

# Employee human rights

## Approach to employee human rights

Nissan has been a member of the United Nations Global Compact since 2004, observing its universal principles on human rights, labor, the environment, and anti-corruption. Nissan promotes the management of sustainability strategies pursuant to the Compact's ten principles.

Nissan also respects human rights as stated in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work (ILO Core Labour Standards). Nissan respects the ILO Core Labour Standards, which include freedom of association and effective recognition of the right to collective bargaining; the elimination of all forms of forced labor; the effective abolition of child labor, elimination of discrimination in respect of employment; and safe and healthy working conditions. In cases where there is a gap between domestic law and the above internationally recognized human rights standards, we will follow the higher standard. In cases of conflict between the above, we will pursue methods that maximize respect for internationally recognized human rights.

In 2021 Nissan formulated and published the Nissan Global Guideline on Human Rights,\*<sup>1</sup> which outlines specific measures for employees regarding respect for human rights, with the aim of ensuring compliance with and thorough implementation of the Nissan Human Rights Policy Statement.\*<sup>2</sup> The guideline is intended to support Nissan employees in the countries and regions where Nissan operates feel more secure in their work and to ensure consistency between Nissan's activities and the way the company addresses human rights issues as required by international and local communities. We are strengthening

various activities to respect the fundamental rights of our employees.

In the Nissan Social Program 2030, "Employee Human Rights" is included as one of the key areas under the focus area of the Power of employees. The program aims to respect human rights to realize "People centric".

The area for employees is driven by HR strategies, which includes initiatives such as expanding the scope of human rights due diligence and enhancing training.

Furthermore, to promote human rights initiatives for our employees, we formulated a human rights strategy for our employees in fiscal 2023. The human rights strategy defines the direction Nissan should take and identifies the human rights issues on which we should focus our efforts to realize what Nissan should achieve in respect for human rights. Nissan has long positioned respect for human rights as the foundation of its corporate culture in its corporate purpose, the Nissan Way, Global Code of Conduct, and other documents. We intend to incorporate these principles into specific activities through the formulation of a human rights strategy.

In defining the direction we should aim for, we have embodied the corporate-level roadmap created in 2021 from the perspective of employees through surveys of the internal and external environment and the like. To realize what we should achieve in respect for human rights in light of external expectations, we classify our activities into "defensive" maintenance and strengthening and "offensive" construction and maintenance, aiming to meet the human rights expectations of our stakeholders.

Furthermore, in formulating the plan, we received assistance from independent external human rights experts to identify

human rights issues to focus on, and conducted engagement with key rights holders, such as employees. Specifically, we interviewed more than 30 diverse internal and external rights holders to hear their feedback on human rights issues and improvement measures from a variety of perspectives and to clarify them.

We will continue to further raise the level of our commitment to respect human rights by deepening our system and culture of respect for human rights (e.g., human rights training) and creating value through respect for human rights (e.g., stakeholder engagement).

\*1 Click here for more information on the Nissan Global Guideline on Human Rights. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/HUMAN\\_RIGHTS\\_GUIDELINE/](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/HUMAN_RIGHTS_GUIDELINE/)

\*2 Click here for more information on the Nissan Human Rights Policy Statement. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/HUMAN\\_RIGHTS/](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/HUMAN_RIGHTS/)

## Employee human rights management

Based on the concept of fostering a people-centric corporate culture, Nissan is working to create a workplace environment where employees can work with peace of mind. In this context, respecting the human rights of employees is essential for an organization, and Nissan has created a structure to systematically address this issue.

As part of our human rights governance structure, we have established a Global Sustainability Steering Committee, chaired by the Chief Sustainability Officer (CSO) and reporting to the Board of Directors and the Executive Committee, to promote activities that respect human rights. The details of this committee are also reported to the Board of Directors and the Executive Committee for feedback. In addition, at the day-to-day management level, each functional department, such as purchasing and human resources, is promoting efforts to respect human rights, and a structure has been established whereby the sustainability development department, which oversees human rights initiatives, is regularly updated on progress.

Particularly in human rights due diligence, where external expectations are high, we are promoting activities in alignment with the global and regional teams within the human resources department.

Under the “Value Diversity and Provide Equal Opportunity” code within the Global Code of Conduct,<sup>\*1</sup> Nissan requires its employees to respect and value the diversity found among the company’s employees, business partners, customers, and communities, while rejecting discrimination and harassment in all forms, regardless of magnitude.

Nissan executives and employees must respect the human rights of others and may not discriminate against or harass others based on race, ethnicity, national origin, culture, religion, gender, sex, sexual orientation, gender expression/identity, disability, marital status or any other characteristic;

nor may they allow such a situation to go unchecked if discovered.

We also endeavor to ensure that all employees, regardless of gender identify, can work in an environment free from sexual and other forms of harassment. As a specific measure to achieve this goal, we have introduced mandatory e-learning programs on human rights and compliance with the aim of advancing employees’ awareness of such issues.<sup>\*2</sup>

In addition, we have implemented a system called SpeakUp,<sup>\*3</sup> which enables internal reporting of any suspected breaches of all internal policies, including the Global Code of Conduct.

## Employees’ human rights achievements

As part of human rights due diligence, we worked with external organizations to conduct human rights assessments at Nissan South Africa (Pty) in fiscal 2019, Nissan Motor Thailand (NMT), Nissan Powertrain (Thailand) and SNN Tools & Dies in fiscal 2020, Nissan North America in fiscal 2021, and Nissan (China) Investment Co., Ltd. in fiscal 2022. Also in fiscal 2022, based on our past experience and achievements in human rights due diligence, we formulated a human rights risk assessment process and decided to further expand the scope of employee human rights due diligence to cover more than 80% of our global workforce each year, considering the risks from business and sustainability perspectives.

In fiscal 2023, the first year of the new process, we conducted human rights assessments at Nissan Philippines, Inc., Nissan Mexicana, S.A. De C. V. , and Nissan Motor Manufacturing (UK) Ltd. as part of our human rights due diligence, in accordance with the Nissan Human Rights Policy Statement and the Nissan Global Guideline on Human Rights, as in previous years.

In this human rights assessment, we continued to gain support from third parties, leveraging their expertise. We conducted a self-assessment using a questionnaire, as was done in the previous assessments, then gained more comprehensive knowledge of the situation through interviews with local employees.

In selecting interviewees, we considered attributes such as employment status, job title, gender, and race in order to include diverse perspectives.

The assessment criteria incorporated international standards from the International Labor Organization (ILO) and the Organization for Economic Cooperation and Development

\*1 Click here for more information on the Global Code of Conduct. [https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN\\_GCC\\_E.pdf](https://www.nissan-global.com/EN/SUSTAINABILITY/LIBRARY/ASSETS/PDF/NISSAN_GCC_E.pdf)

\*2 Click here for more information on management of compliance with business ethics. [>>>P136](#)

\*3 Click here for more information on the internal reporting system. [>>>P136-137](#)

(OECD), as well as the Nissan Global Guideline on Human Rights while also incorporating compliance with local laws and regulations. In addition, we also identified risks in consideration of geographical, economic, and social factors, such as identifying areas to be investigated based on a preliminary understanding of general labor practices and corporate culture in the region through interviews with local experts.

Human rights risks that were identified and assessed were addressed through the implementation of remediation activities and dialogue with affected stakeholders to cease prevent or mitigate adverse human rights impacts.

This system will be applied globally and will continue to be managed by the Global Sustainability Steering Committee, which includes the Board of Directors and the Executive Committee as its upper-level committees, while continuously monitoring the progress and effectiveness of improvement activities in each theme with local employees.

The human rights risks detected in the assessment are fed back to the scoped entities as recommendations, and the status of responses and the effectiveness of actions taken are continuously followed up by the Global Headquarters.

Recommendations and follow-up status are also reported to the Global Sustainability Steering Committee, which evaluates whether any important issues have been overlooked and whether actions taken were appropriate, and links them to future activities.

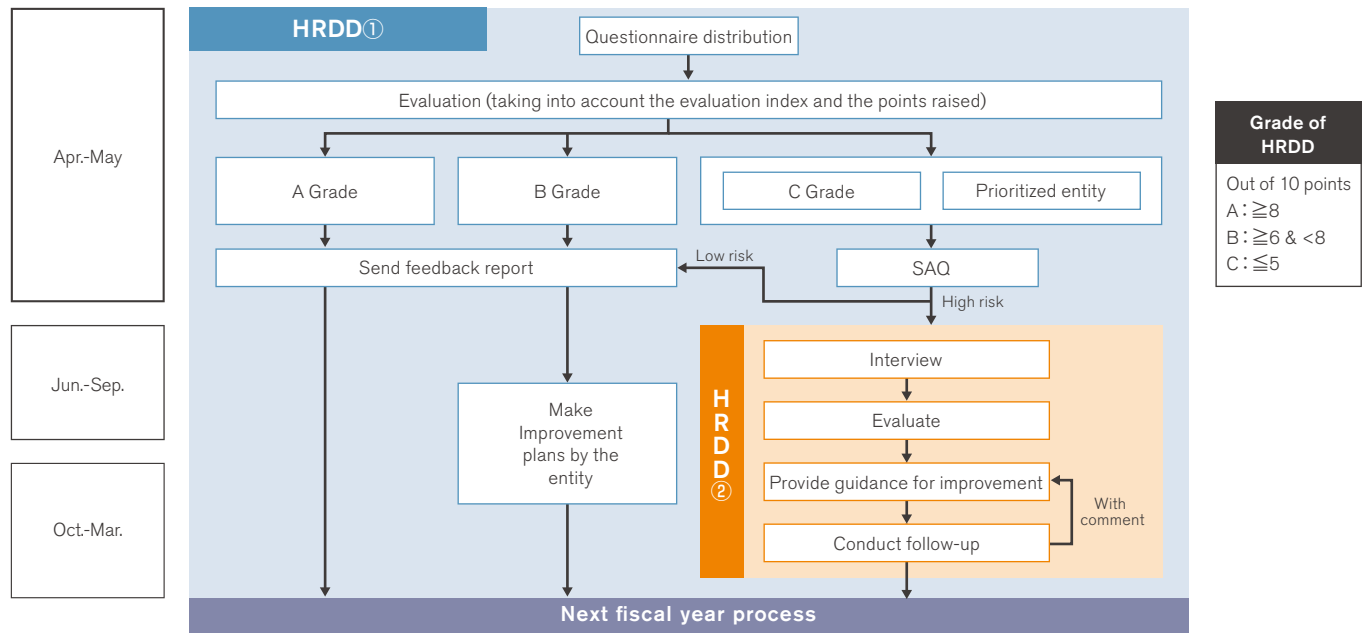
The assessment did not suggest any inconsistencies with local laws. The assessment identified potential areas which the scoped entities could consider revising to better reflect the seven themes\*<sup>1</sup> outlined in the Nissan Global Guideline on Human Rights.

We considered and implemented mitigation measures for each of those that were recognized as being at actual risk. Specific examples that were detected included sanitary conditions at facilities at the Mexico site and the lack of medical kits for employees at the U.K. site.

For each of these, we presented recommendations for action, for example, renovation of some facilities and appropriate deployment of safety equipment, with the local person in charge.

Recommendations were given deadlines, and through periodic confirmations with local persons in charge, the actual actions taken, and the results of those confirmations were reviewed for improvements, lessons learned, and items to be incorporated into future HRDD processes.

Employee: Human rights assessment process



\*1 Seven themes (evaluation items): Labor management system & access to remedy, forced labor, child labor & young workers, working conditions, discrimination, freedom of association, and health and safety

## Diversifying workstyles with “Happy 8”

Nissan has striven to create workplaces that let individual employees choose from a wide range of workstyles to suit their values and life needs through its “Happy 8” workstyle reform.\*1

## Employee education and training related to human rights, internal reporting system

“Nissan Human Rights e-learning,” a mandatory training program for all global employees established in fiscal 2021, focuses on introducing the contents of Nissan Human Rights Policy Statement and the Nissan Global Guideline on Human Rights and consists of a CEO/CSO message, a definition of human rights, business and human rights, respect for human rights at Nissan, case studies, and tests. The training content is designed so that participants can learn basic knowledge related to human rights systematically and practice respect for human rights in their daily work. This training program was first introduced to indirect employees in Japan, and in fiscal 2023, it was in the middle of expanding to all directors and indirect employees at overseas consolidated bases, with a participation rate of 87.3% in Japan, 81.9% in ASEAN, 99.7% in China (NCIC), 98.5% in Americas and 84% in AMIEO region.

In addition, direct employees working at plants learned about concepts and approaches pertaining to respect for human rights, focusing on the Nissan Human Rights Policy Statement and the Nissan Global Guideline on Human Rights during video training on the Global Code of Conduct. Training was conducted at regular shift start meetings at all global plants or through an in-person classroom format. Furthermore, as described in the Global Code of Conduct, employees can submit inquiries related to human rights issues via the SpeakUp\*2 global reporting system. We are committed to investigating, addressing, and responding to

any concerns reported, and employees who make inquiries are protected from any form of retaliation. With the aim of promoting efforts to respect human rights together with suppliers, we established a supplier contact point to receive reports of human rights violations by Nissan employees during fiscal 2023. We have also established an internal process for human rights serious allegations and are working with our overseas offices to strengthen our response.

\*1 Click here for more information on “Happy 8” workstyle reform. [>>> P104](#)

\*2 Click here for more information on the internal reporting system. [>>> P136-137](#)