

SUSTAINABILITY REPORT OF NISSAN'S SUBSIDIARIES IN CHINA

About This Report

Report period

From January 1, 2020 to December 31, 2020. In order to enhance data comparability, some contents may be beyond such period.

Coverage of the report

The scope of the report includes Nissan (China) Investment Co., Ltd. the wholly owned subsidiary of Nissan in China (hereinafter referred to as NCIC); the joint venture Dongfeng Motor Co., Ltd. (hereinafter referred to as DFL) and Dongfeng Nissan Passenger Vehicle Company (hereinafter referred to as DFN), Zhengzhou Nissan Automobile Co., Ltd. (hereinafter referred to as ZNA), Dongfeng Infiniti Automobile Co., Ltd., the wholly owned subsidiary of DFL (hereinafter referred to as DFI), and the joint venture Dongfeng Nissan Auto Finance Co., Ltd. (hereinafter referred to as DNAF). In the report, all collectively called "Nissan's subsidiaries in China"; In addition, "Nissan" in the report refers to Nissan Motor Co., Ltd.

Release cycle of the report

This report is an annual report. This report is Nissan's fourth sustainability report in China. Previously, Nissan issued four corporate social responsibility reports in China.

Referenced standards of the report

This report is prepared mainly with references to domestic and international social responsibility reporting standards, including GRI Standards issued by Global Reporting Initiative (GRI), Guidelines on Corporate Social Responsibility Reporting in China (CASS-CSR4.0) of Chinese Academy of Social Sciences, UN Sustainable Development Goals (SDGs) and the ten principles of the United Nations Global Compact.

Data interpretation of the report

The data used in the report is derived from the official documents and statistical reports of the company. The data quoted is the final count. In case of any discrepancy between the financial data and the annual report, the annual report shall prevail. Unless otherwise specified, the amount involved in this report is expressed in RMB.

Reliability assurance of the report

Nissan's subsidiaries in China guarantee the authenticity and reliability of the relevant information disclosed in the report, and undertake that the contents of the report do not contain any false records, major omissions or misleading statements.

Preparation process of the report

Establishment of the work group

Identification of substantive issues

Peer benchmarking analysis

01 Initial preparation

02 Report writing

outline

content

eport writing

Preparation of the report

03 Content review

- Preparation of the report
 Internal review
 - Management review

04 Design release

Information collection

- Formation of the report draft
- Release of the report

- 05 Feedback and plan
- Collecting feedback from stakeholders
- Adjustment and optimization of the next work plan

How to acquire the report

This report may be downloaded at NCIC's official website. Website: https://www.nissan.com.cn/sustainability/pdf/72

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Message from Top Management



Nissan (China) Investment Co., Ltd. Hideki Kimata Looking back, 2020 was a highly extraordinary year. On one hand, the outbreak of the COVID-19 epidemic has had a profound impact on the automotive industry and the global economy. On the other, China has achieved the great feat of eradicating poverty and is about to usher in the first year of the 14th Five-Year Plan. As a responsible automobile company, Nissan adheres to the commitment of "In China, For China", while accompanying the China's automobile industry to grow together, it is also constantly challenging itself and seeking breakthroughs to achieve further growth.

In May 2020, Nissan announced the "Nissan NEXT" Transformation Plan, and China became one of Nissan's core markets in the future. Led by Nissan Intelligent Mobility technology, we hope to strengthen the communication and cooperation with our partners, carry out leading electrification and intelligent practices in the field of transportation, further meet the diversified needs of Chinese consumers for products and services, creating new value for consumers and society while achieving our own development. In 2020, we maintained a steady and upward momentum of development, with cumulative sales of exceeding 1.45 million units in China. In 2020, President Xi Jinping announced that China will strive to achieve carbon peaking by 2030 and carbon neutrality by 2060. It has become the social responsibility of automobile companies to help China achieve carbon peak and carbon neutrality. As a pioneer in innovation and electrification in the automotive field, Nissan faces global environmental challenges and actively responds to climate change. In January 2021, Nissan announced the carbon neutrality goal and planned to achieve carbon neutrality in the corporate operation and product life cycle of the whole group by 2050. In the future, we will take pure EVs and Nissan e-POWER technology as the cornerstone to support the implementation of energy conservation, emission reduction and new energy vehicle technology roadmap plan in the Chinese market.

We will continue to improve the green management system, and worked with suppliers and dealers to shore up the construction of green supply chain, and bring more electrification technologies and green products into the Chinese market. In Nissan, we attached importance to the building of green culture, advocated green operation and carried out environmental protection activities together with stakeholders. In addition, by supporting and participating in the preparation of the Blue Book of New Energy Vehicle, we continued to provide advice for the development of China's new energy industry.





In terms of social development, with the goal of zero fatality, we actively carried out the research and development and introduction of safety technologies such as autonomous driving, so as to ensure the comfort and safety of consumers. At the same time, by co-organizing the China Road Safety Forum, we discussed the future development path of China's road safety with the government, professional institutions, and industry experts, and strived to build a safe and secure traffic society.

Talent is the key to the sustainable development of society. We attach importance to sustainable talent cultivation. In 2020, the total number of beneficiaries of the Nissan Dream Classroom public welfare program exceed 1 million; Dongfeng Nissan Sunshine Care • Education Assistance Future project provided assistance to nearly 870,000 teachers and students, and the Dare to Do for A Better Self campaign was carried out in 50 colleges and universities across the country to encourage young people to become better themselves; Zhengzhou Nissan's Hand in Hand Project education support program helped 2,599 students realize their dream of education.

In terms of corporate governance, we continuously strengthened the construction of compliance management system, improved corporate governance and supported the steady development of the company. We believe that corporate governance is the top priority of corporate management. Therefore, we have built a consistent corporate governance system by implementing the triple defense governance system; we have strengthened staff compliance training, and formulated corresponding management measures, so that the compliance awareness can be deeply rooted in the mind of the people.

A long journey begins with a single step. Even a tiny plan needs the support in action, and any macro strategy needs to be realized through practice. In 2020, under the guidance of Nissan China Sustainability 2022, we continued to facilitate the construction of key actions in the three fields such as environmental protection, social development and corporate governance, so as to contribute to the sustainable development of both the enterprise and society, and accelerate the achievement of the social goal of "Zero Emission and Zero Fatality". The future is coming, we will continue to work with our partners to make more contribution to the sustainable development of China's automobile industry and society. And we are ready to achieve cleaner, safer and more inclusive society for the coming future.

CSR Topics

Topic 1 We are Under the Same Sky



At the end of 2019, an unprecedented COVID-19 pandemic suddenly broke out, and the development of the pandemic touched everyone's heart. The most impressive part of the fight against the pandemic was undoubtedly the Wuhan defense, which bore the brunt of the battle. After a series of hard struggles, thanks to the guidance of the government, the unremitting efforts made by medical workers, and the full cooperation of the people across the country, the victory in the battle to defend Wuhan has laid a solid foundation for the the national pandemic prevention and control.

Wuhan, the capital of Hubei Province, known as the "thoroughfare of nine provinces", is the largest water, land and air transportation hub in inland China. For Nissan's subsidiaries in China, Wuhan is of special significance. It is the headquarters of Dongfeng Motor Co., Ltd., a joint venture of Nissan in China. A large number of complete vehicles and parts production bases of Nissan's subsidiaries in China are located in Hubei Province with Wuhan as the core. Therefore, since the outbreak of the pandemic in Wuhan and even Hubei Province, Nissan has attached great importance to the development of the pandemic and has actively carried out a series of epidemic prevention in conjunction with the business departments of Nissan's JVs in China, and fully cooperated with relevant departments to combat the epidemic.

On January 29, Nissan Motor Company, NCIC and DFL took the lead in donating RMB 5 million and 100,000 masks to support the treatment of the patients in Hubei Province. On February 7, DFN donated an additional RMB 3 million in cash for living allowances and medical supplies for medical workers, as well as humanitarian condolences to medical workers and the families of patients. In mid-to-late February, DFI gathered its forces to fight the epidemic, and joined hands with Infiniti owners to make their own contribution – DFI would donate RMB 100 yuan for every car sold to support the prevention and control of the epidemic with practical actions.



Sincerely salute heroes ·Wuhan

Work together to overcome difficulties

The night before dawn is always the darkest, but the dawn of hope is coming. On March 20, at the spring equinox, which was also a day of sowing hope, DFL cooperated with employees of seven major business divisions, dealers, suppliers and partners to carry out a three-day event of praising "Heroes · Wuhan", and worked together to cheer for Wuhan, Hubei Province and China!

"Like the mountain range stretches before you and me, let us share common trials and hardships together." Mr. Shohei Yamazaki, SVP of Nissan, Chairman of NCIC Management Committee and President of DFL, said: "we hope to gather the strength and belief of more than 70,000 Nissan employees in China, including those of JVs in China, as well as our partners, dealers, supplier and customers to express our most sincere thanks and respect to the Chinese government, customers, partners and all local employees who have always been keeping working in Hubei province - Heroes · Wuhan!"

With the gradual improvement of the epidemic, Nissan's subsidiaries in China have returned the work and production in an orderly manner through close cooperation with various stakeholders so as to put the enterprise operation back on track. In order to organize employees to return to their posts in a safely and orderly manner, DFL took measures to strictly control employees' health status, strengthen disinfection inspection in production areas, optimize office and dining environment, etc. In addition, ZNA also organized 8 youth volunteer service teams to provide a total of 346 hours of support services for 50,000 people to fight against the epidemic and resume production safely, helping the company to achieve zero infection.

In order to support suppliers to resume production, DFN called on its branches to cooperate with the supply chain management department to coordinate and promote the resumption plan of more than 100 suppliers and jointly built a production line of "Emphasis on epidemic prevention mutual benefit and win-win". In order to reduce the adverse impact of the epidemic on dealers, DFN put forward the policy of "Reducing burden and pressure", "Policy relaxation", "Supply guarantee" and "Platform empowerment" to solve problems for dealers. DFI helped dealers to relieve the operating pressure during the epidemic period through the action of "Together with dealers" and interest reduction. Nissan's subsidiaries in China will continue to uphold the commitment of "In China, for China", actively fulfill their corporate social responsibilities, go all out and do their best to create more value for customers with the strength of partners in the whole value chain, thereby building a better future with sincerity and gratitude.

Topic 2

Intelligent Mobility for the Future



"What will cars look like in the future?" "Where will the automobile industry go in the future?" For the imagination of the future development of the automobile industry, every car owner and employee of the automobile industry have their own answers. In view of the wave of "intelligent, network, electrification and sharing", Chinese automobile market is also becoming the most active "testing ground" for the "new four modernizations". Different enterprises are also trying their best to interpret enterprise ideas with different technologies and explore the future direction.

In May 2020, Nissan released the "Nissan NETX" transformation plan, positioning China as one of the core markets of Nissan in the future. Due to the new situation, Nissan will accelerate the implementation of "Nissan Intelligent Mobility" in China, and further strengthen system synergy, thereby truly creating new value for the industry, consumers and society through enterprise transformation.



Led by technology, accelerate for the future

In terms of electrification, Nissan plans to launch 12 new models including electric vehicles and sports cars in global market in the coming 18 months. For the Chinese market, it is planned to launch 7 electric vehicle models including Nissan Ariya and other models equipped with Nissan e-POWER by 2022. There will be 9 electric models by 2025.

In terms of autonomous driving, Nissan plans to equip Nissan ProPILOT into more than 20 models launched in 20 markets, including the Chinese market, by the FY2023, with annual sales of vehicles equipped with this technology will exceed 1.5 million units. In the Chinese market, ALTIMA, X-Trail and Qashqai have been equipped with ProPILOT. And it is planned that five models will be equipped with this technology by 2022, with product coverage of up to 70%.

In terms of intelligent integration, Nissan plans to launch 9 models equipped with Nissan Connect technology by 2024. The access rate of intelligent internet products in China will be increased from the current 75% to nearly 90%. At that time, 6 million Nissan brand vehicles will be equipped with Nissan Connect technology. By the end of 2020, 2.5 million vehicles under Nissan's joint ventures in China have been equipped with Nissan Connect.

In terms of mobility services, Nissan will give full play to the advantages of Lianyou Mobile Service (LYMS), the mobility service division of the joint venture DFL to cooperate with Chinese intelligent mobility start-ups such as Didi, Dongfeng Go, WeRide and T3, and develop the fleet, ride-hailing and taxi markets, thus expanding mobility service business.

System coordination serves the future

In the face of the opportunities and challenges brought by the "New Four Modernizations", it is not enough to give full play to the existing technical advantages, only by building a large synergy system, forming a joint force among all business units and realizing the "corps" operation can we forge ahead in the future. Nissan and its JVs in China will continue to strengthen the whole value chain synergy system among all business units, and promote the synergistic development of each unit so as to maximize the value and efficiency of resources.

In 2019, DFL upgraded "synergy" into the company's strategy, continued to tap the synergy potential, and identified 8 major topics in 6 areas in the parts and equipment business to carry out comprehensive synergy. In 2020, DFL continued to release all-round linkage effects and continued to promote procurement synergy, organization synergy, parent company resource synergy, technology synergy and manufacturing synergy. At present, six synergy projects at company level are under way, including power train and export business. In the future, DFL will also look for opportunities for synergy and cooperation in the fields of electric powertrain, Internet of vehicles and autonomous driving, give play to the joint force, and truly realize the transformation of product line and business model.

Looking into the future, Nissan and its subsidiaries in China will continue to meet the travel needs of Chinese consumers through advanced technology, high-quality products and services under the guidance of the "Nissan NEXT" transformation plan, thereby contributing to the sustainable development of Chinese society and automobile industry, and leading consumers towards a better future of sustainable development.



Topic 3

Innovation as Engine to Promotes Green Development



On September 22, 2020, President Xi Jinping delivered a keynote speech at the General Debate of the 75th Session of the United Nations General Assembly. "China will scale up its Intended Nationally Determined Contributions by adopting more vigorous policies and measures. We aim to have CO₂ emissions peak before 2030 and achieve carbon neutrality before 2060." Since then carbon peak and carbon neutralization have become the popular words of the year. All walks of life accelerated innovation and actively responded to climate change.

As a leader in the field of electric vehicle, Nissan has always been committed to fulfilling corporate social responsibility and promoting the sustainable development of society and the automotive industry. As early as 2018, Nissan released "Nissan Sustainability 2022", which helps to achieve the goal of a sustainable "Zero Emission, Zero Fatality" society by clarifying action policies in the three fields, i.e. environment, society and corporate governance. Meanwhile, through the medium-term environmental action plan "Nissan Green 2022", Nissan will continue to address the challenges it faces in terms of climate change, resource dependence, air quality and water shortage.

In 2019, NCIC responds to the global strategy and proposes the "Nissan China Sustainable Development Plan 2022" based on China's national conditions, which will take environmental protection, social development and corporate governance as the core and guide the operation and management of Nissan's business in China, thereby contributing to the sustainable development of the Chinese market.



Technical innovation enriches people's lives

In 1947, Nissan took the lead in launching the first electric vehicle -Tama. Decades later, in response to the global climate crisis, electric vehicles have attracted much attention again and become the future star of the automotive industry. As an industry pioneer, after years of technical investment and scientific research innovation, Nissan has also precipitated more thoughts on electric vehicles. Nissan believes that electric vehicles are not only a tool for travel, but also taken as the social core to realize a safe, intelligent and sustainable new lifestyle. In such a social environment, the ultimate role of electric vehicles is to serve as family members and bring happy, intelligent and interconnected life to users.

Being down to earth, and looking up at the starry sky. Nissan keeps walking on the road of product electrification. In 2010, the worlds first 100% pure electric vehicle for mass market - Nissan LEAF was launched. By the end of 2020, the output of Nissan LEAF has exceeded 500,000 units. With the increase in the number of products, Nissan is also giving electric vehicle more possibilities for innovation. At present, Nissan LEAF owners can realize the power sharing of "Vehicle to Home", "Vehicle to Building" and "Vehicle to Grid" through the power control system. In the future, Nissan also plans to use electric energy exchange to carry out more innovation and enrich peoples lives.

Concept innovation opens a new chapter for the industry

The healthy development of the industry is the cornerstone of sustainable development of an enterprise. In 2020, the cumulative sales of new energy vehicles in China exceeded 5 million, accounting for more than 50% of the world. China has become the worlds largest new energy vehicle market, and the sales volume of new energy vehicles ranks first in the world. In order to support the development of China's new energy vehicle industry and assist in the research and formulation of new energy strategy deployment and policy system, NCIC has participated in the preparation of the Blue Book on New Energy Vehicle for eight consecutive years, and analyzed the current situation and trend of the industry, as well as the challenges and opportunities of the industry by deeply mining the big data of new electric vehicle industry.

As a core member of the China's New Energy Vehicle Industry Development Research project, Nissan has always been committed to promoting the sustainable development of Chinese automobile market. In January 2021, Nissan released the carbon neutralization goal and planned to achieve carbon neutralization in the corporate operation and product life cycle of the whole group by 2050. In the future, Nissan will take pure electric vehicle and Nissan e-POWER technology as the cornerstone of the future new energy vehicle product strategy, fulfill the carbon neutralization goal, and help the implementation of energy conservation and the new energy vehicle technology roadmap plan in the Chinese market.



ABOUT US

Overview of Nissan's subsidiaries in China

Vision

Driving innovation to enrich people's lives

Overview about Nissan

Nissan Motor Co., Ltd. was founded in Yokohama, Kanagawa Prefecture, Japan, in 1933. It has automobile manufacturing bases in 20 countries and regions (including Japan) around the word. It offers products and services in more than 160 countries and regions. Its scope of business includes manufacturing, sales and related business of automobile products and ship equipment.

The development of Nissan in China began in 1973. Since its entry into China nearly 50 years ago, Nissan has been attaching great importance to the Chinese market and has made great progress in the development of localization. It has not only established its wholly owned subsidiary, Nissan (China) Investment Co., Ltd., but also established Dongfeng Motor Co., Ltd., a joint venture with Dongfeng Motor Corporation. As subsidiaries of Dongfeng Motor Co., Ltd., Dongfeng Nissan Passenger Vehicle Co., Ltd. and Zhengzhou Nissan Automobile Co., Ltd. are mainly engaged in the production and sales of Nissan brand, forming a complete product line covering passenger vehicles, SUVs, MPVs, high-performance sports cars and commercial vehicles, and enriching the product lines constantly.

In 2007, Dongfeng Nissan Auto Finance Co., Ltd. was jointly funded by Nissan Motor Co., Ltd., Dongfeng Motor Corporation and Nissan (China) Investment Co., Ltd., mainly responsible for financial business including professional car purchase loans. In 2014, Dongfeng Motor Co., Ltd. established a wholly-owned subsidiary, Dongfeng Infiniti Motor Co., Ltd., to drive Infiniti to continuously provide high-quality products and services to Chinese consumers.

In 2018, Nissan first announced the comprehensive sustainable development plan "Nissan Sustainability 2022" involving environmental, social and corporate governance mechanisms, which aim to reduce the company's impact on the environment, strengthen the diversity and inclusiveness of the enterprise, and then makes more contributions to the development of the enterprise.



NCIC

Founded in February 2004, NCIC, as a wholly-owned subsidiary of Nissan in China, manages the investment in China together with Nissan Headquarters, and responsible for Nissan's public relations, brand management and intellectual property rights in China, and plays an important role in Nissan's global operations, purchase and export of competitive parts made in China. NCIC also relies on Nissan Design China, one of Nissan's five design bases in the world, to further enhance the competitiveness of Nissan brands in China.

DFN

DFN is the fastest-growing JV in China's auto industry so far. At present, it has four bases in Guangzhou, Xiangyang, Zhengzhou and Dalian, forming a strategic layout with different emphases, and has a couple of popular models including Altima, Sylphy, Tiida, Murano, X-Trail and Qashqai, as well as imported models such as all-round super sports car GT-R.

DFI

Founded in 2014, DFI is an independent wholly-owned subsidiary of Dongfeng Motor Co., Ltd. Based on the principle of "the same strategy, the same brand, the same team and the same channel", DFI operates the Infiniti brand independently, thereby further expanding the choice of luxury automobile products for consumers and meeting the market demand.

DFL

Founded in 2003, DFL is the first automobile JV with full range of passenger vehicles and light commercial vehicles in China. It has seven business divisions, including Dongfeng Nissan Passenger Vehicles Co., Ltd., Dongfeng Infiniti Motor Co., Ltd., and Zhengzhou Nissan Automobile Co., Ltd., and is also the only full-series cooperation project of Nissan overseas.

ZNA

Founded in 1993, ZNA has a business process covering the entire value chain, from product R&D, supply chain management, production and manufacturing to marketing service. Positioned as the main development base of Dongfeng and Nissan dual brand light commercial vehicle products, ZNA has long been committed to the specialization of light commercial vehicles and the high-end segmentation of the market.

DNAF

Since its establishment in 2007, DNAF has been providing financial support for enriching people's lives with customized professional car loan services.



Our Strategy

Sustainable management

NCIC regards sustainable development management as the most important business topic, continuously improves the sustainable management system and corporate governance structure, comprehensively promotes NCIC's sustainable development plan, integrates the concept of sustainable development into all business ports, and cooperates with stakeholders to help the sustainable development of Chinese society.

Sustainable development concept

With the CSR vision of "To be one of the leading sustainable enterprises in the industry" and the goal of "Achieving a sustainable society with zero emissions and zero fatality", NCIC actively fulfilling its corporate social responsibility and is committed to creating a cleaner, safer and more inclusive society.

In 2019, NCIC issued Nissan China Sustainability 2022, which standardized the sustainable development operation and management of NCIC's business in China around the three cores, i.e. environmental protection, social development and corporate governance. At the environmental level, NCIC adheres to the concept of "a symbiosis of people, cars and nature", and is committed to addressing environmental challenges based on social needs. At the social level, NCIC respects the rights of all stakeholders and contributes to the sustainable development of society. At the level of corporate governance, NCIC strictly abides by laws and regulations, and engage in just, fair and transparent business activities.



Identification of substantive issues

NCIC continues to optimize the analysis of substantive issues, combines with the company's business characteristics, national macro policies, social responsibility standards, corporate strategy and operation priorities, and the questionnaire results of substantive issues, through the process of issue identification, screening and evaluation, ranking the importance and priority of substantive issues from the two dimensions of "Importance to the sustainable development of Nissan's subsidiaries in China" and "Importance to stakeholders", and forms an issue matrix as an important guide for corporate sustainability management, practice and information disclosure. In 2020, NCIC identified and confirmed 39 substantive issues of sustainable development through the analysis of substantive issues, and further integrated the concept of sustainable development into the operation and management of the enterprise.



Environmental	Social	Governance
5 Resource and energy management	1 Economic contribution	3 Sustainable development concept
6 Recycling	2 Localized development	4 Stakeholder involvement
7 Sewage and waste treatment	12 Product quality and safety	21 Business continuity plan
8 Biodiversity protection	13 Emergency response	22 Supply chain management
9 Energy-saving product	14 Safety public welfare	23 Dealer support
10 Green warehousing and transportation	16 Social public welfare	24 Supplier environmental impact assessment
11 Environmental compensation mechanism	17 Volunteer service	25 Supplier social impact assessment
15 Environmental protection public welfare	18 Service support and complaint processing	26 Procurement process regulation and transparency
	19 Customer privacy protection	33 Information disclosure
	20 Product recall	34 Anti-commercial bribery
	27 Localized procurement	35 Risk management and control
	28 Protection of employees' rights and interests	36 Compliant operation
	29 Occupational health and safety	37 Anti-monopoly
	30 Employee training and development	38 Promotion of industrial construction
	31 Employee communication	39 Intellectual property protection
	32 Employee care	

Stakeholder management

NCIC attaches importance to the communication and exchanges with stakeholders. In routine work, NCIC comprehensively improves the communication mechanism, expands diversified communication channels, actively listens to and responds to the demands of stakeholders, timely discloses sustainable development information, and working to create shared value together with stakeholders.

Stakeholder	Issue concerned	Main performance of Nissan's subsidiaries in Chir	a
Government and regulatory authority	 Environment-friendly 	 Economic contribution Compliant operation Information security management committee "a symbiosis of people, car and nature" Environmental protection concept Nissan Green Program 	 DFL "Green Program 2022" Study on traffic safety
Environmental	 Resource and energy management Recycling Sewage and waste treatment Impact of products and services on environment Green warehousing and transportation Environmental protection public welfare activity 	 Structure of environmental management organization Green product lifecycle Zero Emission technology Pure Drive Green production, storage and transportation management performance 	 Conducting supplier environment trainin "Green Franchised Shop" certification Formulating Nissan Green Procurement Guidelines Supporting the publication of Blue Book on New Energy Vehicle

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Review

Stakeholder	Issue concerned	Main performance of Nissan's subsidiaries in China	
Customer	 Product safety Product quality Product recall Service support and complaint processing Privacy protection 	 i-Safety system 	ZNA Quality Issue Joint Investigation Group DFI Customer Interactive Platform
Employee	 Harmonious work environment Occupational health and safety Employee communication Employee training and development 		comprehensive training system Dongfeng Nissan University Caring for employees with difficulties
Dealer	Compliant operationProduct and service qualityDealer support	 Establishing the dealer management mechanism Offering competency improvement training DFN dealer competency diagnosis system 	
Supplier	 Compliant operation Procurement process regulation and transparency Supplier's environmental impact assessment Supplier's social impact assessment Human rights assessment Business continuity plan 	 Establishing Renault-Nissan Supplier CSR Guidelines NCIC THANKS activity ZNA supplier qualification assessment criteria DFI supplier classification management system Offering supplier improvement guidance and training 	
Community	 Charity and public welfare Volunteer service Safety public welfare Environmental protection education 	 "Nissan Dream Classroom" DFN "Sunshine Care-iReading Program" DFN "Explore the unknown self" series activities Poverty alleviation humanitarian care Employees' volunteer activity 	DFN Intelligent Mobility Experience Center Supporting for the 13th China Road Safety Forum

Our Strategy

Corporate governance

NCIC regards corporate governance as the top priority of its management. By strictly separating management and supervision functions, improving the effectiveness of internal control system and risk management, and always bearing in mind the requirements of corporate social responsibility when carrying out business activities, NCIC constantly improves the corporate governance structure and compliance governance system, strengthen the construction of compliance culture. At the same time, NCIC also standardizes the information security management system according to global standards, and improves the level of information security management. In 2020, NCIC maintained the steady development trend of the company's business, continuously improved the transparency and standardization of corporate governance, and established a more scientific, perfect and sustainable corporate governance system.

Governance structure

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Under the guidance of global corporate governance and internal control strategy, in combination with business management focus and business operation characteristics, NCIC lists risk management, compliance management and information security as the three key contents of the company's legal and compliant governance, and establishes a three-level management structure of "Management committee -risk management, compliance management, information security committee - Management office". Members of the management committee above the level of vice president serve as the responsible persons of each committee to promote and supervise the implementation of the company's business activities.

NCIC has established a more scientific, systematic, open and transparent "Triple Defense System", which provides a perfect system guarantee for regulating corporate governance and improves the overall level of corporate governance. In the future, NCIC will continue to optimize the governance structure and system, clarify the terms of reference such as decision-making, implementation and supervision, and make continuous efforts to improve the standardization and effectiveness of corporate governance.

Compliance management

Adhering to the principle of "compliance with the law", NCIC has carried out global operations, continuously improves the construction of the compliance management system consolidated the foundation of the company's high-quality development, strengthened the construction of integrity and compliance culture, regularly carried out compliance training for employees to improve the compliance awareness of all employees.

Under the unified guidance of the global management committee and the regional compliance committee, NCIC has established a number of compliance committees composed of senior executives of legal affairs, human resources, internal audit, finance, business compliance and other departments to identify potential risks in various fields, formulate annual improvement plans and control measures, and implement improvement measures and management objectives.

Nissan always believes that honest business ethics and clean and fair working atmosphere are the necessary to ensure the healthy and stable operation of the company. NCIC continues to promote anti-corruption work in accordance with the global standardized anti-bribery policy, and establishes a global unified comprehensive reporting system (SpeakUp), which encourages and supports employees and other stakeholders to report violations, and provides protection for whistleblowers through strict no-retaliation policy.

NCIC conducted training on anti-bribery and global import/export management in accordance with the Nissan Global Code of Conduct, formulated and strictly enforced the Rules of Professional Conduct for Employees, and issued a series of management measures to regulate behavioral requirements in business activities to ensure the standardized and sound development of the company's business. 2020, NCIC's annual compliance training, with a participation rate of new executives, managers and new employees of 100%. In 2020, the participation rate of new executives, managers and new employees in NCIC's annual compliance training reached 100%.

In terms of global trade compliance management, NCIC has continuously improved and perfected its export control compliance system, established the Export Control Compliance System, and the Customs and Trade Compliance Management System, stipulated that NCIC and its subsidiaries and branches strictly abide by the global trade compliance and export control laws and regulations including China, Japan and the United States. It also regards compliance with trade and export control as the company's basic policy and provides employees with codes of conduct in relevant fields.

Information security

Based on the principle of "Emphasis on Prevention and Combination with Prevention and Treatment", NCIC strictly abides by the global security system and information security management standards, systematically carries out information security protection from the dimensions of management process, work measures and employee awareness, strengthens information security management, to increase information security management efforts and improves the level of information security management.

The company has established an information security management committee composed of senior management, which holds the management meeting twice a year to improve the information security protection ability, further strengthen the information protection accountability system and ensure the information security of customers and employees. In 2020, NCIC carried out the training with the theme of personal information security and protection, systematically studied the Network Security Law and Personal Information Security Specification, to improve employees' information security awareness. Throughout the year, NCIC carried out two information security trainings for all employees with 100% participation rate.









Build a Better Futu

Indicator Index

66 Perceive Future Intelligent Mobility with Us





Nissan is committed to leading the intelligent transformation of the automotive industry, making continuous efforts in technological innovation, new technology application and innovation achievement transformation. Adhering to the concept of "Nissan Intelligent Mobility", Nissan constantly improving its R&D and innovation ability, providing customers with better vehicle and mobility experience, and creating a new mode of intelligent mobility in the future.

Considerate service experience

Improving service quality

DFN

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Nissan's subsidiaries in China adhere to the principle of "customercentric", starting from customer needs, and take customer satisfaction as the goal, constantly improves the customer service system, strives to improve the service quality, and create a more considerate and high-quality service experience for customers, to enhance customer connection and win their support and recognition.

DFN always implements the corporate vision of "Innovation that

Excites", put the customers at the center and strives to improve

customers' long-distance travel, since 2009, DFN has launched

the "Warm Highway" campaign every year during the long holidays, providing all brand owners with a series of free services, such as

8 vehicle safety tests, love refreshments and emergency supplies

on 288 roads. In 2020, DFN brings more comprehensive service

maintenance home pickup program.

upgrades to owners with the launch of a 5-digit service hotline and a

the quality of products and services and customer satisfaction. The

perfect service has been the same for ten years. In order to facilitate

🛱 ZNA

Adhering to the service tenet of "Considerate, Professional and Trustworthy", ZNA has established a customer relationship management system according to Nissan's global unified service criteria, and continuously improved customer satisfaction and loyalty by optimizing and improving the customer complaint management mechanism and customer complaint response system.

🔂 DFI

Adhering to the concept of "people-oriented", DFI always attaches great importance to customer experience and brings more added value to customers by further improving service quality. Since 2019, DFI has launched the "Existing customer upgrade" program to further explore the innovative service mode of Nissan's existing customers. In 2020, in order to better care for car owners and meet customer needs, Infiniti launched two major services, namely "ultra-long free warranty" and leading road rescue, thereby providing customers with more worry-free and more valuable services.

Listening to customers

🛱 DFN

With the goal of improving customer satisfaction, DFN constantly pursues the balance of "Keeping up with user needs" and "Leading user needs", creates a "Leading by half step" user service value system, and further improves customer satisfaction and brand popularity by taking measures such as improving the system beyond the warranty period and optimizing after-sales service management criteria.

🔂 ZNA

Adhering to the service concept of "Taking customers as the center and continuously optimizing customer experience", ZNA continues to improve the one-stop customer relationship interaction platform to meet the needs of information collection, inquiry, communication and complaint, and strives to create a customer interaction platform with zero interaction distance and zero information difference. At the same time, ZNA also establishes a customer service center, responsible for 7×24 hours customer service, tracking, monitoring and managing the customer service process, so as to realize the continuous improvement of customer service quality. In 2020, ZNA continued to improve the construction of customer service center team, and strengthened the business ability from the aspects of policy, technology and communication, effectively improve the efficiency of customer problem solving and continuously improve customer satisfaction by strengthening the basis of personnel training.

Our Strategy

🔂 DFI

In 2020, DFI customer satisfaction survey has been fully switched to WeChat channel to collect customer evaluation in a faster and more accurate way, and the customer satisfaction results of all dealers in the whole network have reached the target set at the beginning of the year. Meanwhile, DFI regards customer word-of-mouth and loyalty as an important part of operation quality management, and launched the test of QVOC (NPS) survey, laying a solid foundation for switching from customer satisfaction survey to QVOC (NPS) survey in 2021.

🛱 DFN

DFN continues to optimize the talent growth model of dealers from the four dimensions of "Selection, training, utilization and retention", and helps dealers cultivate excellent talents and build an "Infiniti" team by organizing special training, on-the-job training, product training and other activities. At the same time, DFN also strengthens the risky dealer management, make full use of the company's resources through the ladder risky dealer management mechanism, and effectively assist the dealers who have difficulties in operation but are willing to make improvements, thereby achieving mutual benefit and win-win.

🔂 DFI

In terms of dealer management, DFI Infiniti continues to optimize the existing dealer network and takes a number of measures to ensure the profitability of the dealer network. In the coming year, in addition to continuing the 3+X+S marketing strategy, Infinitis after-sales service department will also focus on promoting the grading and key guidance of dealers performance/service management level, and continue to promote the improvement of dealers capability and customer service. In 2020, in order to improve the development and sales capacity of dealers, DFI has implemented 22 online livestreaming courses and 76 face to face courses, and completed the training implementation of 15 topics, including 632 offline centralized training service trainees; helped 28 internal trainers obtain the "internal trainer" certification qualification, and 617 sales consultants obtain the certification qualification; engaged professional lecturers to provide in-store courseling support for 22 dealers in 19 cities.

Improving dealers' service capability

In order to continuously improve the service capability of dealers, Nissan's subsidiaries in China carry out targeted practical training, experience sharing and other capacity-building activities for dealers, to help them improve their management and development capability, and work with dealers to meet the challenges of diversified markets and achieve common growth.

🛱 ZNA

Adhering to the corporate philosophy of "trust, companionship and mutual achievement", ZNA works with national dealer partners to jointly build a core competitiveness dealer network with mutual trust and win-win cooperation. By the end of 2020, there are 742 sales outlets. In order to improve the service capability of dealers, ZNA has innovated the training mode, and carried out training in the form of online livestreaming, offline instruction, in-store counseling, and competition activities, etc. In 2020, ZNA has developed a total of 37 training materials, 15 online livestreaming training sessions, and the number of participants reached 879.

Safeguarding consumers' rights and interests

In 2020, in order to safeguard consumers' rights and interests, NCIC continues to carry out anti-counterfeiting actions, involving 15 cities across the country, completed 51 cases, and cracked down 36,476 counterfeit parts, with a total value of USD 4,227,648.

Leading innovation technology

Nissan takes technological innovation as the core driving force leading the development of the enterprise. Focusing on the concept of "Nissan Intelligent Mobility", Nissan is committed to the intelligent upgrading of automotive technology and redefining the future travel mode. By continuously improves the management of scientific and technological innovation, improves the transformation mechanism of scientific and technological achievements, encourages employees to fully explore the possibility of new technologies, Nissan continuously improves the ability of R&D innovation and intelligent technology innovation, thereby turning scientific and technological innovation into an inexhaustible driving force for the sustainable development of the company.

Ref NCIC

NCIC is committed to promoting the intelligent development of the automotive industry, using innovative ideas and technologies to create a safer, more convenient and more comfortable travel experience for customers from the perspectives of people, society, products and technology, so as to jointly drive the future intelligent mobility. Nissan Design China, one of the Nissan's eight major design centers in the world, is located in Shanghai. Through design innovation, Nissan Design China makes products and technologies a link between people and society, providing customers with a more exciting travel experience.



🛱 DFN

DFN continues to make efforts in the field of automotive power and Internet of vehicles system. On one hand, it relies on the three major power technologies, i.e. VC-turbo, Zero Emission and e-POWER to bring more diversified power experience to consumers; on the other hand, it launches a newly upgraded Internet of vehicles system -NISSAN Connect. As the most functional and comprehensive Internet of vehicles system among Japanese brands, NISSAN Connect gives full play to the advantages of intelligent connectivity in the three functional modules of remote control, voice control and on-board service, with a view to creating a benchmarking experience in the Internet of vehicles system.

In 2020, DFN released the "Intelligent Connect" program, which plans to upgrade the NISSAN Connect four times from 2020 to 2024. In the future, NISSAN Connect will also be equipped with onboard WeChat, AR navigation, onboard virtual assistant, free download APP and other functions to provide users with more intelligent, more emotional and more digital connection experience.

🔂 ZNA

ZNA accelerates the strategic layout, adopted the planning of technical pre-research and mass production incorporation scheme in terms of pickup intelligent technology, and masters the key intelligent technologies. Through the technical pre-research project, ZNA has mastered the key technologies such as the development and matching scheme of key assistance system for auxiliary driving, system test standard, test and verification scheme of the chassis by wire and so on. ZNA has also designed complete protection measures in terms of safety monitoring, misoperation prevention and scene mistriggering. For vehicle failure, ZNA has designed a complete set of safe and reliable failure safe strategy to ensure the safety of personnel and property.

In 2020, ZNA has formulated the future intelligent development program. It plans to develop and apply 5G-based Internet of vehicles technology in 2021, and will continue to carry out the R&D of L3+automous driving technology to realize the mass production demand for higher-level driving assistance system.

Report Management

Our Strategy

Indicator Ind

Ultimate quality assurance

Nissan's subsidiaries in China have established a quality assurance strategy and system covering the whole value chain according to global unified quality standards. In 2020, Nissan continues to improve the market quality assurance system and fully consider customers' needs and feedback, thereby providing customers with high-quality products beyond expectations.

Product quality management

Nissan's subsidiaries in China strictly follow the global unified quality standards, implement the whole value chain quality assurance strategy, and strictly abide by the quality of product design, procurement, manufacturing and after-sales service and other links, thus realizing product quality assurance in an all-round way.

🛱 DFN

DFN has formulated a quality management system covering the whole value chain based on customer demand. In 2020, DFN continued to run the quality medium-term business plan "123456" program, strengthened the quality assurance of new vehicles, strengthened the quality assurance and improvement of mass production vehicle, achieved a breakthrough in product planning quality and sales service quality management, and effectively enhanced the connection between the whole value chain quality system and each departments to promote the improvement of quality awareness of all employees.

🛱 ZNA

ZNA always adheres to the business philosophy of "quality first" and continuously optimizes the quality management system by establishing the quality management system audit system and the certification factory supervision and inspection system, and implementing various quality supervision and improvement measures, and achieves a 100% pass rate of the rectification of non-conforming in 2020. At the same time, ZNA strengthens supplier quality management, adopts customer feedback and suggestions in a timely manner, and ensures product quality in an all-round way.

🔂 DFI

DFI always adheres to the principle of "customer interests first". In 2020, in order to improve product quality, DFI collaborated the quality improvement business and strengthened the overall business by leveraging the power of the platform to the maximum extent. A separate QRQC meeting has been set up for Infiniti brand to carry out rapid feedback, rapid response and rapid control of market quality situation on the daily basis, and link with relevant departments such as factories and suppliers to support the market at the fastest speed and to the maximum extent. At the same time, DFI also establishes PL priority list, identifies new, re-occurring and frequently occurring issued in a timely manner, and incorporates them into QRQC meeting for management. Through monthly meetings, DFI reviews the achievement of objectives, explores and improves key projects, promotes them at higher levels, and ensure the achievement of annual objectives.

Market quality support

Focusing on the concept of "Customer Safety First", Nissan's subsidiaries in China have established and continuously improved the product recall management mechanism to ensure that the product recall mechanism is open, timely and transparent. At the same time, they also continuously improve the customer complaint response and handling system, connect with the R&D and manufacturing departments to investigate the causes of problems, and quickly formulate and implement relevant treatment measures to ensure that all problems are resolved in a timely manner.

DFN

While strictly abides by the requirements of relevant laws and regulations on product recall, DFN also establishes a complete market quality improvement system and sets up a professional technical team. DFN collects customer opinions through all channels and feeds them back to the quality improvement department, actively implements market measures, and organizes a series of market quality strengthening activities for new models, thereby laying a solid foundation for efficient market quality improvement.

🛱 ZNA

Customers may confirm the recall information through ZNAs official website, official WeChat account and telephone channel, so as to ensure that the recall mechanism is open and transparent. At the same time, through regular quality review meetings and disposal meetings, ZNA reviews and judges the market disposal for market risk cases, according to the Case Management Benchmark and the Operation Essentials of Important Quality Review Meetings and Market Handling Judgment Meetings, and releases the recall information after filing.

ക DFI

By adhering to the principle of "Customer Interests First", DFI comprehensively improves the market quality assurance system, ensures the integrity and reliability of product quality information through closely monitoring the quality of R&D, manufacturing, market and other links, and also carries out verification, investigation, judgment and other related work in an active, quick and effective manner to ensure the timeliness and accuracy of problem handling.

DFI strictly abides by the Regulations on the Recall Management of Defective Automotive Products and the Measures for the Implementation of the Regulations on the Recall Management of Defective Automotive Products and other national laws and regulations, to ensure the openness, timeliness and transparency of the recall mechanism. Adhering to the principle of "customer first", DFI actively released 6 recalls in 2020, including 5 imported models and 1 domestic model, so as to effectively safeguard the rights and interests of consumers.

Secure travel and drive

"Secure and Safe" is one of the key actions of Nissan China Sustainability 2022, and is also Nissan's consistent pursuit of product quality. Nissan's subsidiaries in China actively participate in the popularization and dissemination of traffic safety knowledge by holding road traffic safety forum, traffic accident investigation and other activities, and jointly build the foundation of traffic safety with stakeholders, thereby striving to achieve a truly secure and safe traffic society.

Safety philosophy

Following the core safety concept of "the vehicle that helps protect people", Nissan is committed to improving vehicle safety performance and providing consumers with a safer and more secure driving experience through vehicle safety technology innovation and R&D. At the same time, by carrying out traffic safety concept advocacy activities, Nissan calls on all walks of life to carry out traffic safety exchanges and strives to build a traffic society of "zero accident", "zero injury" and "zero fatality".

Safety technology

Starting from the safety concept of "people-oriented", Nissan continues to promote the research on vehicle safety technology, through advanced driving assistance systems such as Nissan i-SAFETY, ProPILOT, to improve vehicle safety, reduce traffic accidents caused by human errors and protect the safety of pedestrians and drivers, thereby contributing to the realization of a "zero casualties" traffic society.



Safety exchanges

Nissan, together with the government, research institutions, industry experts and other stakeholders, jointly held the 14th China Road Safety Forum to deeply explore the future development path of China's road safety, and strived to build a sustainable future travel experience with the goal of jointly creating a "People, vehicles and society" ecosystem.



Build a Better Future

Review

Indicator Inde

66 Protect the Future Green Home Together







Nissan's subsidiaries in China are committed to building a cleaner society. Adhering to the sustainable development concept of "Symbiosis of People, Vehicles and Nature", they constantly improve the green management system, promote the construction of green manufacturing and green supply chain, and actively create a green environmental protection culture atmosphere to run environmental protection through all links of the company's production and operation.

Green management

In 2020, according to Nissan China Sustainability 2022, Nissan's subsidiaries in China continuously improve the environmental management system, promote environmental risk management, and implement environmental responsibility actions, thereby realizing sustainable production and management.

In order to further improve the capability of environmental risk prevention and emergency response, Nissan's subsidiaries in China continue to establish and improve the environmental risk investigation mechanism, and earnestly fulfill the subject responsibility of risk prevention and control of environmental emergencies. At the same time, they also strengthen routine environmental supervision by regularly carrying out the investigation of environmental risks and hidden dangers, formulate rectification plans for the risks and hidden dangers of various environmental emergencies, and carry out hierarchical control and output management according to the Guidelines for environmental risks.

Nissan China Sustainability 2022

Area	Measure	Goal	Effectiveness
Response to climate change	Research and develop green technology, produce green products	By 2022, more electric vehicles including Zero Emission and those equipped with e-POWER intelligent charging technology will be introduced	 Nissan ·SYLPHYZero Emission was launched in China in 2018; Venucia introduced three pure electric models including D60EV, e30 and T60EV, between September and November, 2019, thus completing the pure electric vehicle development plan for 2019 Energy consumption of output value reduced by 26% compared to 2015
Waste gas treatment	Reduce the production of VOC (volatile organic compounds) and improve air quality	By 2022, harmful gas emissions will be reduced by 50% compared with 2015	 VOC emissions were reduced by 63% compared to 2015
Water resource utilization	Make efficient use of every drop of water and reduce water consumption	By 2022, the water consumption will be reduced by 35% compared with that in 2015	 Water consumption of output value decreased by 52% compared with 2015



No major pollution accident occurred in ZNA Zhongmu Plant in 2020, and the environmental emission rate reached 100%, COD (chemical oxygen demand) emission decreased by 45.8% (compared to 2015), far exceeding the required target of 6.9%.

Case

ZNA Zhongmu Plant carries out emergency drills for environmental emergencies

On June 5, 2020, ZNA Zhongmu Plant, together with Zhongmu branch of Zhengzhou Ecology and Environment Bureau, fire brigade of Zhongmu County Emergency Management Bureau, Zhongmu County Health Committee and other units, carried out an emergency drill for environmental emergencies, simulating the scene of oil unloading and leakage of oil tanker in the new oil depot of Zhongmu Plant. During the drill, there was 1 main venue (south of the new general assembly) and 4 sub-venues (new oil depot, intercepting well, sewage treatment station and main wastewater outlet). Through the drill, ZNA Zhongmu Plant tested its emergency handling capability, leadership, organization and command capability of key posts at the grass-roots level and the effectiveness of the joint prevention and control mechanism of government and enterprises, thereby laying a foundation for preventing environmental risks.

Green manufacturing

In response to the Nissan 2050 long-term action program "Nissan Green Program" and achieve the green development goal, Nissan's subsidiaries in China actively implement the Nissan China Sustainability 2020, further deepen intelligent manufacturing, explore energy conservation and emission reduction from R&D, production, waste recycling and other links, and constantly promote "Green Manufacturing".

In 2020, DFL invested 21.46 million yuan in energy saving and emitted a total of 924,448 tons of CO2 in carbon emissions, reduced 41,142 tons of CO2 compared to 2019.

Green R&D

Nissan's subsidiaries in China always adhere to integrating the green concept into the research and development link. While improving product performance, they aim for "zero emission", and promote environmental protection in the whole product life cycle through technological innovation and the application of energy-conservation technology, and help to realize low-carbon and sustainable mobility in the design and research and development link.

Green production

Reduction of greenhouse gas emission

Nissan's subsidiaries in China continue to promote energy conservation and carbon emission reduction, and continuously improve the energy conservation management system by preparing the draft of key energy consumption equipment management, energy measurement management system and factory water management system. In 2020, ZNA actively explored the topic of optimizing production scheduling in low production period, summarized the influencing factors of energy-conservation production, and started the preparation of energy conservation production guidance manual. At the same time, through the implementation of accurate heating strategy, they also effectively shortened the heating duration, reduced the heating area, and reduced heating natural gas of 532,000 m³ throughout the year.

Case ZNA Zhongmu Plant Photovoltaic Project

In 2020, the photovoltaic shed project of ZNA Zhongmu Plant generated 9.28 million kwh of electric power and reduce 488 tons of CO_2 emissions. At the same time, the plant also conducted preliminary investigation and evaluation on photovoltaic expansion projects, and is expected to start a new batch of photovoltaic projects in 2021.

Waste gas emission management

Nissan's subsidiaries in China continue to take measures to control the generation and emission of volatile organic compounds from the source and help improve air quality. In order to reduce volatile organic compounds (VOC) from the source, ZNA Zhongmu Plant strictly abides by and implements the Limits of harmful substances of vehicle coatings, Limit standards of volatile organic compounds of architectural coatings and adhesives, and Limits for volatile organic compounds in cleaning agents, and Technical requirements for lowvolatile-organic-compound- content coatings product and other limit requirements in the selection of coating raw and auxiliary materials; and adopt high-efficiency coating technologies such as electrostatic high-speed rotating cup spraying, electrostatic assisted compressed air spraying or airless spraying in the spraying process to effectively collect waste gas while improving the utilization rate of raw and auxiliary materials, thus realizing ultra-low emission of VOCs.

Water resources management

Nissan's subsidiaries in China attach importance to the efficient utilization of water resources, and reduce the water consumption for production purpose and make efficient use of every drop of water by carrying out water resources recycling and sewage treatment. ZNA continues to promote the normalized water-saving action, keeps innovation in the reclaimed water reuse mode by expanding the purposes of reclaimed water from greening and toilet flushing to the cooling of the circulating system. In 2020, ZNA realized the reclaimed water reuse of 77,556 tons. At the same time, ZNA also remotely monitored the operation change of water volume by installing a remote water meter, and further improved the water production efficiency and reduced the leakage caused by excessively high water pressure by improving the water quality and reducing the water pressure.

Waste management

Nissan's subsidiaries in China actively carry out waste management and follow the "3R" principle, i.e., in the order of reduction, reuse and recycle, sort out and collect the solid waste generated in the process of production activities and services. For general solid waste, they actively explore and carry out waste recycling. For hazardous wastes, they properly place them according to relevant legal requirements, and select qualified partners assist in the disposal of such waste. In 2020, ZNA recycled 6,678.83 tons of recyclable waste per day, resulting in comprehensive utilization rate of solid waste of up to 90.09%, and the waste recycling rate reached 100%.

ZNA Zhongmu Plant in 2020

92%

VOC treatment

efficiency

5.10 tons

NOx emissions

1.09 tons

SO₂ emission



Case

ZNA Zhongmu Plant reduces solid waste

By introducing the sludge low-temperature drying technology and using the principle of closed dehumidification with heat pump, ZNA Zhongmu Plant dewatered and dried the sludge through low-temperature circulating air in a closed environment at low temperature (55°C ~75°C), reducing the moisture content of phosphatized/ oily sludge from 60% to 20%. In 2020, the plant effectively reduced 414,873 tons of hazardous waste and implemented the subject of "Reduction" of solid waste, with significant environmental and economic benefits.

Our Strateg

Intelligent Mobi

Green supply chain

While fulfilling their environmental responsibilities, Nissan's subsidiaries in China actively put the concept of green and environmental protection through all key links of the industrial chain, continuously improve the level of environmental risk control in all aspects, and realize the green supply chain management.

Green procurement

According to Nissan Global Green Procurement Policy, Renault-Nissan Supplier CSR Guidelines and relevant legal requirements, Nissan's subsidiaries in China improve the green procurement system, strengthen the green supplier management system, and help suppliers improve their green development capability, thus reducing the impact of enterprise operation links on the environment from the source.

Always adheres to green procurement, ZNA takes the environmental protection audit (ISO 14001 certificate, OHSAS 18001 certificate or environmental impact assessment (EIA) report/pollutant discharge permit/ third-party test report) as the access criteria of the suppliers platform, and signs the Commitment not to use hazardous substances with suppliers according to the Requirements for prohibited substances on automobiles. ZNA have comprehensively promoted the signing of Environment and safety agreement with suppliers of hazardous chemicals, signed CAMDS technology agreement and training agreement with Beijing CATARC Data Center relying on China Automotive Material Data System (CAMDS), actively organized suppliers to participate in CAMDS system training, and required suppliers to complete toxic and hazardous substances monitoring and management of parts, so as to be responsible for customer health.

Green logistics

Aiming at low-carbon logistics, Nissan's subsidiaries in China practice energy conservation and emission reduction in warehousing, transportation and other links to reduce resource consumption in logistics links. In 2020, ZNA Zhongmu Plant updated all the transferred pick-up transport vehicles to vehicles with Level 5+ national emission standards, clearly specifying in the contract that the non-road mobile machinery used by a third party must meet Level 3+ national emission standards, and heavy transport vehicles must meet Level 5+ national emission standards, thereby effectively controlling nitrogen oxide emissions. At the same time, the utilization rate of new energy forklift for material distribution in the plant has reached 98.57%, which means the in-plant logistics equipment has basically been electrified.

Green marketing

By vigorously promoting the certification of "Green Dealers" and other measures, Nissan's subsidiaries in China continue to improve the environmental management capability of dealers and jointly build an environment-friendly sales and service network together with suppliers.

Green culture

Green office

Nissan's subsidiaries in China actively advocate green office, and effectively reduce the carbon footprint in the office process by continuously promoting green working styles, such as paperless office, digital learning platform and online conference call, etc. At the same time, they also promote environmental protection actions such as water conservation, power conservation and office supplies conservation in the company to root the environmental protection concept of green office in every post.

Green public benefits

Adhering to the concept of "Symbiosis of People, Vehicles and Nature", Nissan calls on stakeholders to put the concepts of low carbon, energy conservation and environmental protection into practical action by carrying out environmental protection public benefits activities such as "Earth Hour", so as to jointly help achieve the goal of "zero emission" society.

Case

NCIC Environmental Protection Initiative

In response to the call for "energy saving and emission reduction", NCIC has been participating in the "Earth Hour" series of environmental charity activities since 2013. In 2020, NCIC internally mobilizing employees to participate in the environmental protection initiative photography competition, and externally joining hands with upstream and downstream partners in the supply chain in combination with the "Light Off for One Hour" to publicize green environmental protection concepts such as energy conservation and low carbon, thereby making positive contributions to the construction of China's ecological civilization in combination with industrial forces.



66 Build a Better Future Life Together 79



Nissan's subsidiaries in China is committed to creating a safer and more inclusive society, creating a safe and secure working environment for employees, providing diversified vocational training and supporting their personal growth; meanwhile, working with stakeholders to carry out safety research and safety public welfare activities, supporting the training of future talents and continuously giving back to the community.

Happy workplace life

Nissan regards excellent employees as its precious wealth. Nissan's subsidiaries in China attach importance to employees growth and care for employees lives. By creating an employee-centered working environment and human resources system, Nissan's subsidiaries in China safeguard employees rights and interests, support employees career development and self-worth realization, build a creative and diversified team, and work with employees to pursue the sustainable development of the enterprise.

Safeguard employees' rights and interests

Nissan's subsidiaries in China adhere to the concept of "Employees are the driving force for Nissan's sustainable development", insist on equal employment, consciously abide by the labor and employment system, improve the remuneration and welfare system, and build smooth and diversified communication channels to protect the legitimate rights and interests of employees.

Equal employment

29

Nissan's subsidiaries in China strictly abide by the Labor Contract Law and relevant laws and regulations, establish a comprehensive recruitment management system, to eliminate the use of child labor and forced labor, and ensure fair and standardized recruitment. They attract talents through open and diverse recruitment channels; resist employment discrimination, insist on equal pay for equal work, and strive to build an inclusive and open working environment. In 2020, Nissan's subsidiaries in China have 21,272 employees, 100% of which have signed labor contracts and are provided with social insurance coverage.

Remuneration and welfare

🛱 NCIC

According to the characteristics of the enterprise and the different needs of employees, NCIC continuously improves the performance evaluation mechanism and raises the remuneration level of employees. On the basis of competitive remuneration, NCIC not only provides employees with holiday welfare, annual physical examination, annual paid leave, travel subsidies and long-term service bonus, but also introduces welfare projects with the unique characteristics such as internal car purchase subsidies. In 2020, considering the impact of the COVID-19 epidemic, NCIC introduced a flexible office mechanism in the special period to ensure the health of employees.

🛱 DFN

Guided by the mission of "Creating value and seeking well-being together", DFN has established a capability-based, performanceoriented remuneration system taking into account post value and business characteristics. In 2020, DFN updated its remuneration management system, realized differentiated remuneration distribution based on value contribution, and introduced a project-based incentive scheme for talents in the new four modernizations to break the functional system, arouse employees sense of mission and strengthen their struggle spirit. At the same time, DFN introduced More for Good flexible welfare platform to facilitate employees to choose welfare products according to their personal preferences, which effectively improved employees satisfaction with welfare. In addition, DFN also optimized the commercial insurance scheme for employees and strengthened the labor protection for high-risk posts.

👼 ZNA

ZNA built a capacity and performance oriented remuneration system for the purpose of stimulating personnel vitality, and formulated special assessment and incentive schemes in combination with differentiated remuneration review and quarterly bonus mode for five business divisions: domestic sales, overseas sales, new energy, special purpose vehicles and parts sales. In 2020, ZNA revised seven remuneration and performance systems, including Remuneration management system for management and technical personnel, Remuneration management system for skill system personnel, Performance management system for management and technical personnel, and Performance management system for skill system personnel, etc, thereby offering rules for remuneration payment, and further strengthening the performance orientation of the remuneration system and the correlation between employees income and the company's operating conditions. In the same year, ZNA optimized the claim settlement process of commercial insurance, and arranged dedicated personnel to offer on-site service at fixed time and fixed place, so that the medical expenses borne by employees were reduced by 85.3% on average.

🛱 DFI

DFI has formulated a scientific front-line sales incentive scheme, which has effectively stimulated the enthusiasm of front-line sales personnel for the work. In 2020, in order to alleviate the impact of COVID-19 pandemic on employees and the enterprise, DFI reformed the remuneration system for front-line sales by linking employees' remuneration to final sales volume and dealer quality management, thus giving higher rewards to excellent employees. At the same time, the company improved the welfare protection of employees, provided many welfare measures including employee physical examination, supplementary commercial insurance and family property insurance, thereby offering all-round care for employees in the extraordinary period.

Diversified communication

Ref NCIC

NCIC promotes democratic management, democratic participation and democratic supervision mechanism through the employees representative meetings, and strives to create a fair, friendly, harmonious and open working atmosphere for employees; collects employees feedback and supervision opinions on the company through communication methods such as compliance hotline, employee survey, employee satisfaction and engagement survey; and provides employees with a channel to fully understand the company's business through the Engagement Toolkit, Nissan Daily News and business updates. In 2020, in response to the COVID-19 pandemic, NCIC hosted Online TownHall Meeting, ensuring that employees voices could be conveyed smoothly in the special period.

🛱 ZNA

ZNA strengthens the connection with employees and listens to their voice through employees representative meetings, grassroots research, customer satisfaction survey and employee forum, etc. During the epidemic period, in order to strengthen communication, the company compiled and issued 22 issues of Daily Work Express to release to employees the company's epidemic prevention and control policies and the resumption of work and production of each unit. At the same time, the company also attaches great importance to the response to employees appeals. At the proposal working committee, a total of 10 proposals were approved and 100% implemented, with another 6 proposals explained; for the dimensions with low score in 2020 employee satisfaction survey, ZNA also formulated corresponding improvement topics.

🔂 DFI

DFI continues to improve employee communication mechanism and enrich communication channels. In 2020, the company upgraded the OA network, enabled the WeWork internal publicity platform and supplemented by inter-building slogans to strengthen communication with employees. At the same time, the company also carried out front-line market and sales survey and "Appointment with Infiniti" department seminar to understand the needs of employees face to face and solve practical difficulties for employees.

🔂 DFN

DFN pays attention to the application of digital technology in employee communication. By establishing an online employee service center and launching an WeWork HR Assistant Platform on the mobile terminal, DFN fully understands the real needs and appeals of employees and provides convenient and efficient communication channels and services for employees at any time.



Safeguard employees' health

Nissan's subsidiaries in China continue to strengthen the occupational safety and health management system, reduce and eliminate potential safety hazards in the working environment as much as possible, and protect the physical and mental health of employees through production safety planning, safety assessment system, safety training and safety publicity activities.

Since the outbreak of the COVID-19 epidemic in 2020, Nissan's subsidiaries in China responded to it positively. With the help of emergency support mechanism, Nissan's subsidiaries set up an emergency command team quickly to get through the difficult period with employees by formulating the prevention and control measures, dispatching prevention and protection supplies, strengthening health publicity and education, and providing guidelines on safe resumption of operation.

Reference NCIC

NCIC cares about employees occupational health and safety, and improves employees safety awareness by establishing emergency management mechanism, carrying out fire drill and safety training. In addition, in order to ensure the physical and mental health of employees, NCIC regularly organizes employees to carry out occupational health examination and health lectures, and helps employees understand their health status in time and correctly deal with physical and mental stress through online emotional stress management and health management courses. During the COVID-19 epidemic, in addition to a flexible working mechanism, NCIC also produced a Knowledge Manual for the Prevention and Control of COVID-19 for employees, guiding them to protect themselves and safeguard their health and safety.

🛱 ZNA

In 2020, ZNA organized routine safety inspection, annual emergency drill and fire drill, and there were zero serious injury and death accident throughout the year. Meanwhile, ZNA has never relaxed the prevention and control of the epidemic. The company's Epidemic Prevention Command Office has kept monitoring the epidemic situation and responded to the national call to take prevention measures, arranged employees to get vaccination, and strengthened psychological counseling, thereby effectively protecting the occupational health and safety of employees.



🛱 DFN

DFN attaches importance to Environment, Health & Safety, and continuously improves employees production safety awareness by regularly organizing safety training, safety inspection, fire drill, flood control emergency drill, etc. In 2020, DFN continued to work with its employees to eliminate potential safety hazards in the working environment, and as a result, no serious injury or death accident occurred throughout the year. In addition, DFN also pays attention to employees mental health and protects their mental health through the implementation of Employee Assistance Program (EAP). After the outbreak of the epidemic, DFN quickly established the epidemic prevention and control leading group and working group, and launched care measures such as telephone call service in the epidemic affected area, original epidemic prevention articles by the EAP team, caring short message service and free consulting for dealers, thereby helping achieve the goal of "zero infection" and taking the lead in realizing the resumption of work and production.

🔂 DFI

In 2020, DFI continued to carry out annual safety inspection, emergency drill, fire drill and other activities to improve employees' capability to deal with emergencies. To respond the epidemic, DFI invested a lot of money in preparing the epidemic prevention materials, thereby solving the worries for the resumption of work and production.

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Facilitating employees' development

Nissan's subsidiaries in China continue to improve the employee training system, provide diversified career development paths and diversified vocational training to improve employees subjective initiative, raise employees professional quality and professionalism, help employees realize their personal value, and strengthen the driving force for the enterprises sustainable development.

Career development paths

Ref NCIC

NCIC offers employee career planning training for employees at different levels according to job demand and employee ability, so as to improve employees' capability and help talents' growth. In 2020, according to the competency model and behavior requirements of "New Nissan Way", NCIC updated the employee development system, optimized the overseas refreshing and training and intercompany rotation system in China, provided more opportunities for employees to try different positions, explore career paths and broaden career horizons, thereby making the achievable short-term, mediumterm and long-term career development planning formulated by employees in combination with their own capability and requirements.



DFN

DFN innovatively puts forward the talent training system based on four aspects, which covers four modules, including learning system based on employee development, certification system based on organizational development, talent project based on company strategy and competition project based on special capability. In addition, the company also has Dolphin Plan, three-year rapid training plan for R&D talents, marketing talent training project, supervisor training project, new technology training project and other talent projects based on the company's strategy, as well as customized training projects for specific talent groups. The multi-dimensional talent training system and diversified talent training projects may lay the foundation for employees to develop their capability and improve the technology. In 2020, the company strengthened the "demotion" mechanism. All directors with low performance are required to compete with the promoted personnel at the subordinated level, so as to promote the fairness of promotion. At the same time, a talent evaluation center is established to provide technical support for the purpose of strengthening the building of the company's professional and management talent echelon.

🛱 ZNA

ZNA has comprehensively built the career development path for employees since 2012, and revised and improved it year by year. In 2020, ZNA simplified the approval process of employees' application for promotion, adjusted the weighting of qualification items and performance requirements, and cancelled the post setting of reserve position, thus effectively improving the flexibility, fairness and transparency of the promotion mechanism. At the same time, the company also continued to ramp up the teaching of common courses and improve employees' skills in combination with employees' post needs and personal development intentions, so that competent employees could be promoted for growth.

🛱 DFI

DFI offers two promotion channels, i.e. annual regular promotion and new/vacant position promotion, and provides core employees with CDP/IDP programs, overseas talent exchange programs, career planning interviews and career planning counseling to help employees clarify their career development direction and capability requirements. For senior positions, DFI includes employees above director level into the talent management program of Renault-Nissan Alliance, and carries out key position succession plan for employees holding key positions, so as to further consolidate talent reserve and develop high-adhesion top talents.

Expert Review

Diversified training

Ref NCIC

NCIC provides targeted trainings for different types of employees, such as trainings for managers to help identify employees' characteristics and requirements and empower employees; vocational trainings for ordinary employees to realize self-awareness, tap into their potential, clarify career development direction and empower themselves; and trainings for female managers to improve women's leadership and raise the efficiency of diversified team management. In addition, the company attaches importance to international talent training, creating a good foreign language learning atmosphere and cross-cultural training for employees. In 2020, due to the epidemic, NCIC's learning and development department accelerated the transformation of digital learning, and invested in the online learning and sharing platform to provide employees with a series of customized training courses related to the COVID-19 epidemic, and help employees explore the innovative development direction under the new normal of the epidemic.

4,650 hours

Total hours of trainings that employees attended in 2020



hours



🛱 DFN

DFN is committed to building a learning-based organization. Since 2016, it has integrated resources to develop Dongfeng Nissan University, created "Dongfeng Nissan Learning Method", and built an all-round talent training system, thereby providing employees with diversified and differentiated learning contents and meeting the learning requirements of different groups. The company advocates close fit between training and business, and designs training development projects in combination with business needs, such as competition projects based on special capabilities, and talent training projects based on special skills, etc.

DFN Map Event

In order to help new employees familiarize with the company's site distribution as soon as possible and stimulate the spirit of teamwork, DFN held DFN Map activity for all new employees recruited on campus. The activity was prepared and organized by the company's internal learning performance team, and is divided into two parts: orienteering and map release. The orienteering lasted for half a day. On the day of the activity, several points were set in each plant area. Each point was designed with different challenge and breakthrough activities. The participating teams were required to complete the breakthrough task together within the specified time. The teams with the least time would win the highest scores. In the map release part, each team was required to draw a creative map for the company by using the experience and materials accumulated in the orienteering. Finally, the organizing committee of the activity would select the winning teams based on the comprehensive scores of each team in the orienteering and map release.

DFN training development projects

Digital talent project: Enhanced employees' digital transformation awareness and professional knowledge reserve through online and offline lectures and practical courses, so as to build an enterprise digital system, and provide a long-term driving force for enterprise transformation.

Build a Better Futur Life Together

> Innovation competition: Took the competition form as the entry point, introduced innovation courses and LUMA innovation toolbox, improved employees' innovation capability, and finally empowered the company to realize the overall business model, product, technology and management innovation.

> Professional college: Since 2018, it has established manufacturing college and subordinate branches successively to provide business enhancement courses for employees and methodology for subject system construction for departments, thereby promoting the creation of companywide learning atmosphere, enriching talent reserve and helping capability improvement.

New technology talent training: Carried out special training on NIM new technology to all technical departments, and developed internal basic technology courses on this basis to provide continuous learning guarantee for follow-up personnel.

Inspector program: According to the feature training of intermediate and senior managers, recruited intermediate and senior managers to conduct field visit and research in dealers, listen to front-line employees and write the visit reports



🔂 ZNA

With the purpose of "Improving the Capability of All Employees", ZNA fully introduced the 3E (Experience accumulation, interpersonal learning, education and training) model into training in 2020. Through online and offline resources integration and in combination with talent inventory and capability evaluation, ZNA broke the unrelated and non-designed scattered training mode between training projects by carrying out inclusive and targeted trainings for employees to continuously improve the professional skills of both cadres and employees. The overall training work of ZNA was carried out around the two core objectives of "Consolidating the Foundation and Strengthening the Body". While consolidating the basis of training management under the guidance of data and requirements, it carried out the annual normal operation of the special training course of "Reservoir", with focus on improving the strength of core job groups and empowering the business plan of the company.

231,964^{hours} 219

Total hours of training that employee attended

73.65^{hours}

Average hours of training that every employee attended

🛱 DFI

Number of internal employees

getting promotion

Adhering to the principle that "Talents are the driving force to help the company move forward", DFI continues to build a key talent team and strengthen personnel quality and capability. Targeted trainings and development plans are implemented for employees at different levels such as directors, senior managers, managers and front-line managers. Learning contents are released monthly in the form of flipped classroom and in combination with various online and offline channels, so as to encourage employees to use fragmented time for online learning and improve their personal capability. For the company's strategic talents, the "Four-Eagle Program" is introduced to create characteristic courses for centralized training. 2020 is the third year of the "Four-Eagle Talents" development program. A total of 7 training sessions have been completed throughout the year.



Indicator

Caring about employee's lives

Nissan's subsidiaries in China are committed to the common sustainable development of both employees and enterprises. After work, they create a harmonious living and working environment for employees, carry out rich cultural and sports activities, and promote the balance between work and life of employees. They also offer care and help to special employees and employees with difficulties to improve employees' sense of happiness and belonging.

Realizing the work-life balance

Reference NCIC

NCIC advocates a positive and healthy work style and lifestyle that combines work and rest. By holding a series of colorful cultural and sports activities such as family day and weekend travel, NCIC promotes communication and cooperation among employees and enhances team cohesion.

🛱 ZNA

ZNA has continuously innovated the connotation and form of employees' cultural and sports activities. In 2020, it organized the 14th production technology games, spring relay race, "Joyful Dongfeng" healthy walking, skill competition for special type of work, "We are all dreamcatchers" short video competition, film viewing activity, food festival and other forms of group activities.

🔂 DFN

Focusing on the two key words of happiness and efficiency, DFN carries out diversified employee activities, such as offering happy midnight snack, carrying out team outreach, resident rest and other rehabilitation activities for employees of special types of work, and encouraging employees to enjoy life while working efficiently.

🔂 DFI

DFI carries out various forms of cultural and sports activities all year round to enhance the friendship between teams. In 2020, the company also carried out activities such as party building and sales assistance activities in franchise stores, 100-day sprint & all employees meritorious service competition, March 8 commendation activities, themed CPC Day activities with the theme of anti-epidemic of Party members, and "Autumn-Rhyme" series of employees team outreach activities.



Care about employees

Ref NCIC

NCIC has continuously improved the welfare for female employees, held various forms of female employee activities, and constantly paid attention to the physical and mental health of female employees. On March 8, 2020, the company launched an online care activity of "Perceiving the Power of the Moment with Mindfulness" to help female employees alleviate their anxiety caused by the epidemic and safeguard their physical and mental health.

🛱 ZNA

ZNA cares about the lives of female employees and needy employees. For female employees, the company arranges annual special health examination and distribute monthly health expenses, and set up a mommy room to create a private and comfortable space for lactating employees and help female employees obtain a more dignified workplace life. For needy employees, the company sets up a "Love Fund", which distribute a total of RMB 490,172 in 2020 to comfort and rescue 109 employees and their families. The care for needy employees covers needy female employees and their families. In 2020, through holidays, daily assistance and education support activities, ZNA expressed condolences to 4 needy female employees and single mothers, helped 15 children of female employees complete their dream to access to education, and offered financial aid of RMB 60.000.

🛱 DFI

Focusing on the actual needs of female employees, needy employees and other special employees, DFI strives to solve life difficulties for employees. In 2020, the company established an employee mediation committee to offer psychological counseling and mediation to employees with any difficulties. In order to protect the rights and interests of female employees, the trade union carefully listens to the suggestions of female employees before any collective activity. On Women's Day in 2020, the company selected a number of "Women Pacesetters" and commended them on site in the "Goddess Day" activity organized by the company's labor union.



About This Report

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Our Strategy

Happy community life

Nissan's subsidiaries in China bear in mind that the needs of Chinese society are also those of Nissan. Over the years, they have continued participating in safety public welfare activities, paying attention to future talent training, supporting humanitarian assistance, giving back to social development with practical actions, and working together with stakeholders to build a safer and more inclusive society.

Making concerted efforts to protect safety

Aiming at "zero accident", Nissan adheres to the core safety concept of "Protect people with vehicle", and makes efforts to promote the "safety shield" strategy, proposing to improve road safety and create a more secure and safer traffic society through the joint efforts of society, individuals and vehicles.

Case

NCIC supports the 14th China Road Safety Forum

In August 2020, NCIC joined hands with China Automotive Technology and Research Center Co., Ltd. to discuss how to build a sustainable future mobility experience in China as traffic safety technology continues to develop, with the core topic of "Taking the pulse of the new development of traffic safety and jointly creating the ecosystem of people, vehicles and society", with industry experts and scholars from ministries and commissions such as the Ministry of Public Security, the National Development and Reform Commission, the Ministry of Industry and Information Technology, and relevant research institutions at home and abroad. NCIC said that it would help realize the vision of "zero fatality" through the introduction of Nissan ProPILOT technology.



Joining hands with love, Supporting children in education

Nissan believes that education is a key factor in supporting the sustainable development of society. Therefore, Nissan's subsidiaries in China continue to carry out the public welfare undertakings of inclusive education to help achieve equal access to education.

Ref NCIC

NCIC launched the "Nissan Dream Classroom" project in 2013. It takes automotive technology as the entry point, and combines the global advanced STEAM education concept, providing diversified and high quality education for students. By the end of 2020, "Nissan Dream Classroom" has been launched in 14 provinces, including Beijing, Sichuan, Yunnan, Gansu and Guangxi, and has achieved the goal of benefiting 1 million students.

🔁 Case

Nissan Dream Classroom "Intelligent Driving Classroom" launched in Shenzhen

In 2020, Nissan Dream Classroom Intelligent Driving Classroom was launched in Shenzhen. From the perspective of "Technology changes life and knowledge inspires dreams", the course led students to learn the fundamentals of image recognition and understand the application of artificial intelligence technologies such as image recognition in cars and daily life, helped them better integrate into the future intelligent society and facilitated the study of artificial intelligence.



ക DFN

DFN has long been concerned about the public welfare field of rural education, adhering to the mission of "Creating value and seeking well-being together", upholding the original intention of supporting children's education, and emphasizing the public welfare direction of "Teaching how to fish". Since it launched "Sunshine Care Foundation" in 2008, DFN has carried out "Sunshine Care" projects for many years, providing spiritual and material assistance to nearly 870,000 teachers and students totally. In 2020, DFN invested RMB 7 million in the "Sunshine Care Supporting Future Education" project, benefiting 30.000 teachers and students.

In 2020, the "Sunshine Care" series projects won the 2020 China Automobile Manufacturers CSR Golden Key Award and the Annual CSR contribution Award at the 10th (2020) CSR Awarding Ceremony.



□ Case

DFN "Sunshine Care-iReading Program"

In 2020, DFN, together with China Social Welfare Foundation and Southern Weekly, launched the "Sunshine Care-iReading Program". In the program, 13 "Sunshine Care Reading Ambassadors" from various fields were invited to go to rural primary schools in Ganxian County, Jiangxi Province, Longshan, Hunan Province and Tunchang, Hainan Province to conduct reading classes with children face-toface. In addition, the program also added about 300-400 new books to the reading room of each rural primary school, and build four new multimedia reading rooms equipped with more than 2,600 new books to improve the reading conditions of rural primary schools.

In the same year, the program carried out the topic activity of #Reading for i#, gathered the strength of many celebrities and the publishing industry, and led more netizens to pay attention to the reading of children in rural areas. In the future, the program will also provide five-year operation support for each school involved in the program, and help schools continue to carry out campus reading project, thereby allowing more children feel the power of reading.



ക ZNA

Since 2010, ZNAs "Hand-in-hand Project" education aid activity has successively launched many public welfare projects such as "Becoming a talent and realizing a dream", "Home of Hand-in-hand", "Love 1+1", "Sunshine Student Aid", "Warm Your Winter" and "Book Donation", and has donated cash and materials with a total value of nearly RMB 20 million to poor students all over the country, thereby helping thousands of poor children realize their dream of studying.

Highlights of ZNA "Hand-in-hand Project"

Investment

RMB 26.88 million

in total

Achievements

2,599^{students}

benefiting from it

About This Report

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Build a Better Future Life Together



Working together with partners to offer voluntary feedback

Nissan's subsidiaries in China firmly believe that any enterprise cannot achieve the development without the support of community, and enterprises need to actively assume their social responsibility. Therefore, Nissan's subsidiaries in China actively cooperate with communities, give full play to their professional advantages, make more efforts to participate in social actions such as epidemic prevention and control, earthquake rescue and disaster relief and rural revitalization, thereby helping create a more inclusive society. As a responsible corporate citizen, Nissan thinks what employees think, and regards employees rights and interests and personal growth as a required option for enterprises to create social value. Nissan also utilizes its advantageous resources to meet the urgent needs of society, and carries out public welfare undertakings together with stakeholders to fulfill the commitment of "Helping people live a better life".

Case

DFN Poverty Alleviation "Empowerment Project" in Mashan County

Mashan County, Nanning City, Guangxi, is a designated poverty alleviation county of DFN. Since the poverty alleviation work in Mashan County was carried out in 2013, DFN has invested more than RMB 22 million in it. By implementing the "Empowerment project", in combination with the characteristics of the natural conditions of Mashan County, and accurately positioning the development direction, DFN incubated and supported four projects industries, built four feature agricultural brands, and led 653 impoverished people from 169 households out of poverty by purchasing local special agricultural products and attracting the employment of poor households, with an annual per capita income increase of more than RMB 2800.

The project won the "Nanfang Public Welfare Communication Award" in 2020 and "Annual Poverty Alleviation Award" by People.com 2020 Corporate Social Responsibility.

Case

ZNA "Pickup Village" Project

Since 2015, ZNA has successively authorized the establishment of "Pickup Village" in 72 villages in Yunnan, Shandong and other provinces where Nissan pickup truck owners are highly concentrated to provide point-to-point repair and maintenance services for pickup truck owners and further strengthen the adaptability of products. At the same time, ZNA, based on the "Pickup Village", has continued to make designated donation and established "Sunshine Library" to enrich the extracurricular life of local rural children. Upon the outbreak of epidemic in 2020, ZNA actively took action to donate epidemic prevention materials at the key borders and checkpoints of Puer, Yunnan, and thereby helping the front line fight against the epidemic.

- There have been 72 authorized "Pickup Villages" established by 2020. The number will increase to 77 in 2021. The project will be able to maintain over 4,200 customers then.
- The "Pickup Village" project will be carried on based on "charity, experience, service, and emotion".

Development Process of ZNA "Pickup Village" Project



Indicator Ind

Future Outlook

For Nissan's subsidiaries in China, Year 2020 is a year of taking more active social responsibilities and overcoming difficulties with China. Nissan's subsidiaries in China adhere to the corporate vision of "Driving innovation to enrich peoples lives", got through difficulties, and continued to make efforts in the three major fields such as environmental protection, social development and corporate governance, so as to contribute to build a better life.

In 2021, Nissan's subsidiaries in China will continue to rely on the "Nissan Intelligent Mobility" technology and lead the transformation and upgrading of the industry driven by the "New Four Modernizations" of intelligence, networking, electrification and sharing, and provide customers with safer, more environment-friendly, userfriendly and exciting products and services, and work with partners to create more shared value for Chinese society.

Social development

With the goal of achieving traffic society with "Zero Fatality", we strengthen scientific and technological innovation and application, and convey the concept of safe driving to car owners and the public through various ways, thereby promoting the construction of safe traffic society while maintaining close cooperation with all sectors of society.

We will steadily promote sustainable talent development. Internally, we regard employees as the source of development, create a working environment with a sense of belonging and identity for them, provide fair training and promotion opportunities, and form an upward joint force with employees. Externally, we continue to participate in the public welfare of inclusive education, thereby promoting educational equity and facilitating the harmonious development of society.

Corporate governance

Future Outlook

We adhere to the principle of "Compliance with the Law" in carrying out business activities at the global level, continuously improve the corporate governance structure and compliance management system, improve the transparency and standardization of corporate governance, enhance the ability of risk prevention, and support the sustainable development of the company.

In the future, Nissan's subsidiaries in China will continue to increase investment in technological innovation, environmental protection and social public welfare, enhance the company's core competitiveness, give full play to the influence of the industry, empower a wider range of stakeholders, help China realize the construction of a transportation power and the low-carbon transformation of the automobile industry, thereby providing scientific and technological power to realize the "new development concept" of the 14th Five-year Plan for China to achieve a better future.

Environmental protection

With the goal of "Zero Emission", we will actively introduce electrification technology and green products, continuously improve air quality, increase water resource utilization efficiency, and work with suppliers and dealers to jointly cope with climate challenges, thereby driving the whole value chain to achieve "Zero Carbon Emission" upgrading in the future.

Indicator Ind

Expert Review



Liang Xiaohui

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 Information Center
- Chief Researcher & Deputy Head, Office for Social Responsibility, China National Textile and Apparel Council (CNTAC)
- United Nations (UN) Sustainable Development Goals (SDG) Pioneer

I have carefully read the 2021 Sustainability Report of Nissan's Subsidiaries in China, and hereby make the following comments:

Firstly, the report presents the current situation of Nissan's subsidiaries in China in fulfilling their social responsibilities in multiple dimensions with multiple themes. In addition to NCIC, the report subject also includes its joint ventures such as Dongfeng Nissan, Zhengzhou Nissan and Dongfeng Infiniti, etc, making the report highly inclusive in terms of content and subject.

Secondly, the report fully demonstrates the core strategy and main tactics of Nissan's subsidiaries in China in fulfilling their social responsibilities. For example, "Carbon Emissions Peak and Carbon Neutrality Goals" and "Zero Emission and Zero Fatality" strategies constitute the strategic core of Nissan's subsidiaries in China in fulfilling their social responsibilities. On one hand, according to the carbon neutrality goal released by Nissan in early 2021, it is planned to achieve carbon neutrality in the enterprise operation and product life cycle of the whole group by 2050. On the other hand, Nissan's goal of "Zero Emissions, Zero Fatality" aims to build environment-friendly and people-oriented "Automobile Society", grasping the essential requirements of the social responsibilities of the automobile industry and the real expectations of stakeholders.

Moreover, the report continuously focuses on the needs of the Chinese market and consumers, responds to the social development trend according to the latest regulations and policy guidance in the Chinese market, reflects the localization path of Nissan's subsidiaries in China to fulfill their social responsibilities, and is also committed to guiding the development of the industry in line with the macro direction of "Intelligence, Green and Safety". For example, Nissan has worked with China Automotive Technology and Research Center to compile the Blue Book of New Energy Vehicle for eight years in a row for deeply tapping the big data of new energy vehicle industry and analyzing the current situation and trend of the industry. In the field of safety, Nissan has participated in China Road Safety Forum for many years to share its own technologies and experience.

Finally, 2021 Sustainability Report of Nissan's Subsidiaries in China also focuses on the most important social topic of the year, the fight against the COVID-19 epidemic. It revealed in detail how the enterprises used their technology and resources to help China's fight against the COVID-19 epidemic, fully demonstrating Nissan's solemn commitment to "In China, For China".

In the future, I hope that Nissan can strengthen the in-depth analysis and disclosure of its social and environmental impacts throughout the whole product life cycle, including refining the information disclosure in terms of supply chain social responsibility due diligence management and compliance management, and explore the release of the social responsibility report of the branches and subsidiaries, so as to improve the depth and breadth of disclosure of Nissan's subsidiaries in China in fulfilling social responsibilities.

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