

# Regarding a recommendation from the Japan Fair Trade Commission

Nissan received a recommendation from the Japan Fair Trade Commission based on the “Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors” (“Subcontract Act”). This totals approximately 3 billion yen from January 2021 through April 2023. Nissan has already refunded an equivalent amount of rebates to suppliers. In addition, Nissan has already discontinued rebates in transactions with subject suppliers. Nissan takes the recommendations from the commission very seriously and are committed to restoring the trust of our partners and implementing countermeasures.

## Actions

- Take quick action to reduce suppliers’ financial impact due to cost increase, such as inflation
- Abolish rebate and work together with suppliers at on-site level to improve cost competitiveness
- Introduce separate development cost payment, to mitigate cost impact for suppliers due to fluctuation of production volume
- Set up a hotline outside the company to receive whistle-blowing from partners
- Establish “Partnership transformation office” under CEO that proactively gathers voices from all the partners to improve relationship with them

