Both male and female customers report high satisfaction with Nissan's female CAs, or car-life advisors, and the company is making efforts to offer training and improve the work environment to give female employees more room to succeed. The Nissan Ladies First Project was launched in fiscal 2013 to introduce shop designs and services with female customers in mind.

Nissan also employs women as technical advisors (TAs) to help facilitate the vehicle maintenance process for customers. Nissan has received a positive response for the polite and responsible service provided by the female TAs, therefore contributing to the enhancement of customer satisfaction of sales companies. Informal meetings among female TAs are held to promote networking and the sharing of information.

#### A Firm Grounding for Cultural Diversity

Nissan recognizes the need to make full use of the strengths and abilities of its multinational, multicultural family of employees in order to develop its business globally. The company is working to leverage the synergy created through the cross-cultural Alliance with Renault, which not only recognizes and accepts cultural differences but also utilizes such differences to the fullest, to make cultural diversity a source of strength.

Nissan makes cultural diversity an integral part of its corporate culture. A vital part of the company's success rests on ensuring that people are welcome no matter where they come from, what language they speak, how old they are or what their background or training is. Nissan's top decision-makers, for example, often have different citizenship from the place where the company is headquartered, as can be seen from the company's Executive Committee, which is 50% Japanese and 50% non-Japanese.

To help employees utilize cultural differences as a source of strength, the company has designed its e-learning program as a course open to anyone at any time. In Japan, for example, this enables Japanese people to learn skills for understanding and communicating with business partners of different cultural backgrounds, so that they can work together to get results. Training sessions cultivate a better understanding of specific countries with which Nissan enjoys particularly close relations, and further efforts are underway to make cultural diversity an integral part of Nissan's corporate culture.

#### Work-Life Balance for Employees

Nissan has implemented a system offering flexible working arrangements to enable employees to effectively balance work with family responsibilities, such as childcare and nursing of elderly relatives. Arrangements to help employees of both genders strike an appropriate work-life balance in Japan include "Family Support Leave," which allows an employee to take time off for a wedding, the birth of a child, child rearing or nursing care; reduced working hours and home-based telecommuting for employees to provide childcare or nursing care; and the establishment of "March Land" daycare centers. The first March Land, at the Technical Center in Atsugi, Kanagawa Prefecture, was followed in fiscal 2012 by daycare facilities at the Global Headquarters and at the Nissan Global Information System Center.

Nissan has been recognized by the Japanese government as a corporation actively promoting childcare support, successfully implementing programs to achieve the goals set forth in the action plan of the Ministry of Health, Labor and Welfare based on an April 2005 law outlining measures to support the development of future generations. Since 2011 the company has held "returnee seminars" to help employees make a proactive return to work after childcare leave with the full understanding and cooperation of those around them. Nissan employees also continue to use the internal social networking site "Work/Life Park" for sharing information to support the balance between their career and childcare needs.

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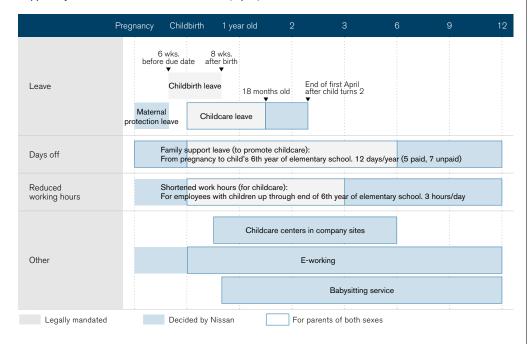
\* Indirect employees.

Since January 2014, all employees\* in Japan have been able to work at home up to five times a month to improve their work-life balance. They can now choose more flexible working formats and use their time more efficiently thanks to the expansion of this system.

**▶** website

Nissan proudly takes part in the Work-Life Balance Promotion Project of Japan's Ministry of Health, Labor and Welfare (Japanese only).

#### Support Systems for Childbirth and Childcare (Japan)



#### Nissan's Diversity Mindset

Nissan presents CEO diversity messages for the entire Group via the website and carries out regional diversity events and diversity training for employees all around the world. In fiscal 2012, at a small town-hall-style meeting, the CEO discussed diversity directly with Nissan employees of diverse nationalities, genders and ages at Global Headquarters. All employees can watch the video posted on the intranet site to learn about the company's diversity vision.

In Japan, those newly assigned to the post of manager undergo a training program that helps them understand the importance of diversity, learn how to best utilize employee diversity and think about how diversity can be useful in the company's business activities. In addition, Nissan executives post articles on the company intranet discussing their views on diversity as well as their own personal experiences. These personalized messages from the management encourage the development of a diversity mindset among employees.

In the United States, a program of guest executive seminars brings leaders of other companies to share their insight with Nissan managers and employees. This program has in particular featured presentations on diversity-related themes, bringing noted corporate officers and authors to explain how diversity can be a channel for innovative solutions to a broad range of issues companies face today.

In the AMIE region, Nissan has designed a "multicultural effectiveness training" program to raise awareness of cultural differences and to support all employees working in a multicultural environment.

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## Top-Down and Bottom-Up Approaches to Promoting Diversity

Nissan believes that both top-down and bottom-up approaches are needed to promote diversity. Diversity becomes a pervasive concept when activities spearheaded under the strong leadership of executives are combined with initiatives from the floor.

In Japan, Nissan emphasizes self-initiated opportunities for learning. Female engineers at the Nissan Technical Center (NTC) and Nissan Advanced Technology Center (NATC) in Atsugi, Kanagawa Prefecture, have launched a team effort to consider ways to balance work with life. Trials began in fiscal 2012, and full-scale activities kicked off in fiscal 2013. Participants acquire knowledge on ways to sustain their careers by sharing tips, seeking each other's advice and conducting interviews with female role models.

In the Americas, employee-driven Business Synergy Teams (BSTs) have been launched with management support to leverage diversity to achieve business objectives, expand cross-functional interaction and assist with community outreach. These BSTs are operated from Nissan's North American headquarters in Franklin, R&D facility in Farmington Hills, Michigan, and the Dallas-based Nissan Motor Acceptance Corporation, as well as at production facilities in Smyrna and Decherd, Tennessee, and Canton, Mississippi.

BSTs link Nissan's diverse workforce under a common theme, and members have highly specialized knowledge. There are currently 15 BSTs across the United States, including the Women's BST (WBST), the first such group, established in 2007. This was followed by the creation of the Multicultural BST (MBST), which aims to enhance the company's customer-relations capabilities through cross-cultural communications and awareness. There are also BSTs supporting generational, veterans and wellness diversity initiatives.

In 2013, the WBST began a program to encourage young women to consider careers in technical fields by partnering with Microsoft Corp. It organizes "Digigirlz," a one-day event in which high-school-aged girls participate in activities that expose them to the specific ways Nissan uses technology to create and market its innovative products. Also featured are presentations by Nissan executives and programs in which high-school girls can experience what it is like to pursue an engineering career.

In 2013, a Generational BST was established in Dallas, Texas, and a Gay-Straight Alliance BST was set up in Franklin, Tennessee. New teams expected to be launched include an Innovation BST in Stanfield, Arizona, and regional BSTs to help the company meet its regional sales and marketing targets.

By voluntarily participating in BSTs, employees can apply what they have learned to create a more highly motivated and dynamic work environment while they contribute to Nissan's promotion of diversity.

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#### **Enhancing Workplace Diversity in the Americas**

#### Regional diversity initiatives

Nissan North America (NNA) has established a regional diversity steering committee for the Americas to create accountability and provide guidance to diversity initiatives in the region. NNA has also established regional offices to coordinate diversity initiatives in the United States, Canada, Mexico and Brazil.

## Mentoring program for female and minority employees

Mentoring is an important tool for raising the motivation and performance of Nissan's human resources, particularly women and minorities. NNA offers mentoring in a variety of formats—closed and open, private and in small groups, and theme-based activities. The company evaluates the achievements of the program and makes improvements on an ongoing basis.

#### Supplier diversity

NNA is committed to encouraging relationships with diverse suppliers. This commitment is grounded in the definitions of minority-owned and woman-owned businesses developed by the National Minority Supplier Development Council (NMSDC) and Women's Business Enterprise National Council (WBENC).

#### Diversity in the community

NNA also fosters future leaders by investing in student programs and offering students opportunities to pursue careers in science, technology, engineering and math (STEM) fields. Together with major scholarship programs for students from disadvantaged areas, NNA's diversity recruitment group works to improve internship and employment opportunities for these students.

#### Recognition for Nissan's Efforts

Nissan's efforts to enhance its diversity and the value it places on a diverse workforce have not gone unnoticed.

In 2013, the company took the grand prize in the J-Win Diversity Awards, presented by the NPO Japan Women's Innovative Network. In March 2014, J-Win named Nissan Vice Chairman Toshiyuki Shiga—who chairs the Diversity Steering Committee—the winner of the Top Executive Award in its Individual Prizes. J-Win presents prizes to companies that show proactive, innovative approaches to the recruitment, skill development and promotion of women.

The Japanese Ministry of Economy, Trade and Industry (METI) launched its Diversity Management Selection 100 program in fiscal 2012 to recognize companies that have enhanced corporate value through diversity-minded management practices. Nissan was one of the companies recognized in the program's inaugural year. Nissan was also selected by the Tokyo Stock Exchange, Inc. (TSE) for inclusion on its Theme Issues List for investment in 2013 and again in 2014, earning a spot as a Nadeshiko (active utilization of women) brand.

These awards are a clear sign that Nissan's executive commitment to diversity is producing results and that the company is on the right track in making cross-cultural and gender diversity key elements of its competitive strategy.

#### Nissan's Awards for Diversity

Year	Award	Sponsor
2007	Kurumin Mark	Ministry of Health, Labor and Welfare
2008	Catalyst Award	Catalyst Inc. (U.S.)
2008	Grand Prize, First Annual Diversity Management Awards	Toyo Keizai, Inc.
2012	Environmental, Social and Governance (ESG) Theme Issue List	TSE
2013	Nadeshiko Brand	METI and TSE
2013	Grand Prize, J-Win Diversity Awards	J-Win
2013	Diversity Management Selection 100	METI
2014	Perfect Score (100) in Corporate Equality Index	Human Rights Campaign (U.S.)
2014	Nadeshiko Brand (2nd straight year)	METI and TSE
2014	Executive Award (Individual Prize) for Vice Chairman Shiga, J-Win Diversity Awards	J-Win

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#### **Future Issues in Promoting Diversity**

It has been 10 years since Nissan announced its proactive commitment to diversity. The company will continue working to promote women to senior decision-making positions and to raise the quality of the work-life balance for all employees. Encouraging every employee to review how they manage their assignments will lead to flexible working styles and higher performance. Through ongoing efforts including those to facilitate women's emergence as the next generation of leaders, Nissan continues to pursue gender and other forms of diversity that will yield bigger results and produce additional innovations.

#### **CAREER DEVELOPMENT AND LEARNING OPPORTUNITIES**

Nissan believes that employees should "design their own careers" and that the company should actively assist their efforts to do so. Learning is an essential preliminary step for value creation, and a corporate culture of learning cannot exist without the desire to create value. As an organization that grows through constant learning, Nissan supports employees' personal growth through proactive human-resource development.

## Continually Improving Human-Resource Systems

Nissan values the skills and potentials of all employees, working constantly to improve its human-resource systems to achieve an organization empowering employees to reach their full potential. The evaluation-based remuneration system used to accurately gauge employee contributions is structured in a way that motivates them to set and achieve high goals. An employee's salary is determined through a combination of performance evaluations, which measure how well the employee achieved certain goals (commitments), and competency evaluations, which measure their skills, knowledge and attitude.

#### Support for Self-Designed Careers

Under a human-resource management policy of offering employees opportunities for personal growth and satisfaction as long as they create value, Nissan invites employees to meet with their supervisors at least twice a year to discuss their performance and competency evaluations, as well as their career aspirations and goals.

Training programs to raise the evaluation skills of supervisors also contribute to the enhancement of career designing capabilities of employees. Specialized tools keep track of evaluation records so that even a newly instated supervisor can ascertain employee progress at a glance, maintaining consistency in human-resource development. Nissan conducts surveys to gain employee input regarding the evaluation meetings and to learn their level of understanding and comfort with the system. Based on the results, the company implements measures and makes improvements if necessary. Nissan also monitors employee satisfaction regarding the meetings with their supervisors, and there has been an improvement in employee understanding and acceptance of the evaluation system.

Employees in Japan also have the chance to take on the challenge of a new position through the Shift Career System (SCS) and the Open Entry System (OES). The SCS enables employees to apply for positions in other departments and work in areas that interest them regardless of whether there is a position immediately available. The OES allows them to apply for all openly advertised positions. During fiscal 2013, 185 employees applied for 96 open posts, and 70 of them succeeded in getting the positions they applied for.

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## Offering Learning Opportunities

Within the company, Nissan implements training programs allowing employees to gain the task-specific skills they need and giving them opportunities to extend their knowledge in fields of their choosing. These measures create a culture of constant learning at Nissan.

#### Training Programs at Our Headquarters in Japan

	FY2011	FY2012	FY2013
Number of trainees	11,012	13,834	13,078
Total hours in training	332,897	411,727	393,370
Hours per trainee	13.7	16.9	16.6
Trainee satisfaction (out of 5)	over 4.2	over 4.3	over 4.4
Investment per trainee (¥)	89,000	67,200	70,000

#### Nissan Learning Center

The Nissan Learning Center is a specialized training institute established to offer employees high-quality and timely skill development opportunities. Nissan believes that employees are the company's most important resources and gives special attention to raising their motivation. The center provides training for middle-management and staff-level human resources based on the Nissan Way and structured around the four pillars of "enhancing familiarity with the Nissan Way," "improving management skills," "improving business skills" and "improving technical skills." The center also operates Monozukuri University to enhance the skills of Nissan's core manufacturing-related human resources.

#### Monozukuri University

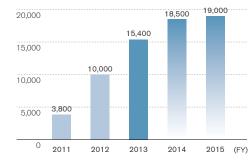
The auto industry today is marked by the rapid pace of innovation and increasing technological sophistication. To maintain and develop Nissan's *monozukuri* tradition of careful craftsmanship that underpins the company's internationally competitive product manufacturing, individuals who have an understanding of the latest technologies that go into building an automobile

and have a well-rounded personality with outstanding management skills are needed. Monozukuri University was thus set up within the Nissan Learning Center to develop capable leaders on an ongoing basis and to pass down Nissan's technologies and skills to future generations. It offers a variety of programs aimed at developing engineers and technicians who carry forward the "Nissan DNA" and achieve continued success through the implementation of the Nissan Way. The "university" comprises Nissan Technical College, the School of On-Site Management and the School of Engineering.

#### **Technical Education Around the World**

To support Nissan's efforts to expand its business globally, the company must improve the technical skills of individual employees working across the globe. The company offers opportunities for personal growth equally to all employees in both R&D and production, whether they work in Japan or elsewhere, to help them enhance their capabilities.

# Global Training Program Participants from R&D Divisions



Note: Figures for 2014 onward are based on current plan.

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 Click here for more information on Nissan Power 88.

#### Improving Management Quality

Nissan is working to improve the quality of its management in order to fulfill the goals of its mid-term business plan, Nissan Power 88,\* and achieve sustainable growth. In Japan, the company has established a training framework for mid-level managers. This gives them opportunities to promote activities that put the Nissan Way into practice and to extend their skills in managing people and business operations.

Specifically, Nissan engages in (1) cultural diversity training to promote understanding of the actions and mindsets described in the Nissan Way; (2) training in business skills, leadership and liberal arts to nurture professionals; and (3) training on-site management to teach the importance of the production site and to achieve maximum results through collaboration. These three core components of the training framework are supplemented with additional programs.

In North America and Europe, meanwhile, the Nissan Way Leadership Academy program for managers examines how the Nissan Way has been put to use most effectively and sharing those actions as part of training tools to elevate management quality overall.

#### **Training Future Leaders**

To continually foster future managers and specialists who will lead the company, Nissan implements a strategic and systematic approach to training, job rotations and recruitment.

Specifically, Nissan engages in leadership training aimed at passing down the company's hard-won knowledge and experience to the next generations of workers. These programs are offered at various development stages, including those for young employees, regional middle managers and Group senior managers. They consist of group sessions for intensive training in business skills; action-based learning that has participants tackle issues actually facing Nissan; and cultural diversity training to promote understanding of the issues.

A number of rotational programs are strategically and systematically implemented to give promising employees the experience needed to serve in management posts and direct global functions as capable managers and leaders.

Nissan is reinforcing its human resources not only through the recruitment of new graduates but also by actively hiring outstanding mid-career workers and those at the middle-management level.

These talent management schemes are effectively operated through regular human-resource meetings among senior managers. In these meetings, outstanding human resources are identified, then development plans and succession plans are made. Nissan's strategic talent management system is globally coordinated and active at the global, regional and functional levels.

#### Fostering Specialized Skills

Helping employees develop specialized skills over the medium to long term is vital for a company to achieve sustainable growth. The Nissan Expert Leader System is a means of strengthening and fostering further development of specialized skills in a wide range of technical and nontechnical areas like purchasing and accounting. In fiscal 2013, the system's eighth year, Nissan designated 47 employees as Expert Leaders and two management-level employees as Nissan Fellows in a total of 96 fields of specialization. The Expert Leaders and Fellows make use of their specialized knowledge to contribute to Nissan's business endeavors overall. In addition to sharing their knowledge with others via the corporate intranet and other communication tools, they contribute to the fostering of the next generation of experts by passing on their specialized skills in seminars and training courses.

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#### **BUILDING SAFE WORKPLACES**

Nissan promotes practices aimed at reducing worker burdens and improving productivity. Promotion of employee health is a top priority and has been established as a key tenet in Nissan's companywide declaration on workplace safety.

#### **Employee Safety and Health Management**

Nissan has adopted a Basic Policy on Safety and Health to let all employees focus on their work in a safe environment. It gives top priority to worker safety as well as their well-being as a matter of company policy. The work environment relating to employee safety and health is managed uniformly according to the Basic Policy at all Nissan sites, both in Japan and globally.

In Japan, Nissan holds a Central Safety and Health Committee meeting each year chaired by the executive in charge and attended by management and labor union representatives from Nissan facilities. Activities over the past year are reviewed in such areas as workplace safety, fire prevention, mental health, health management and traffic safety, and then plans are laid out for the following year. Each facility holds a Safety and Health Committee meeting each month, attended by labor union representatives. A safety and health officer is assigned at each workplace to ensure that all employees receive relevant information.

Globally, each facility applies the PDCA cycle. A teleconference is held twice a year linking all Nissan facilities worldwide to share information and discuss key issues. Regional managers for employee safety and health also meet every other year for a Global Safety Meeting. In the event of an accident, details and responses are shared globally in an effort to fully prevent their recurrence.

Many facilities both in Japan and globally have introduced the OHSAS 18001\* occupational safety and health standard, creating a structure for the steady implementation of employee safety and health activities.

To allow all employees to maximize their performance, Nissan designs workplaces with employee safety and health in mind.

The company works proactively at all levels to identify potential issues or concerns in the workplace environment, develops measures to address them and makes it easier for employees to get their jobs done. In 2010, Nissan standardized the safety indices that previously differed among its global sites. Safety performance is monitored quarterly for each production site.

#### Improved Production-Line Environments

Nissan seeks to fulfill the company's mission of engaging in "human-friendly production" by continuously improving the workplace environments of its manufacturing facilities worldwide. The workplace on hot summer days can be physically very taxing, and there is even the danger of heatstroke. Nissan has therefore installed internal cold-air ducts and ensured there are set breaks to drink water, particularly in locations with considerable workloads. This is part of constant improvements to allow employees to work in a comfortable environment.

#### **Creating Safe Workplaces**

Nissan employs its own safety management diagnostic methods, as well as a risk-assessment approach to workplace management, to help reduce hazards in the work environment and prevent accidents.

Two tools developed internally by Nissan to identify the potential for a work accident are the Safety Evaluation System (SES) and the Fire-Prevention Evaluation System (F-PES). They call for workplace patrols in accordance with established evaluation standards to identify potential dangers and fire risks to help reduce incidents. The use of these tools has been effective in achieving these aims.

An internationally recognized standard for occupational safety and health management systems. Certification may be issued by a third-party accrediting body.

A Uniform Set of Global Safety Standards

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Global initiatives to avoid accidents and create a safe workplace include inviting employees from Nissan facilities around the world to undergo training on workplace safety. Responsible managers and leaders have also been offered training in SES and F-PES in preparation for the implementation of these programs at Nissan facilities worldwide from fiscal 2014.

Since 2011 Nissan has been systematically carrying out risk-prediction training at plants in Japan to ensure that individual workers are aware of the risk of accidents and to help prevent accidents. This training cultivates appreciation of danger among workers, thus reducing their risk of work accidents. Nissan is endeavoring to increase this method's effectiveness through repeated application.

#### **Global Occupational Accident Trends**

## Lost-Time Injuries Frequency Rate\*1

Total lost-time

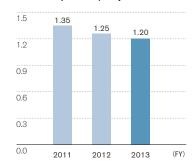
2 Total lost-time

injury cases ÷ total working hours × 1 million

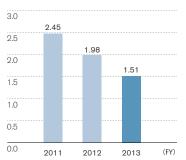
ergonomics-related injury

cases + total working

hours × 1 million



#### Lost-Time Ergonomics-Related Injuries Rate\*2



#### Specialized Mental Healthcare

Nissan has put together a specialized team led by a mental health professional to care for the mental health of employees. In fiscal 2005, in cooperation with external mental healthcare specialists the company introduced the EAP (Employee Assistance Program), a mental healthcare program providing employees with consistent care covering everything from prevention and early diagnosis to treatment and recovery. Since fiscal 2007 the program has expanded to include production-line workers, giving employees and their family members access to mental-health professionals for consultations, diagnosis and counseling. Nissan also offers specialized care programs that respect employee privacy, such as the yearly "Stress Check," through which employees receive advice from a doctor via e-mail or letter. In fiscal 2011 the company's mental health training was extended to cover items bolstering the mental health of individual employees. Nissan promotes mental healthcare through a wide range of approaches.

#### Rehabilitation Center to Facilitate Return to Work

Appropriate support mechanisms are required to facilitate an employee's return to work in case of long-term or recurrent absence due to a mental or physical ailment. Nissan's support in this area includes rules established in 2008 for the use of external rehabilitation centers to ease employees' return to the workforce following long-term or recurrent absence. An in-house rehabilitation facility opened in 2012. By offering various programs suited to the needs of the respective workplaces, Nissan is seeing improvements in the return-to-work ratio.

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#### **DIALOGUE WITH EMPLOYEES**

Nissan actively seeks the opinions of employees through surveys, using the results to improve management quality and employee motivation. The company also ensures that information is shared with all employees around the world without delay.

#### **Employee Surveys**

Nissan carries out surveys to get employee input and suggestions for improvements. The results of these surveys are used to identify the strengths of the company as a whole and those of individual divisions, as well as areas for improvement. Nissan then works to make improvements that will lead to the creation of a better work environment for employees and to continued company growth. The results of these efforts are analyzed for the company as a whole and for each region and department. Based on these analyses, each level of management formulates and carries out action plans tailored to specific needs.

#### **Enhancing Communication Tools**

Nissan has introduced a corporate intranet system called WIN (Workforce Integration @ Nissan) as a tool to promote communication and information sharing. The company continually updates the system with new technologies while encouraging employees to make active use of it for internal communication and collaborative activities. The WIN network now goes beyond Japan, North America and Europe to include other markets and Nissan's major business partners. Internal newsletters and in-house video broadcasts also provide publicly released information, as well as original news items prepared by Nissan's internal communication departments, to be shared by all employees at Nissan production sites with no time lag.

To help employees gain a deeper understanding of Nissan's products and the ability to convey their features and attractiveness to others more effectively, the company holds new model announcements and test drive events for employees. These are received very positively, with some participants stating that their enhanced knowledge of Nissan products has boosted their pride in the company and their work motivation, and have been effective in creating "brand ambassadors" for Nissan.

#### N-Square, a Tool for Employee Exchange (Japan)

Nissan has operated N-Square, an internal social networking service for employees, in Japan since fiscal 2009. Users form communities based around various themes, improving interaction with one another and gathering information they need. There are now more than 300 communities registered in the service.

The need for social networking services is on the rise, and Nissan plans to improve and expand them for employees.

## **Employee-Executive Exchange**

Nissan holds opinion-exchange meetings involving executives and employees as a means of building trust through clear and transparent communication. These meetings are held frequently at Nissan's Global Headquarters in Japan as well as the company's business offices elsewhere around the world. These meetings give company leaders a venue to inform employees about the current situation of the company and to deliver key management messages. They also provide employees with opportunities to ask questions and voice their concerns in a direct, open manner.

Their topics cover everything from business in emerging countries to environmentally friendly technologies, quality and brand issues in line with the six pillars of the Nissan Power 88 mid-term business plan. The company also holds workshops for all employees, with executives as speakers. These meetings will continue as important channels for two-way communication. Nissan also seeks the opinions of employees through regular surveys, the results of which are conveyed to management.