

Intellectual property

Approach to intellectual property

In recent years, the Intellectual Property (IP) environment in the automotive industry has been undergoing significant change and diversification. Due to technological development having shifted to areas referred to as "CASE", the areas in which innovation is created have also changed. In accordance with that change, protection methods are not limited to traditional industrial IP rights, and the importance of managing a broader range of assets is increasing, encompassing software and data management as well as the black-boxing of know-how. In addition, due to changes in technological development, opportunities for the utilization (Sell/Buy, License, Enforcement, and so on) of IP between increasingly diverse industries will increase, and crossover between industries will become more active. For example, dealing with the standard essential patents that must be used when adopting technical standards in new areas, and new IP disputes with non-competing entities other than automakers are also on the rise.

In the counterfeit goods market, where IP is used illegally, the distribution and sales channels for counterfeit products are also changing from stores to e-commerce sites as the internationalization of supply chains continues to accelerate. In this way faced with a diverse innovation environment, an active IP utilization environment, and a changing market for counterfeit products, Nissan recognizes the following social opportunities and threats.

- In an environment in which global IP is properly respected and efficiently utilized, and the creation and utilization of innovation stimulated in a healthy manner, IP can contribute greatly to solving a variety of social and environmental problems.
- In contrast, overlooking the expansion of the counterfeit product market, which has become a breeding ground for illegal use of IP, threatens to obstruct the creation of an environment that promotes the creation and utilization of innovation in a healthy manner, as described above.

Based on these changing environments, social opportunities and threats, Nissan aims to promote global innovation, and the coexistence and co-prosperity of individuals, society, and the earth, through appropriate utilization of IP.

To achieve these aims, we are promoting the establishment of an IP ecosystem*¹ through the creation, protection, and utilization of IP in a flexible and effective manner, while remaining aware of any changes in the IP environment, and through measures taken in accordance with the law, such as the appropriate exercise of rights and measures to combat counterfeit products. We are particularly focused on developing our IP management as well as the mutual use of our own and other companies' IP while promoting innovation not only within Nissan but throughout the market. We are also eager to contribute to the realization of a healthy IP ecosystem by leading revitalization of the IP market. We aim to prevent the distribution of potentially harmful counterfeit products by enforcing IP rights and applying the Unfair Competition Prevention Act, in cooperation with administrative agencies of multiple countries.

IP-related management

Under its global IP policy, Nissan is working to strengthen IP by raising awareness of its importance and the need for its effective management and operation on a companywide basis. To better evaluate the various IP-related issues from multiple angles and to rapidly deduce the appropriate direction to take, we have put in place an IP Specialist Support Committee, which comprises members from a variety of divisions, including the product planning, R&D, production, finance, legal, and IP divisions.

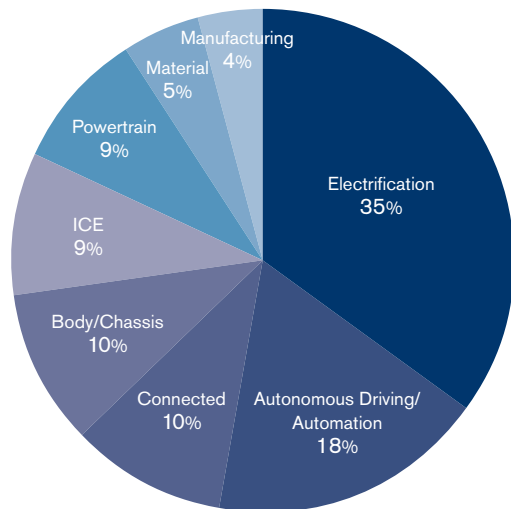
*1 The term IP ecosystem refers to the so-called ecology of IP, which also includes the concept of an IP cycle, i.e., a positive cycle of development to create, protect, and make strategic use of IP. Specifically, this indicates a system based on IP being created under the IP cycle, in which people have a positive impact on each other and on society to autonomously establish new ideas and values. (Source: Japan Patent Office: Mission, Vision, and Values (MVV) : https://www.jpo.go.jp/e/introduction/tokkyo_mv.html)

Efforts relating to IP

Promotion of innovation, patent portfolio management

Patent portfolio

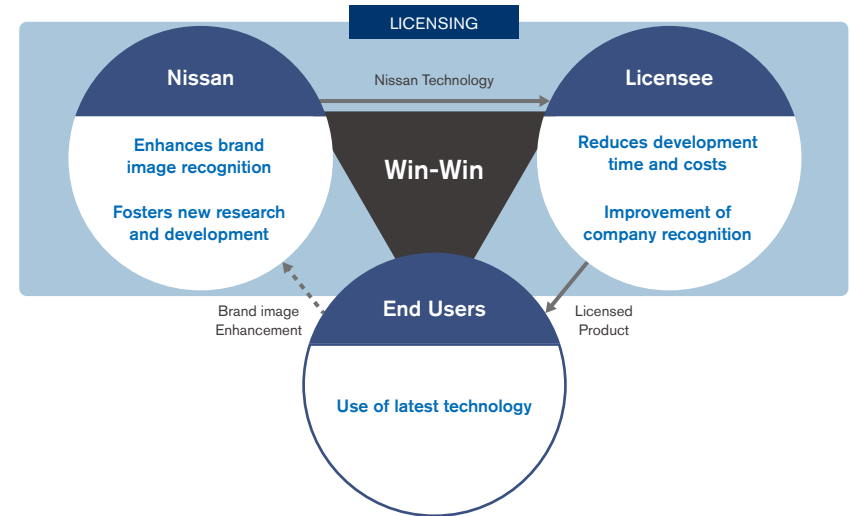
In addition to promoting sustainable innovation tailored to the market environment, Nissan maintains freedom in the design of its own products while optimizing its patent portfolio for external use. Since patents in the CASE areas account for approximately 60% of patents— Electrification area (approx. 35%), Autonomous Driving/Automation area (approx. 18%), and Connected area (approx. 10%),—the current patent portfolio reflects the current business environment. Even so, the Company continues to work to strengthen its patent portfolio.



IP licenses

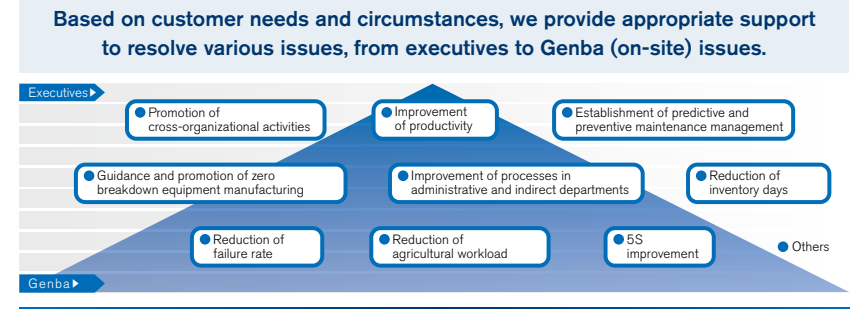
Technology licenses

Nissan licenses its technology and expertise, honed through years of automobile manufacturing, to companies across various industries, thereby supporting the creation of innovative products and services. We are committed to fostering win-win relationships with all stakeholders, including our licensees and end-users, as part of our dedication to contributing to a thriving society. Our active engagement in technology licensing is a testament to this commitment. *1



Consulting

Nissan leverages its expertise in automobile manufacturing to offer fee-based consulting services to client firms. We provide three core consulting services—V-up, NPW, and Facility Maintenance Consulting—designed to foster the development of our clients. Our team, consisting mainly of current and former Nissan employees, applies their extensive experience and specialized knowledge to ensure the success of our client firms. *2



*1 Click here for more information on Nissan Technology Licenses : <https://www.nissan-global.com/EN/LICENSE/>







*2 Please click/refer here for more information about Nissan Consulting : <https://www.nissan-global.com/EN/CONSULTING/>

Measures against counterfeit products

Social value of anti-counterfeiting

Nissan works with law enforcement agencies around the world to prevent the distribution of counterfeit products, and to provide a fair and healthy market environment for stakeholders.

We will contribute to creating a safe and secure society where people will not mistakenly purchase counterfeit products. We aim to foster innovation by protecting the IP ecosystem from counterfeit products.

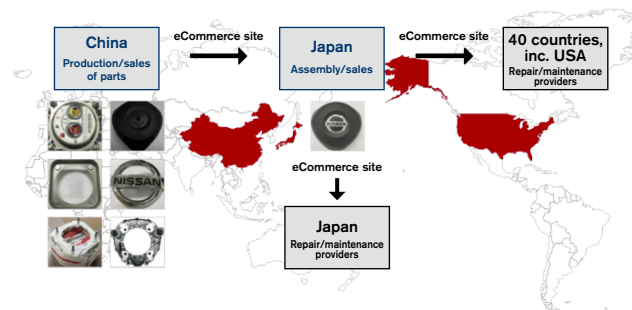
Social Value of Anti-Counterfeiting for Counterfeit Nissan Parts	
<p>Realize a Safe and Secure Society</p> <p>Prevent counterfeit Nissan parts from endangering people's safety because they are not of adequate quality.</p> 	<p>Protection of IP Ecosystem/ Promotion of Innovation</p> <p>Prevent counterfeit Nissan parts from damaging fair business relations with partners.</p>  
<p>Prevent counterfeit Nissan parts from causing a negative impact on the environment because they are not produced adequately.</p> 	<p>Prevent counterfeit Nissan parts from hindering innovation and creative incentives.</p>  

Anti-counterfeiting activities

Nissan actively implements measures against counterfeit products in major markets around the world through global and regional collaboration.

In recent years, counterfeit products have become more easily distributed around the world through eCommerce sites. In response to this situation, Nissan regularly monitors eCommerce sites and actively exercises its IP rights by requesting eCommerce platform providers to remove such listings and by requesting law enforcement agencies to crack down on counterfeit sellers. We also raise awareness and increase education to help prevent customers from mistakenly purchasing counterfeit products. *1

Example: eCommerce site Utilized as a Distribution Channel of Counterfeit Nissan Parts (Airbags)



Results of enforcement against counterfeit

In fiscal year 2023, a total of 32,066 fraudulent listings were removed from eCommerce sites upon Nissan's request. There were 192 raids conducted by law enforcement agencies, resulting in the confiscation of 391,767 counterfeit products. Additionally, 117 cases of counterfeit products were intercepted and seized by customs authorities, totaling 30,686 items. Furthermore, Nissan initiated six sellers litigations against malicious sellers.

Type of IP right enforcement	Number of cases	Quantity of items
Removal of listings on eCommerce	32,066	-
Raids by law enforcement agencies	192	391,767
Seizures by Customs Authorities	117	30,686
Civil litigation against malicious sellers	6	-

*1 Click here for more information on Nissan anti-counterfeiting measures : <https://www.nissan.co.jp/SERVICE/SHAKEN/PURE/EN/>