

**NISSAN GROUP
OF CHINA**



**2014 CORPORATE SOCIAL RESPONSIBILITY
REPORT OF NISSAN'S SUBSIDIARIES
IN CHINA**



Introduction

As the first corporate social responsibility report released by Nissan Motor Company in China, Corporate Social Responsibility Report 2014 of Nissan's Subsidiaries in China (hereinafter referred to as "this Report" or "the Report") mainly describes the social responsibility performance of Nissan's subsidiaries in China during the period from January to December 2013, with a part of data and description involving the contents before 2013.

This Report covers Nissan's wholly-owned subsidiary in China – Nissan (China) Investment Co., Ltd., two joint ventures – Dongfeng Nissan Passenger Vehicle Company and Zhengzhou Nissan Automobile Co., Ltd. (i.e., the subsidiary companies of Dongfeng Motor Co., Ltd., a joint venture between Nissan (China) Investment Co., Ltd. and Dongfeng Motor Group Co., Ltd. in China), and Infiniti Business Unit China (hereinafter referred to as "IBU-China"). In this Report, "Nissan's subsidiaries in China" refer to the companies above in general, and "Nissan" refers to Nissan Motor Company.

All contents and data in this Report are sourced from Nissan's subsidiaries in China. Nissan ensures that the materials related to this Report are true and reliable and that no false record, major omission or misleading statement is contained in this Report. In addition, all amounts in this Report are denominated in RMB (yuan) unless specified otherwise.

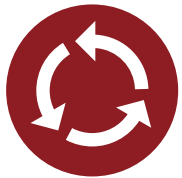
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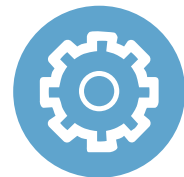
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Message from the Executive



Nissan always strives to become one of the leading sustainable companies in the automobile industry. Aiming at “Enriching People’s Lives” all the time since our entry into China, we have steadily introduced advanced technologies, important products and sustainability strategies into Chinese market, and set “Driving the Future with Heart” as our intent of corporate social responsibility (hereinafter referred to as “CSR”), thus fully engaging in the eight areas of sustainability that are closely related to Nissan’s development, i.e., environment, safety, philanthropy, quality, value chain, employees, economic contribution and corporate governance & internal control.

With an emphasis on corporate governance and economic contribution, and in accordance with applicable laws and corporate rules, we conduct fair, impartial and efficient business activities and aim for sustainable and profitable growth, in order to contribute to economic development for all of the society; we commit ourselves to developing innovative technology and strive to play an active role in safety promotion, making the automobile society safer for all; we promote ethical, environmentally sound actions in all stages of the supply chain, and provide top-level quality in our products and services for consumers around the world; and we care for our employees, aiming to form an attractive organization where diverse human resources can achieve personal development through experience in global business. Meanwhile, as a corporate citizen, we are willing to undertake social responsibility and carry out social contribution activities that focus on the environment, education and humanitarian support, so as to make the society warmer and more harmonious.

Now I would also like to stress more on environmental responsibility. As we know, environmental protection is a bounden responsibility for each automaker and the most important part in Nissan’s sustainability strategies. We have been seeking every means to resolve environmental problems caused by automobiles. Nissan Green Program 2016, our new environmental action plan formulated in 2011, defines four key actions focusing on minimizing the environmental impact of corporate activities: zero-emission vehicle penetration, fuel-efficient vehicle expansion, corporate carbon footprint minimization and new natural resource use minimization. An important quantitative indicator is to reduce CO2 emissions of corporate activities by 20% (vs. FY2005), in which the “corporate activities” involve Nissan’s manufacturing sites, logistics, offices and dealerships. This is by no means a simple goal, but we are making concerted effort with our partners to turn it into reality.

Next, we will continue our efforts in the following aspects. On one hand, through cooperation with our partners, promote the local innovation based on China and continue developing attractive products and services that have globally recognized quality and satisfy Chinese consumers; on the other hand, focus on sustainable development and promote Nissan Green Program 2016 to build an environment-friendly, safe and sustainable automobile society. This is Nissan’s first CSR report released in China. In the future, we will release more CSR reports regularly to continue communicating the progress and achievements made by Nissan’s subsidiaries in China concerning sustainable development.

Now we would like to make concerted efforts with various stakeholders with a view to bringing about a colorful and sustainable social life for all the people.

Takashi Nishibayashi
President
Nissan (China) Investment Co., Ltd.



Brief Introduction of Nissan in China

Founded in 1933, Nissan Motor Company, with about 160,000 employees, currently has automobile manufacturing sites in 20 countries and regions (including Japan) and provides products and services in more than 160 countries and regions around the world. With an emphasis on Chinese market, Nissan has gradually built its image as an international corporation that is based on China and makes use of advanced technologies, since its entry into China. Meanwhile, Nissan has established a wholly-owned subsidiary – Nissan (China) Investment Co., Ltd., a joint venture - Dongfeng Motor Co., Ltd., and its two subsidiary companies (also joint ventures) - Dongfeng Nissan Passenger Vehicle Company and Zhengzhou Nissan Automobile Co., Ltd., while offering such brands as Nissan, Infiniti, etc.



Corporate Vision

Nissan: Enriching People's Lives

Nissan (China) Investment Co., Ltd. (hereinafter referred to as "NCIC"), founded in February 2004, is a wholly-owned subsidiary established by Nissan in China, with more than 300 employees. As Nissan's headquarters in China and responsible for management of investment in China together with Nissan, NCIC mainly runs Infiniti-based vehicle import, sales and marketing business as well as parts export business and involve such operations as foreign-related presentation and certification of environmental and safety technology, investigation of technical trends, maintenance of intellectual property rights, etc. In addition, NCIC is also responsible for global model design for the Nissan and Infiniti brands, Nissan's corporate public relations, external affairs and CSR activities in China and other affairs.

In 2003, Dongfeng Motor Group Co., Ltd. and Nissan established strategic partnership to establish the largest joint venture in China, Dongfeng Motor Co., Ltd. (hereinafter referred to as "DFL"). As its subsidiary, Dongfeng Nissan Passenger Vehicle Company and Zhengzhou Nissan Automobile Co., Ltd. constitute an important sector of passenger vehicles.

Founded in June 2003, Dongfeng Nissan Passenger Vehicle Company (hereinafter referred to as "DFL-PV") is the most attractive business unit among the joint ventures of Nissan and Dongfeng Motor Group Co., Ltd. Committed to passenger vehicle development, purchasing, manufacturing, sale and service, DFL-PV is one of the few domestic automakers with a whole value chain. With around

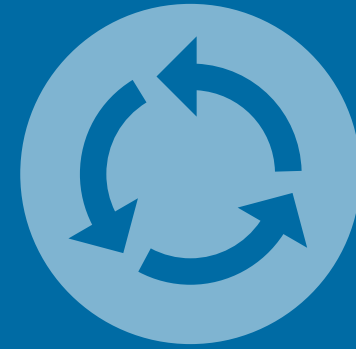
Corporate Mission

Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders in alliance with Renault.

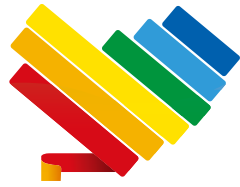
18,000 employees, DFL-PV consists of Huadu plant, Xiangyang plant, Zhengzhou plant, Dalian plant, the engine company and R & D center.

As a China-Japan joint venture and a complete-vehicle manufacturer, Zhengzhou Nissan Automobile Co., Ltd. (hereinafter referred to as "ZNA") was founded in March 1993 and restructured to enter the Dongfeng system in October 2004. Engaging in business activities at each stage of the value chain, e.g., product development, supply chain management, production & manufacturing and marketing service, ZNA is currently a national hi-tech enterprise as well as a nationally-certified corporate technical center in China, and won Henan Province Governor's Quality Award in 2011. With more than 4,000 employees, ZNA has been committed to the specialization of light commercial vehicles and high-end-oriented development of market segments for a long time, aiming to be a major development and production base for light commercial vehicles of two brands, i.e., Dongfeng and Nissan.





CSR Concept

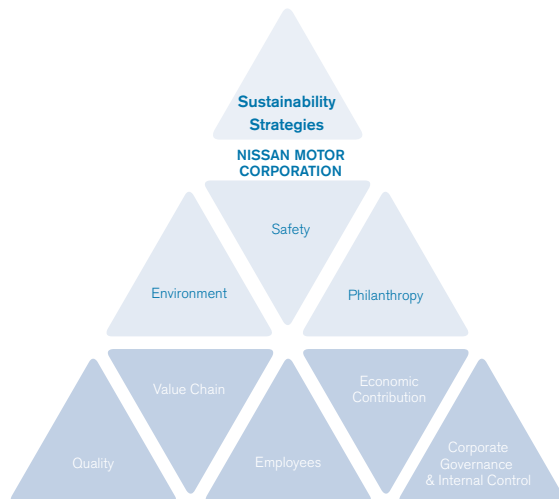


爱之行·享未来

Driving the Future with Heart



Blue Citizenship



Conceptual Description

Guided by the corporate vision of Enriching People's Lives, Nissan constantly offers new products, services and mobility for the society. "Blue Citizenship" represents our commitment to realize this corporate vision. Nissan is also committed to all the customers, employees, shareholders, and related public to offer appealing, valuable and sustainable mobility. Always taking sustainability as one of its core corporate strategies, Nissan has defined eight sustainability strategies, i.e., Environment, Safety, Philanthropy, Quality, Value Chain, Employees, Economic Contribution and Corporate Governance & Internal Control, to form its own CSR approach. Since its entry into the Chinese market, Nissan's subsidiaries in China, guided by their CSR intent of "Driving the Future with Heart" have been fulfilling their commitment to Chinese market and society by fully engaging in the eight areas of sustainability strategies and actively seeking sustainable approaches to auto issues as well as social and environmental issues, in order to realize long-term sustainable development in China. By integrating the efforts of various social groups, Nissan's subsidiaries in China aim to pass on Nissan's CSR confidence, passion and power and to create a beautiful future with harmony among people, vehicles and nature, thus becoming the organizations trusted and needed by the Chinese society.

Guided by its corporate vision of Enriching People's Lives, Nissan aims to contribute to the sustainable development of society through its full range of global business activities in addition to providing value through its products and services. As a leading global automaker, Nissan is committed to all of its stakeholders—including customers, shareholders, employees and the communities where the company does business—to deliver engaging, valuable and sustainable mobility for all. Nissan's pioneering efforts to promote electric vehicles and to make mobility more affordable for people in emerging countries are part of the initiatives rooted in this vision.

This approach to corporate social responsibility is called "Blue Citizenship." Through Blue Citizenship, Nissan aims to be a company that meets the expectations of society.

| | |
|--|---|
| Environment | Nissan aims to lead a social transformation aimed at bringing about a sustainable mobility society by reducing vehicles' environmental impact throughout their lifecycle and expanding the lineup of effective green products and technologies. |
| Safety | Nissan develops innovative technology and plays an active role in safety promotion, making the automobile society safer for all. |
| Philanthropy | Nissan carries out social contribution activities as a corporate citizen, focusing on the environment, education and humanitarian support. |
| Quality | Nissan provides top-level quality in its products and services around the world. |
| Value Chain | Nissan promotes ethical, environmentally sound actions in all stages of the supply chain. |
| Employees | Nissan aims to form an attractive organization where diverse human resources can achieve personal growth through experience in global business. |
| Economic Contribution | Nissan aims for sustainable, profitable growth, contributing to economic development for all of the society. |
| Corporate Governance & Internal Control | Nissan aims to conduct fair, impartial and efficient business activities by adhering to the applicable laws and corporate rules. |



Stakeholder Engagement

Nissan's development in China is closely related to the support of various stakeholders. Based on a full consideration of the impact of Nissan's operation and management on stakeholders, Nissan's subsidiaries in China continuously improve the communication mechanism to find out the requirements of stakeholders for CSR, and respond to the issues concerning stakeholders with concrete actions to promote their engagement, thus realizing comprehensive and sustainable development of the stakeholders.

| Stakeholders | Focus of Issues | Communication Channels & Main Measures |
|--------------------|--|--|
| Governments | <ul style="list-style-type: none"> • Lawful operation • Tax compliance • Energy efficiency | <ul style="list-style-type: none"> • Comply with applicable laws and regulations • Do business honestly • Pay tax in accordance with applicable laws • Develop new technology |
| Environment | <ul style="list-style-type: none"> • Energy saving • Emission reduction • Reduction of environmental impact in operation | <ul style="list-style-type: none"> • Formulate environmental strategies and launch Nissan Green Program 2016 • Develop green technology • Green manufacturing process • Green office • Environmental activities |
| Customers | <ul style="list-style-type: none"> • Product safety • High-quality service | <ul style="list-style-type: none"> • Improve product quality • Optimize the product recall system • Develop attractive products • Optimize the customer service system • Take multiple measures to improve customer satisfaction |
| Employees | <ul style="list-style-type: none"> • Protection of rights and interests • Salary and welfare • Education & training • Personal development | <ul style="list-style-type: none"> • Optimize the salary and welfare system for employees • Provide clear career development channels and all-around training systems • Implement employee care programs • Carry out employee volunteer activities |
| Communities | <ul style="list-style-type: none"> • Support of disadvantaged groups • Communication of road-traffic safety knowledge | <ul style="list-style-type: none"> • Implement education and humanitarian support programs • Implement road-traffic safety programs • Carry out employee volunteer activities |
| Suppliers | <ul style="list-style-type: none"> • Operational compliance • Fair procurement • Win-win cooperation • Reduction of environmental impact | <ul style="list-style-type: none"> • Distribute the Renault-Nissan CSR Guidelines for Suppliers • Improve the management of suppliers • Provide environmental certification service for suppliers • Conduct training for suppliers |
| Dealers | <ul style="list-style-type: none"> • Operational compliance • Quality of products and services • Reputation maintenance | <ul style="list-style-type: none"> • Establish a dealer management system • Manage and control business risks for dealers • Provide comprehensive support and cooperation in connection with technology, information and management |



Nissan's Economic Contribution in China



Creating economic value is the basis for Nissan's continuous development. With the deepening of localization and booming of the Chinese automobile market, Nissan has witnessed a rapid growth in China. In 2013, Nissan achieved a sales volume of 1.266 million automobiles in China, including imported vehicles, passenger vehicles and light commercial vehicles, which accounted for 25% of Nissan's global sales.

Besides, Nissan's subsidiaries in China have made remarkable economic contributions. After the establishment of DFL-PV, its sales increased from 65,000 to over 926,000 automobiles from 2003 to 2013, in which its total tax payment was over 78.2 billion yuan and annual sales increased by 1,415 times. So far DFL-PV has become one of the domestic enterprises with the fastest growth. In 2013, ZNA achieved a total sale of 118,000 autos, involving a total tax payment of 1.56 billion yuan.

Additionally, Nissan's subsidiaries in China have made great achievements in terms of providing impetus for boosting the development of local industries. Based on Huadu District, Guangzhou, DFL-PV has provided a strong driving force for Guangzhou to become one of the three largest automobile manufacturing bases in China. Driven by DFL-PV, an automobile industry chain, which integrates automobile development, complete-vehicle manufacturing, parts production, automobile trade as well as an automobile job market and an automobile institute as a whole for comprehensive and coordinated development, has formed in Huadu District. Responding to the automobile industry development plan for the Central Plains Economic Zone, ZNA has worked to promote the integration of industrialization and information-based development and intensified its efforts in technical upgrading and innovation, thus allowing it to play a significant role in bringing about a rapid growth of the local economy.

As for boosting the development of Chinese automobile industry, Nissan's subsidiaries in China also have an outstanding performance. Insisting on introducing advanced technologies and important products into Chinese market, Nissan has given great support to the development of independent brands under its joint ventures. In the future, Nissan will develop the models that are based on Nissan technology and suitable for the Chinese market, in order to flourish the automobile market in China.

Nissan achieved a sales volume of

1.266 million automobiles in China

The sales of DFL-PV increased from **65,000**

to over **926,000** automobiles from 2003 to 2013

ZNA achieved a total sale of **118,000** autos, involving

a total tax payment of **1.56** billion yuan



Environmental Responsibility

Nissan fully understands that, as an automaker, it has bounden responsibility for environmental protection. Hence, it has established a strict environmental strategy to fulfill its environmental responsibility. Upholding the environmental concept of the Nissan Global Headquarters (hereinafter referred to as “the headquarters”), Nissan’s subsidiaries in China strive to balance economic development and natural environment protection, and undertake various initiatives to minimize the direct and indirect impacts of their business activities on the environment, in order to become environment-friendly green automakers.



Nissan's Environmental Strategy

Environmental Concept and Objective

Based on the deep insight into its environmental responsibility, Nissan has established the environmental philosophy of "Symbiosis of People, Vehicles and Nature" and the environmental objective of "Reducing the environmental impact caused by its operations and Nissan vehicles throughout their lifecycle to a level that can be absorbed naturally by the Earth by promoting effective use and recycling of energy and resources." In order to achieve this objective, Nissan's subsidiaries in China, on one hand, endeavor to conduct product development and technical innovation, and on the other hand, involve themselves actively in social contribution activities focusing on environmental protection to encourage consumers to participate in environmental practices.

Launching of the Nissan Green Program 2016

Nissan's ultimate goal is to limit the environmental impact and resource consumption of its corporate activities, and of its vehicles during their entire lifecycle, to a level at which the planet can naturally sustain itself. To achieve this, Nissan launched its new six-year environmental action plan, Nissan Green Program 2016 (NGP2016), in fiscal 2011.

NGP2016 focuses on reducing the environmental impact of Nissan's corporate activities and pursuing harmony between resource consumption and ecology. NGP2016 has four specific key actions that involve activities in development, manufacturing, sales, service and all other departments companywide: zero-emission vehicle penetration, fuel-efficient vehicle expansion, corporate carbon footprint minimization and new natural resource use minimization.

Water-Use Management

As the global population grows, water use increases and the need for water resources becomes more serious. Nissan is making efforts to manage and reduce water usage at all of its production plants. It plans to achieve a 15% reduction from fiscal 2010 levels in water usage per vehicle produced by fiscal 2016.

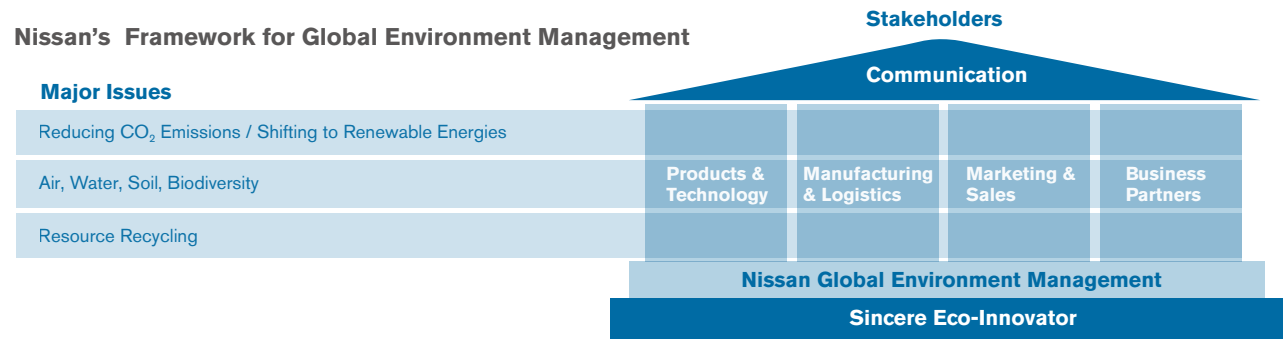
Nissan's Environmental Management System

Nissan's Organizations for the Environment

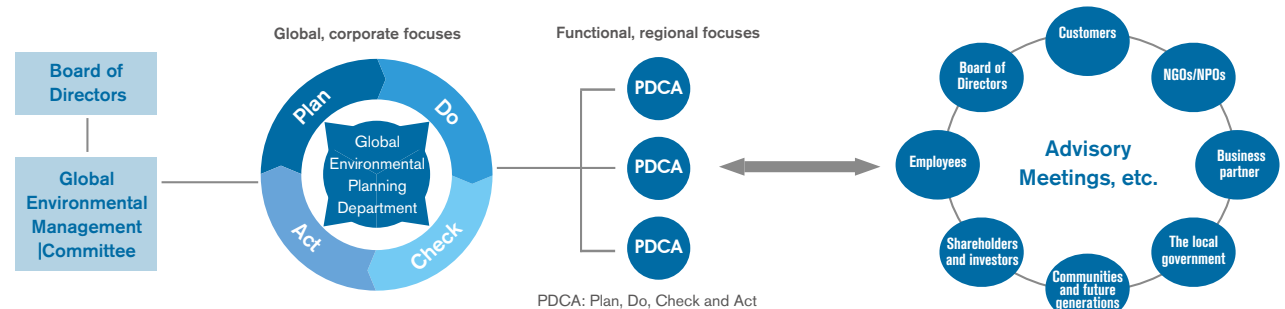
To achieve the NGP2016 goals, Nissan has created a global framework for environmental management and is setting targets and organically implementing action plans in all areas of its activity, from production and technical development, manufacturing, marketing and sales to other divisions.

To carry out its global environmental management, Nissan has established an organizational approach linking its various functions and regions. The Global Environment Management Committee (G-EMC), comprising corporate officers chosen depending on the issues being discussed, meets twice annually to determine overall policies and the content of reports to be put before the Board of Directors. In addition, Nissan has established committees to implement environmental management and activities at a deeper level in four regions: Europe, Japan, America and China. These groups report to regional management committees and cooperate with the Environmental Planning Department while reporting to the G-EMC.

Nissan also analyzes its use of resources and energy, the impact on the environment and how it can reduce that impact throughout the value chain. Through a broad range of approaches, it gains an understanding of stakeholder views and the diverse needs of society, taking them into consideration as it develops and implements environmental strategies.



Nissan's Global Environment Management Organization





DFL's Environmental Management System

In order to ensure the smooth implementation of its environmental management objectives, DFL has established the GB/T24001-2008 environmental management system. By implementing full-process control of the products, activities and services that may cause unfavorable environmental impacts and risks, promoting clean production and carrying out energy-saving and emission-reduction activities, DFL aims to realize coordinated development between economic and environmental resources, thus achieving such purposes as energy saving, consumption reduction, pollution reduction and efficiency improvement. Under the above guidance, DFL-PV and ZNA keep promoting their respective environmental management in daily operations.

With respect to the worldwide environmental issues at present, DFL-PV has put more effort to promote its Green Program 2015 and to improve the fuel economy.

DFL-PV Green Program 2015

- Reducing emission of CO₂, COD, SO₂ and other pollutants;
- Recycling (waste material recycling and remanufacturing business expansion);
- Improvement of the fuel economy by over 20% by introducing "Pure Drive";
- New powertrains and lightweight initiatives, as well as new-energy vehicles (electric and hybrid vehicles)

Green Research & Development

Nissan's goal is to reduce its new vehicles' CO₂ emissions by 90% in 2050 compared to the levels in 2000. Hence, in the research and development of new technology and new vehicles, Nissan endeavors to minimize the environmental impact of new products while ensuring their driving performance.

Zero-emission Efforts

© Beijing New Traffic Information System Technology Demonstration Project

An automobile's fuel efficiency not only depends on the car's own capabilities but on the environment and mode of driving as well. Given this, Nissan and Beijing Municipal Commission of Transport launched Beijing New Traffic Information System Technology Demonstration Project in 2012. In the project, they conducted experiments with a dynamic route guidance system (DRGS) using IT terminals and eco-driving support to alleviate the traffic congestion in Beijing, and some 12,000 DRGS-equipped vehicles were continuously monitored in the city's Wangjing district during an over-one-year period.

In September 2013, Nissan released the results of this project: Nissan DRGS can effectively relieve traffic pressure and reduce the time of congestion. If 10% of the vehicles driving in Beijing are equipped with this system, the overall average driving speed may be improved by about 10%, and the fuel consumption and TiO₂ emissions may be reduced by about 10% as well.

© DFL-PV's Green City Program

In 2009, DFL-PV comprehensively launched the Green City Program, which focuses on introduction of world-leading electric vehicles. Through deep cooperation with local governments, this program aims to promote the intelligent traffic system and to make an active contribution to the improvement of ecological environment for various communities. At present, DFL-PV has signed pure-electric-vehicle demonstration agreements with the Ministry of Industry and Information Technology and some cities such as Wuhan, Guangzhou, Dalian, etc. in succession, and has supplied 120, 136 and 30 Venucia E30 pure electric vehicles (the electric vehicles of a proprietary brand) to Guangzhou, Dalian and Xiangyang respectively, thus forming a layout of "point-to-area expansion and north-south extension" for promotion of new-energy vehicles. Moreover, over 1,000 Venucia E30 pure electric vehicles will become available to more cities countrywide in the upcoming year.



PURE DRIVE

Nissan believes it is important not only to develop and introduce zero emission vehicles such as electric vehicles and fuel-cell vehicles, but also to improve the fuel economy of engine-powered vehicles. Nissan's PURE DRIVE title is given to vehicles that not only meet existing fuel economy requirements in each market but clear more stringent internal standards which we periodically review in line with societal demands. PURE DRIVE implements innovative environmental technologies that maximize energy efficiency to lower fuel consumption and reduce CO₂ emissions. Cars featuring these technologies are being marketed worldwide.



Reduction of Environmental Impacts in Manufacturing and Operation

Nissan's subsidiaries in China have established a green cycle for product manufacturing and implemented a strict green management system in different segments such as purchasing, manufacturing, logistics, sales, etc., in order to effectively reduce various environmental impacts in operation.

The New-generation Xtronic CVT

The continuously variable transmission (CVT) enables smooth acceleration without noticeable gear changes. It also allows selection of the optimum engine speed to match the vehicle's rate of travel, thus achieving powerful driving with lower fuel consumption. Compared to previous versions, the Xtronic CVT offered by Nissan has reduced the friction by approximately 40% and improved the fuel efficiency by 10%.

By the end of 2013, Nissan had installed Xtronic CVT in over 85% of Nissan vehicles in China. On a yearly average, each Xtronic CVT-equipped vehicle can save 180 liters of petrol and a 1,400 yuan cost for consumers as well as reduce over 486 kilograms of CO₂ emissions, equivalent to the reduction made by 26 trees.

Green Purchasing

DFL-PV has formulated the Green Purchasing Guidelines and the precise General Rules for Purchasing Parts and Materials. During the development new products, the goods and materials used by suppliers have to pass strict examinations conducted by China Automotive Material Data System (CAMDS) to ensure that the technical indicators, like the recovery rate of new vehicles, banned materials, etc., meet the requirements of Chinese laws and regulations; the parts and materials must strictly comply with the applicable laws and regulations of China; and the management of suppliers' services and products must be in strict accordance with the applicable laws, regulations and corporate rules. Based on the green management for suppliers, DFL-PV insists on green purchasing and requires each supplier to establish an environmental management system and have an environment system certificate issued by a third party. At present, all parts and materials in production vehicles have met the requirements for environmentally

hazardous substances in the DFL-PV Product Technical Standards, and 94.1% of part and material suppliers have passed the ISO14001 or GBT24001 environment system certification. And this indicator is expected to reach 100% in 2015.

In July 2011, ZNA officially introduced the China Environmental Labeling Program for product certification, which requires that each supplier pass the certification for labor, environment and quality. Meanwhile, ZNA also had all suppliers sign the Guarantee for Non-use of Hazardous Substances to raise their environmental awareness and achieve the purpose of energy saving and consumption reduction. At present, over 95% of its suppliers have obtained the labor, environment and quality certificate; for those unqualified, ZNA will exercise continuous follow-up to help them come up to the standards.



Green Manufacturing

DFL-PV aimed to ensure zero pollution accident and to achieve a 100% acceptance rate for main pollutant emissions in 2013, and its green manufacturing was based on three environmental chain activities, i.e., gradual reduction of CO2 emissions, individual solid waste emissions and volatile organic compound (VOC) emissions.

◎ Reduction of CO2 Emissions

In addition to introduction of OCT, a new management model, DFL-PV carried out many CO2 reduction projects and worked to reduce CO2 emissions by reducing the use of such conventional energy resources as electricity, natural gas, etc.

| Year | CO ₂ reduction projects | CO ₂ emission reductions (ton) | Economic return (10,000 yuan) |
|------|------------------------------------|---|-------------------------------|
| 2011 | 97 | 7,683 | 614 |
| 2012 | 241 | 5,756.9 | 388 |
| 2013 | 359 | 28,000 | 2,729.6 |

◎ Reduction of VOC Emissions

In order to reduce VOC emissions in the painting process, DFL-PV replaced oil-based paints with water-based paints and managed to decrease the VOC emissions by approximately 50%; by using regenerative thermal oxidizers (RTOs) to combust the VOCs generated in the painting process, the efficiency of VOC treatment reached over 99%. DFL-PV carried out 17 VOC reduction projects in 2013, which is expected to reduce 100 tons of VOC emissions.

◎ Management of Solid Wastes

In order to reduce the solid wastes generated in the manufacturing process, DFL-PV set management indicators for individual solid waste emissions to implement reduction control from the source of wastes. Moreover, DFL-PV also took the following measures: educating employees on garbage classification, carrying out supervision on a daily basis, setting up recycle bins for recyclable solid wastes, and strictly classifying solid wastes for recycling. In 2013, DFL-PV carried out 63 projects for reduction of individual solid wastes and reduced 53.2 tons of solid wastes. In addition, the recovery rate of recyclable solid wastes came up to 100% and the general recovery rate of solid wastes reached 96.5%.

◎ Management of Energy Conservation

Aiming at reducing energy consumption in the manufacturing process, DFL-PV took various energy-saving measures actively. The company carried out motor frequency conversion to ensure the recycling of heat energy and strengthened management of the energy measurement system by equipping Class 1, Class 2 and Class 3 meters respectively. Meanwhile, in order to respond to China's motor energy-efficiency improvement plan, DFL-PV made an initial investment of 1.3 million yuan in 2013 to replace the motors of Huadu District that were included in the national list of obsolete equipment. After the replacement, all the motors can meet the level-2 energy-efficiency standards of China.

By using heat exchangers to reuse the pre-heat energy of drying rooms and RTOs effectively, the use of fuel gas was greatly reduced in the painting workshops of DFL-PV plants, among which, the painting workshop of Huadu No.2 Plant introduced Nissan's latest energy conservation technology, such as 3wet, air-conditioner window control, etc., thus decreasing energy consumption of individual auto by 20%.

◎ Management of Water Resources

In order to enhance water resource management, DFL-PV took a number of water-saving measures. For example, the discharge cycles of circulating water for pretreatment were reduced from 6 times to 4 times per year, and the discharge cycles of circulating water in painting rooms were reduced from 4 times to 2 times per year.

At present, the company treats industrial wastewater and domestic sewage through such steps as pretreatment, physicochemical treatment, biochemical treatment, recovery treatment, etc. Finally, a certain amount of treated water is reused in manufacturing after ultrafiltration and reverse osmosis, and other water is used for such purposes as toilet flushing, greening, cleaning, etc., so that zero wastewater discharge is achieved. Besides, DFL-PV carries out water quality inspection for wastewater once a month to avoid leakage and pollution accidents.

◎ Recycling of Materials

DFL-PV founded the promotion committee for circular economy pilot projects as early as 2005 by incorporating relevant departments, such as merchandise planning, technical center, production & manufacturing, sales & service, etc., into the committee, and then established applicable processes and systems for recycling of materials. Based on the concept of "3R" (i.e., reduce, reuse and recycle), DFL-PV prepared the Guide for Recycling Design, aiming to make an efficient and innovative use of resources throughout the vehicle lifecycle, to reduce wasted materials, and to minimize the negative effect of vehicles on the environment.



Qualifications for Green Shop

To obtain the title of "Green Shop," a shop has to pass the ISO 14001 environmental management system certification and meet the requirements of DFL-PV Green Shop Manual. Besides, DFL-PV added a "Commissioner Review" step in 2009 to enhance control over shop improvement. In 2011, DFL-PV launched a new initiative that requires each shop manager to: sign the Guarantee for Construction of DFL-PV Green Shop, promise to strictly comply with the requirements for management and operation of Green Shop, work to promote its construction and reconstruction, endeavor to introduce DFL-PV's green concept, "a Symbiosis of people, vehicles and nature," to customers and the parties concerned, and turn DFL-PV's constant pursuit of the green concept into a solemn commitment to the public.

Green Logistics

With respect to the logistics process, DFL-PV has adopted the environmental management policy of "fewer wastes and lower CO2 emissions." According to the three modes of logistics transport currently used i.e., road, rail and water transport, DFL-PV works to reduce the wastes and CO2 generated in the logistics process by taking such measures as increasing local suppliers, expanding railways and waterways, optimizing transport routes, etc. What is particularly need mentioning is DFL-PV has used 100% recyclable materials, instead of disposable cardboard boxes, in logistics packaging for domestic production parts since 2004.

Green Sales & Service

In February 2006, DFL-PV introduced the Green Shop program, Nissan's standard certification system, to put into place an environment-friendly sales and service network in all respects. This program is an important part of DFL-PV's environmental strategy, and its certification has become one of the strategic goals for operation and management of DFL-PV shops.

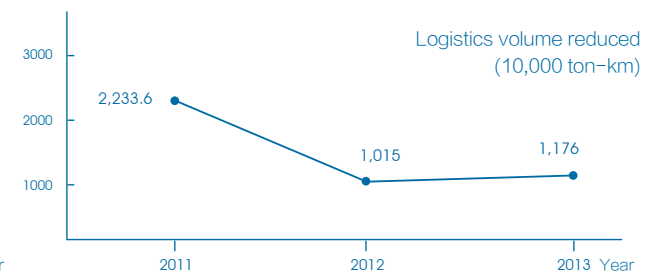
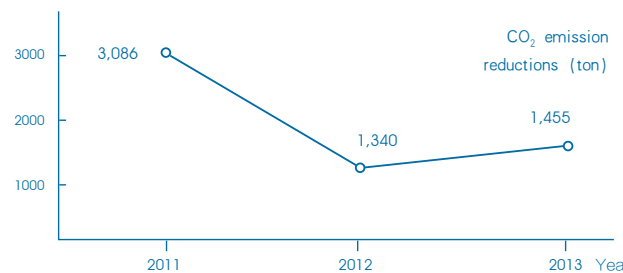
Encouraging dealers to undertake environmental responsibility, the Green Shop program is an important effort of DFL-PV to enable dealers to participate in environmental activities, by establishing a complete environmental management system to carry out continuous environmental activities and by improving environmental facilities to reduce the consumption of water, electricity and other energy resources and consequently lower the operating cost.

Since its launch, the Green Shop program has greatly raised the environmental awareness of dealers and created considerable environmental benefits. By the end of 2013, the title of "Green Shop" had been granted to about 300 DFL-PV shops, which may save 450,000 tons of water per year provided that each saves 1,500 tons of water a year. At present, China's daily water consumption per capita is about 200 liters. Hence, the water saved by all the green shops can be used by over 6000 people for a matter of one year.

CO2 Emission Reduction Performance Table of DFL-PV Green Logistics

| Year | Objective of CO ₂ emission reduction | Actual performance of CO ₂ emission reduction |
|------|---|--|
| 2011 | 1.0% | 1.1% |
| 2012 | 1.0% | 1.2% |
| 2013 | 1.0% | 1.2% |

DFL-PV Green Logistics Data





Green Office

DFL-PV is also devoted to promoting the low-carbon Green Office in its facilities and strives to convert "save paper," "save electricity" and other slogans to every employee's concrete and voluntary action by taking various electricity-saving measures like paper recycling, paperless offices, etc.

The "Chilled Water Storage" Air Conditioning

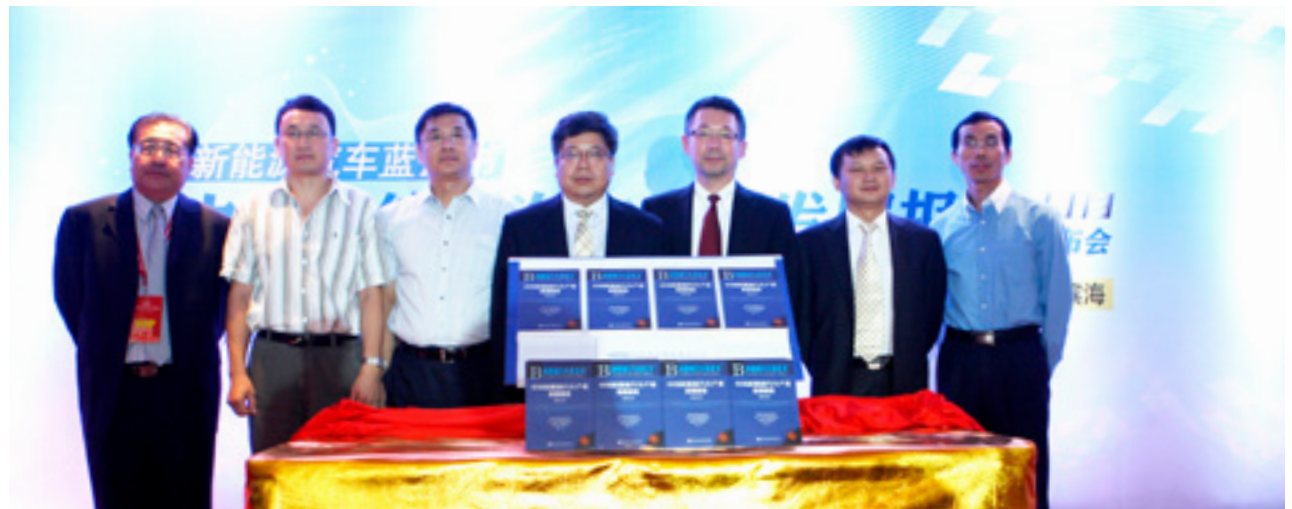
DFL-PV invested 4 million yuan to launch the "chilled water storage" air conditioning project. The "chilled water storage" air conditioning is an air conditioning system that makes use of electric energy to cool and store water at night when electricity consumption is low, and is thus available for use without consuming electricity during the peak hours of electricity consumption in the daytime. Due to the low electricity consumption by users and stable power generation by grids at night as well as the low charge for electricity at night (1/3 of the charge in the daytime), the "chilled water storage" air conditioning project can improve the utilization rate of electricity, save the electricity cost of air conditioning, and pay off the 4 million yuan initial investment in three years. In other words, this project can achieve multiple purposes with one effort.

Environmental and Social Contribution Activities

In order to enable more people to participate in environmental protection, Nissan's subsidiaries in China have carried out a series of environmental and social contribution activities, involving participants from Nissan employees to car owners, relatives, dealers and other stakeholders.

Co-publication of Blue Book of New Energy Vehicle

Co-written by China Automotive Technology & Research Center, NCIC and DFL, the Blue Book of New Energy Vehicle was formally released in the 2013 International Forum (TEDA) on Chinese Automotive Industry Development (2013 IFCAID). As China's first general annual report in form of blue book concerning the development of Chinese new-energy-vehicle industry, the Blue Book of New Energy Vehicle, based on a great amount of specific, authoritative data and first-hand survey results, conducts a comprehensive and systematic analysis on the development status of Chinese new-energy-vehicle industry from the perspective of social science, and includes such contents as overview of Chinese new-energy-vehicle industry, assessment of the industry's international competitiveness, analysis of the policy environment, status quo analysis of relevant industries and supporting facilities, consumer experience survey, reference of international experience, etc. Through publication, this book will serve as a window for auto industry authorities, research institutes, complete-vehicle and parts manufacturers and the public to know more about the Chinese new-energy-vehicle industry.





Social Contribution Activities

◎ NCIC: Earth Hour

Since 2010, NCIC has appealed to all its staff to take part in the "Earth Hour" event together with their families and friends. For Earth Hour, people are supposed to turn off their lights for one designated hour on one designated day every year. Meanwhile, NCIC also appeals to the staff of DFL-PV and ZNA, the dealers in China, and car owners to participate in the event together to make a contribution to environmental protection.



◎ ZNA: "I compensate for what I discharge," a series of planting and cultivation activities conducted by ZNA Owners' Club

The "I compensate for what I discharge" planting and cultivation project is a social contribution project launched by ZNA Owners' Club in 2007. By conducting environmental and social contribution activities regularly every year and encouraging car owners and their families to take an active part in those activities, the organizer aims to raise the public's environmental awareness. As of now, the project has been going on for seven years, involving a total of 34 activities, 2,190 participants and 16 provinces, cities and regions across China.

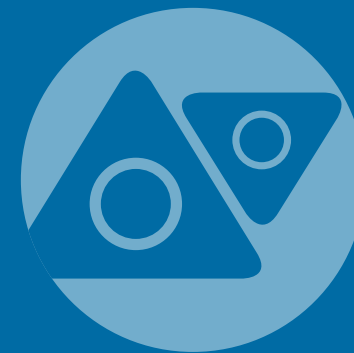


◎ DFL-PV: "Teana Oasis," a large social contribution project

In 2006, DFL-PV and China Green Foundation jointly launched "Teana Oasis," a large social contribution project focusing on environmental protection, which is aimed at responding to China's conception of environmental concern and harmonious development, improving the quality of people's green lives, and calling on more people to take part in eco-environmental protection.

Since its launch, the "Teana Oasis" project has been carried out in Beijing, Shanghai, Guangzhou, Wuhan, Chongqing, Inner Mongolia, Guizhou and other regions. Taking major green lands, like forest parks, urban green lands, ecological protection forests, nature reserves and so on, as the targets of maintenance and construction, the project has not only allowed car consumers with a sense of social responsibility to join in China's environmental projects, but also fulfilled the goal of ensuring the "harmony of communities, corporations and consumers" and making a concerted effort to build the environment. At present, the project has involved more than 5,000 mu (about 3.33 km²) of green lands, which are either under cultivation or planted.





Safety Responsibility

Safety is an eternal topic for automakers. Taking safety as a critical mission and following the principle of “people foremost,” Nissan and its Chinese subsidiaries are endeavoring to continuously develop safety technology, promote safety education, popularize the concept of safe driving and traveling in a civilized manner in an effort to build a safety-first atmosphere and bring about the harmonious development of people, vehicles and society.



Safety Responsibility Concept

Nissan aims to create cars that embody the “pleasure and richness of driving” while prioritizing customers’ peace of mind through the pursuit of a high level of real-world safety. Its ultimate goal is to achieve virtually zero traffic accidents involving Nissan vehicles that result in serious or fatal injuries. In practice, Nissan’s subsidiaries in China, by using their expertise, technology and products, engage in the development of new safety technology on one hand and promote safety education on the other hand, aiming to build a safe and peaceful automobile society by showing more concern on such three aspects as individuals, vehicle and society.

In July 2013, DFL-PV officially released its new safety concept and the “safe-car” culture manual aiming at “manufacturing safe cars, cultivating people with safety awareness, and bringing happiness to work, life and growth,” so as to provide clear and brief safety guidelines for all the staff and customers and to promote its internal development of safety culture in an all-around way.

Directed under the ultimate goal of “Enriching People’s Lives” which covers the whole value chain system, the new safety concept has helped DFL-PV to establish both internally and externally a unified and deep insight into safety issues and provides reference for other companies and industries to carry out safety management. In addition, DFL-PV turns out to be the industry’s first joint venture in releasing a proprietary safety concept.

DFL-PV Safety Culture System

Safety Vision: Enriching People’s Lives with Safe Navigation Safety Goal: Zero-accident, Zero-disaster and Zero- pollution

Safety Mission: Manufacturing Safe Cars and Cultivating People with Safety Awareness Safety Value: 1000-1=0





“Safety Shield” and Safety Technologies

Focusing on safe driving and upholding the safety concept of “the vehicle that helps protect people,” Nissan’s subsidiaries in China introduced the concept of “Safety Shield.” Aiming at helping drivers to maintain comfortable driving, helping drivers to recover from dangerous conditions to safe driving and helping minimize unavoidable collisions and injuries, they are developing various safety concepts and safety technologies to minimize and mitigate traffic accidents.

| Phase of Risk | Shield Protection System | Function |
|----------------------------------|--|--|
| Risk has not yet appeared | <ul style="list-style-type: none"> – Distance Control Assist System – Navigation-enabled Intelligent Cruise Control with full-speed range following capability – Adaptive Front-Lighting System (AFS) – Around View Monitor – Intelligent Cruise Control – Intelligent Pedal | Helps the driver to maintain comfortable driving |
| Risk has appeared | <ul style="list-style-type: none"> – Lane Departure Warning – Lane Departure Prevention – 4-Wheel Active Steer – Blind Spot Warning – Blind Spot Intervention – Back-up Collision Intervention | Helps the driver to recover from dangerous conditions to safe driving |
| Crash may occur | <ul style="list-style-type: none"> – Anti-lock Braking System (ABS) – Brake Assist – Vehicle Dynamic Control (VDC) | |
| Crash is unavoidable | <ul style="list-style-type: none"> – Intelligent Brake Assist – Front Pre-Crash Seatbelts | Helps minimize injuries when a collision is unavoidable |
| Crash | <ul style="list-style-type: none"> – Pedestrian Protection Efforts – Zone Body construction – SRS Airbag Systems – Pop-up Engine Hood – Active Headrest – Low-Friction Seatbelts – Human Body Model Simulation | |
| Post-crash | <ul style="list-style-type: none"> – Automated Airbag-Linked Hazard Lamps | |



Traffic Safety Activities

In addition to the development of safety concepts and safety technologies, Nissan's subsidiaries in China, by making full use of their advantages, have carried out various traffic safety activities such as promotion of traffic safety knowledge, hands-on safety driving and submission of proposals to governments, which are available to multiple aspects of both the public and government bodies.

NISSAN Cup National Youth Traffic Safety & Automobile Environmental Protection Knowledge Contest

In order to raise teenagers' traffic safety awareness and promote safety and environmental protection knowledge, NCIC launched the NISSAN Cup National Youth Traffic Safety & Automobile Environmental Protection Knowledge Contest in 2006. Aiming at the children and teenagers from 8 to 16 years old, the event was carried out in the form of Internet competitions and online activities to enhance their understanding of the knowledge in safety, environmental protection and energy conservation. Up to the present, the project has covered more than 100 schools in 16 cities across China, and over 200,000 students have benefited from it.



Dongfeng Nissan Technical Safety Driving Forum

In order to popularize the concept of safety driving and promote safe-driving habits among consumers, in 2009 DFL-PV built a Safety Driving Forum-based platform concerning the safety of vehicles and driving, based on which DFL-PV carried out owners- and people-oriented safety driving concept promotion, technical training and experiencing activities in various ways, so as to promote the knowledge and skills on how to drive vehicles and conduct first aid in a safe manner.

Dongfeng Nissan Technical Safety Driving Forum (NTSDF for short) has made use of automobile technology demonstration tools and experimental instruments for simulation of various traffic accidents that people may encounter in daily life. Visitors can experience in person the scenarios, such as vehicle collision, vehicle rolling, airbag pop-out, etc., and learn how to escape safely from traffic accidents while learning automobile principles and structure. All these simulations give car owners an implied reminding of the necessity of civilized driving and safe traveling.

Through years of efforts, the Safety Driving Forum has achieved considerable social benefits and exerted favorable influence on various social groups. Up to now, the project has covered nearly 300 cities nationwide and imparted the knowledge of safety driving and concept of civilized traveling to over 1.5 million participants.



ZNA's Proposals for Promotion of Automobile Civilization

With the emergence of the automobile society, automobile civilization is becoming the focus of attention. Building a harmonious automobile civilization is highly dependent on the support of policies and legal system. Hence, with respect to the society's existing problems, ZNA put forward suggestions actively in the two sessions (the National People's Congress and the Chinese People's Political Consultative Conference) and is seeking to promote the automobile civilization based on the support of policies. During the two sessions held in 2012, ZNA brought forward the proposal of "introducing wheelchair-accessible taxis and providing different types of vehicles in public transport service," and suggested incorporating the transport issue concerning elderly and disabled people into the scope for which governments should make improvements specifically. During the two sessions held in 2013, ZNA, focusing again on hot issues concerning the automobile society, put forward the proposal of "promoting civilized driving and good traffic manners", which advocated making laws for some promotable driving behaviors stated in the existing traffic regulations to build a good atmosphere for promotion of proper traffic manners.





Philanthropy

Philanthropy constitutes an important part of Nissan's global sustainability strategies. While laying emphasis on corporate development, Nissan's subsidiaries in China endeavor to: implement the headquarters' policy for philanthropy, carry out education support and humanitarian aid activities extensively, help people in need in various ways, and fulfill the responsibility to be borne by a corporate citizen carefully.

Nissan Global Philanthropy Promotion Framework

In promotion of corporate philanthropy around the world, Nissan has built a global philanthropy promotion framework to promote social progress in three areas, i.e., environment, education and humanitarian aid. Upholding the headquarters' philanthropy policy and following the principle of "people foremost," Nissan's subsidiaries in China strive to: carry out environmental education activities, support education development, call for humanitarian aid, and strive to meet social demands through products and corporate activities under the guidance of the common vision of "Enriching People's Lives."

Education Support

Education takes top priority in a hundred-year project. Keeping close attentions on the development of China's education sector, Nissan's subsidiaries in China have made large investments in both hardware and software over the years and played a significant role in support of students and people in poverty.

Dream Classroom

In order to mitigate the problem of unbalanced education development and by following the CSR intent of "Driving the Future with Heart," NCIC launched a program, "Nissan Caring for Migrant Children," in 2010. Through a series of activities like supplies donation, volunteer teaching, love camp, etc., this program supported and helped migrant workers' children both materially and spiritually, marking the start of a care program for needy children. The needy children care program was initially carried out in four schools for migrant workers' children in Beijing, Shanghai and Guangzhou and then gradually expanded to remote areas, thus producing a driving effect for more children in poverty-stricken areas to change their lives.

In November 2013, NCIC, DFL-PV and ZNA worked together with the Road Traffic Safety Association of China and the China Foundation for Poverty Alleviation to start Nissan's "Dream Classroom" program. By building "Dream Classroom" extracurricular activity centers for middle and primary schools in poverty-stricken areas, promoting traffic safety knowledge and carrying out other activities, this program aims to: broaden students' horizons, offer them dreams, help them realize their dreams in a confident and deliberate manner, and thus lay a good foundation for needy children's healthy growth in all aspects. Up to now, NCIC has been building seven "Dream Classroom" extracurricular activity centers in the Ya'an region of Sichuan Province. After completion of the construction, over 3,000 students will benefit from the buildings.



Dongfeng Nissan Benevolence Foundation

In June 2008, DFL-PV established the Dongfeng Nissan Benevolence Foundation, based on which a series of activities for poverty alleviation and education support was carried out. With this platform, DFL-PV aims to establish systems and codes for long-term aid and to convey the love and actions of Nissan employees, dealers, partners and car owners to the society.



◎ Sunny Care – Aiding Future Education

In July 2009, the Dongfeng Nissan Benevolence Foundation formally launched the “Sunny Care – Aiding Future Education” program, which focuses on providing training for teachers in less-developed areas like mountain areas, poverty-stricken areas, remote areas, etc. Over the recent four years, this program has been successively carried out in 12 areas of 10 provinces including Guangdong, Hubei, Heilongjiang, Fujian, Tibet, Shanxi, Sichuan, etc., with a total investment of more than 20 million yuan in teacher training, teaching materials, school supplies and other areas for education. Meanwhile, over 200,000 teachers and 500,000 students have benefited from this program.

In 2013, DFL-PV started to intentionally incorporate its dealers and car owners into the “Sunny Care – Aiding Future Education” program to develop it into an education support platform. On one hand, DFL-PV set up the Dongfeng Nissan Benevolence Foundation’s Official Website to recruit caring car owners and to release the information of grant-aided schools and students to the public; on the other hand, in order to collect relief supplies as many as possible, DFL-PV comprehensively integrated the contributions from each distribution channel, and particularly, worked together with dealers to recruit car owners and volunteer employees at the implementation stage.

◎ Sunny Care – Providing Education Support for Wenchuan

Formally launched in February 2009, the “Sunny Care – Providing Education Support for Wenchuan” program was a reconstruction and recovery project focusing on education and spiritual support. In 2009, 50 volunteer experts in five batches were successively dispatched to Wenchuan to provide one-on-one education sessions and rehabilitate the victims spiritually.



◎ Sunny Career & Golden Future

Based on the great support by the Ministry of Human Resources and Social Security of China, DFL-PV concluded the college-enterprise joint school running agreement with 20 vocational and technical colleges countywide in June 2012, thus formally starting the “Sunny Career & Golden Future” program that aims at running schools based on the joint efforts of the colleges and DFL-PV. With an investment of over 30 million yuan, DFL-PV now has intensified cooperation with the signatory colleges by providing educational supplies, setting up “DFL-PV Classes” and offering support in other ways, so as to cultivate specific automobile talents. In the coming three years, DFL-PV will make a strategic cooperation with 60 schools around its production bases. As estimated, the total investment will be more than 150 million yuan.

In 2013, DFL-PV donated around 2 million yuan to six national key schools successively and established DFL-PV Scholarship to cultivate and award young talents with innovation potential. Based on this milestone, DFL-PV is upgrading the college-enterprise cooperation program comprehensively, i.e., enhancing cooperation with the “Project 985 and 211” universities and providing support for innovative talents in their growth in addition to expanding cooperation with the original vocational colleges.

DFL-PV Youth Day

In order to enhance young people’s knowledge and understanding of the Chinese auto industry and to inspire their creativity and passion, DFL-PV initiated “DFL-PV Youth Day,” a large activity for young talents to explore DFL-PV. On June 17, 2013, 26 talent representatives consisting of leaders of the Youth League Committees of important state departments (such as the Ministry of Justice and Ministry of Commerce of China, etc.) and well-known enterprises, 40 reporters composed of college students from national key universities, and 6 winners of the design contest of “The Most Beautiful Venucia” went to DFL-PV’s Huadu production base to take part in the activity. On that day, the talent representatives of the Youth League Committees also discussed with DFL-PV executives on the topic of “Industrial Dream – Power of Youth.”

◎ Purchasing pure quality products to create a love union

Launched in 2006, DFL-PV’s “Purchasing Pure Quality Products to Create a Love Union” program is an activity carried out by DFL-PV together with its dealerships and customers to repay and offer love to the society. Scheduled once a year, it is also a long-term program for poverty alleviation and education support. During the activity, when a customer purchases a pure quality product at a dealership, DFL-PV will withdraw 2% of the payment as a donation in name of the consumer and add the money into the Sunny Care Fund, which is used to improve the conditions for running schools in poverty-stricken areas and to help dropouts return to schools. By taking such actions, DFL-PV endeavors to support the long-term development and progress of China’s education sector.



Hand-joining Project

In order to help poor students in schools complete their schooling and realize their dreams, ZNA launched the Hand-joining Project in 2010. As planned, ZNA will donate 3 million yuan or more to Zhengzhou Charity Federation per year during the five-year period from 2010 to 2014. Totalling not less than 15 million yuan, the donation will be specifically used to help poor college students, orphans, disabled children and other disadvantaged groups. In addition to direct donation, the Hand-joining Project has also set up a volunteer platform to offer opportunities for grant-aided students to participate in social contribution activities and pass the love, thus promoting the circulation of love and offering in-depth help to recipients from different perspectives.

At present, the Hand-joining Project has become a significant education and charity brand of ZNA, and various activities, such as "Home for Joining Hands," "I donate good books with good cars," "Sunshine Education Aid," "Charity Summer Camp," "Love 1+1," "Joining Hands in a Warm Winter," etc., are carried out regularly every year. Over the years, the investment has totaled around 13 million yuan, and nearly 5,000 impoverished college students, 1,000 orphans and disabled children, and 1,000 disaster-affected children and migrant workers' children have benefited from this project.

◎ Book Donation Relay – Distribution of Love in a Long Journey

To resolve the problem that children in poverty-stricken areas are short of extracurricular books, ZNA started the "Book Donation Relay – Distribution of Love in a Long Journey" activity in April 2012. By means of online promotion and offline support, ZNA strived to integrate the contributions from car owners, Internet users, employees and other caring people and to organize a love relay among people. Up to the present, ZNA's relay activity has covered six provinces, i.e., Sichuan, Inner Mongolia, Shaanxi, Shandong, Henan and Yunnan, and has helped more than 2,000 children realize their dreams for reading by donating around 10,000 books to disadvantaged primary schools.



◎ Sunshine Education Aid

To help poor students in areas around Zhengzhou to realize their dream to study in universities, the "Sunshine Education Aid" donation ceremony, as a part of the Hand-joining Project, is held in August every year to offer financial aid to about 300 impoverished college students, by giving each one of them a grant of 5,000 yuan, before the beginning of university autumn term. As of now, the project has helped 1,200 students in areas around Zhengzhou realize their university dream. For the grant-aided students, it also regularly organizes activities, such as visit-back, promotion, voluntary service, etc., to pass the love continuously and to call for attention to the physical and mental growth of college students.



Humanitarian Aid

Upholding the principle of “one in trouble, all to help,” Nissan got itself involved extensively in humanitarian aid. When an area suffered from a natural disaster, Nissan did whatever it could to provide various support and to help disaster-affected people work through difficulties.

Ya'an Earthquake Relief

After the occurrence of Ya'an earthquake, Nissan, NCIC and IBU-China immediately contacted the China Foundation for Poverty Alleviation and donated a total of 3 million yuan, which was specifically used for after-earthquake recovery and education support to enable quick, proper arrangement of earthquake-affected people and to help earthquake-affected teenagers go back to schools and recover to normal life as soon as possible. Particularly, based on the support of Nissan, the reconstruction of Xiangyang Primary School was started in December 2013. As estimated, the school's over 200 students and teachers will move to a new school building by the end of 2014.

As soon as the earthquake struck, DFL-PV also made a great effort to collect relief supplies and took a series of emergency measures for disaster relief, e.g., providing repair service for damaged vehicles at a close place. Besides, Dongfeng Nissan Benevolence Foundation donated 10 aid vehicles, totally worth about 2.6 million yuan, to the Department of Civil Affairs of Sichuan Province, and launched a set of spiritual recovery and education support projects.

After the earthquake, ZNA immediately donated aid vehicles, totally worth about 1.4 million yuan, to the civil affairs department of Ya'an and provided aid vehicles for Han Hong Love Charity Foundation and the “Enriching the West with Wisdom” organization, endeavoring to provide full support for the aid efforts of governmental and civil organizations. In addition to setting up a 24-hour support hotline for individual customers, ZNA, in a timely manner, provided supplies for its partners in the disaster area and established vehicle repair teams and temporary aid stations to ensure the efficiency of its industrial customers' disaster relief efforts and to distribute food, water and other necessities to earthquake victims.

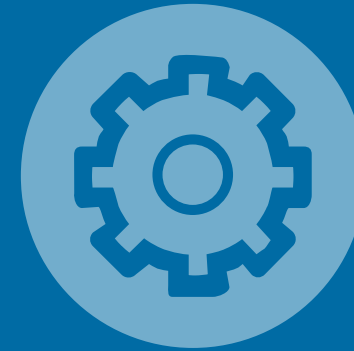
Donation to Lifeline Express

Since 2006, NCIC has, on a yearly basis, donated to the health fund under the Lifeline Express program co-organized by the Chinese Foundation for Lifeline Express and the Ministry of Commerce of China to provide free surgical operations for cataract patients in poverty-stricken areas. By 2013, the total donation had reached 1.02 million yuan, which made it possible for several hundred cataract patients to have received free surgery successively.

Elderly Care Project

To promote the development of Henan Province's undertakings for the aged, ZNA launched the Elderly Care Project. As planned, ZNA will donate 1-million-yuan-worth supplies or cash to Henan Elderly Care Association every year during the period from 2012 to 2016. Totalling 5 million yuan, the donation will be used to support the “Four Do's in the Neighborhood” and “Golden Garden” projects. Meanwhile, ZNA also donates vehicles for elderly people with motion disabilities to solve their transport problems.





Quality Responsibility

Nissan has long been striving to provide top-level quality in its products and services and requires its global corporations to keep enhancing quality management. Aiming to provide high-quality services to customers at every stage of engagement with them, Nissan's subsidiaries in China follow the headquarters' quality strategy strictly and endeavor to seek the best quality from every aspect, from strict product quality management to a complete recall system, to customer-oriented quality standards and product research & development, and to an increasingly complete customer service system and comprehensive measures for improvement of customer satisfaction.



“Enhancing Quality” Program

In 2011, Nissan launched its “Enhancing Quality” program globally, which clearly specifies its goals in terms of quality management as well as methods to fulfill these goals by 2016. To achieve those goals, Nissan focuses on management of both “product quality” and “sales and service quality” and strives to play a leading role regarding these two aspects in every region of the world.

The ultimate goal is to “raise Nissan into the top group of global automakers in product quality and elevate Infiniti to leadership status among peer luxury products” and to “achieve the top level in the area of quality from the customers’ perspective.” It will be the power for Nissan and its corporations in various countries and regions to continue enhancing quality management. Among them, the Infiniti Business Unit has defined 2014 as the “Year of Quality,” in which it will be committed to implementing the “Enhancing Quality” program announced by Nissan.



Product Quality Management

Adhering to the concept of strict quality control, Nissan’s subsidiaries in China have been endeavoring to enhance quality management by providing multiple improvement plans to address product quality issues. Meanwhile, these companies are also working to optimize the car recall system to meet the customers’ safety and quality requirements to the best of their abilities.

Product Quality Improvement

DFL-PV took the lead in hosting its unique DFL-PV Quality Forum in 2009. Through board presentation, visit programs, topic seminars, expert communication and so on, the forum has not only shown DFL-PV’s quality assurance & improvement efforts and management achievements in all aspects, but also strengthened the communication and mutual learning between the quality management departments at all stages of the value chain and between them and experts from industrial associations and media, thus playing a significant role in improvement of DFL-PV’s quality management capability across the value chain. As of now, DFL-PV Quality Forum has been held four times and become the best platform to conduct internal quality education and external seminars.

ZNA has set up a quality index system and a quality assurance system, which are consistent with other Nissan systems around the world. Moreover, ZNA has established specific management measures to correct such problems as bad markets, defective parts, improper operations, etc.; It also went ahead with encouraging various quality improvements and stabilizing and constantly enhancing product quality at each stage. Additionally, efforts were also made in improving customer satisfaction by reducing customer complaints and market claims.

According to the features of Chinese market, IBU-China has continuously improved its technologies in such areas as emission reduction, light weight, hybrid power, etc., in order to promote the provision of more high-quality products and sustainable development.

Product Recall System

Although it is the manufacturer’s primary responsibility to spare no effort to avoid product failure, the complexity of automobiles will unavoidably lead to frequent failures and recalling of products. Chinese auto market started to implement the recall system in 2004, but NCIC had already made recalls in Chinese market before that. Nissan endeavors to handle recalled products fairly and promptly and to ensure the integrity and transparency of its recall system.

In accordance with the principle of ensuring customer safety and minimizing damage, the recall system of Nissan’s subsidiaries in China is implemented based on globally consistent market measures and improvement measures, with a not-more-than-one-day time difference between different regions. When making recalls, in order to ensure timely information release, Nissan will release the information concerning recalls both on its global website and on official website in China; notify customers, through its call center, as soon as possible to remind them of taking safety measures before returning products; and communicate all relevant information, including fault description, improvement measures and repair measures, to dealers. The repair work for recalled products must start within one month after release of the information concerning recalls.



Customer Engagement

Customers are direct users of automobile products, and their attitudes and opinions are significant for improvement of product quality. Hence, Nissan's subsidiaries in China insist on working from the perspective of customers to develop high-quality products that offer a good customer experience.

Setting Quality Evaluation Criteria from the Perspective of Customers

Nissan believes that setting evaluation criteria from the perspective of customers is the best way to improve product and service quality. Therefore, Nissan upholds the long-term vision of "achieving higher quality that inspires lasting trust among customers" and strives to earn the trust of customers by exceeding their expectations at every point of contact, so as to know their real opinions on its products. According to certain third-party quality indices on which customers place considerable weight, Nissan has set strict requirements for the quality of its products to win top-level rankings in these benchmarks.

In China, DFL-PV places an emphasis on customer feedback and tries to learn their opinions in an active manner. With regard to handling of customer feedback, DFL-PV instructs evaluators to call customers to verify their problems directly; as for vehicle detection, both new vehicles and the vehicles stored in dealerships are detected in customer surveys, in order to simulate the authoritative evaluation methods of J.D. Power. Besides, DFL-PV also designates evaluators to conduct on-site surveys so as to send customer feedback to the headquarters and find out the customers' dynamic demands without delay, which will, in turn, be conducive to the research and development of new vehicles.

Developing an Attractive Product

It is very difficult to find out the customers feelings during their observation, touch and use of vehicles. However, such feelings are of great importance for auto design. For this reason, Nissan's subsidiaries in China employ scientific methods to measure and analyze human perception, quantify feelings of comfort, and apply the results in car design for the purpose of making constant breakthroughs in comfort improvement.

Advanced Design Helps Improve the Comfort of Neo Teana

Based on the previous Teana version that used to be called the "King of Comfort," Neo Teana, again, is built in with a series of industry-leading advanced fittings: the unique zero-gravity healthy-position seat structure provides the most suitable support for the waist and back and enables the spine to always be in a healthy and comfortable position; the double suspension system, composed of the rear shock absorber with extension springs and the seats with triple-layer cushioning materials, can effectively reduce the amplitude of vibration and absorb shocks to enhance the vehicle's overall stability, and reduce the fatigue of the driver's waist and back by 67% compared to vehicles of the same class while providing the most comfortable sitting position for the driver and minimizing shocks, so as to further improve the comfort.





Sales and Service Quality

In accordance with the concept of “customer foremost,” Nissan’s subsidiaries in China strive to develop and provide innovative, safe and high-quality products and services more in line with customer expectations with a view to maximizing customer satisfaction, while continuously improving their customer service systems and carrying out innovative customer service activities.

Customer Service Concepts and Systems

© DFL-PV's Customer Service System

DFL-PV carries out its after-sales service by providing customers with "peace of mind in five areas": quality, cost, repair, time and emergency. Moreover, DFL-PV has established a complete customer service system.

The customer service department of DFL-PV is responsible for management and handling of customer service-related affairs. As for organizational structure, the after-sales service department works together with the departments of technology, products, environment protection, spare parts & logistics management and purchasing to communicate customer voices across the company and to ensure the smooth implementation of customer service; as for service support, the after-sales service department, starting from such businesses as improvement of outlets, 3R services (warranty services of repair, replacement and refund), technical support for maintenance, training, service marketing, quality products, customer complaints, etc., works to establish corresponding offices that match the front-line services in a “one-on-one” manner to ensure the smooth implementation of customer service. With more than

800 service outlets countrywide, DFL-PV has altogether assigned over 50 service representatives to four regional marketing departments to provide guidance on provision of customer service for dealerships.

© ZNA's Customer Service System

Focusing on customer satisfaction in its service all along and upholding the concept of “one-on-one, life-long and thoughtful service,” ZNA has established a service system that includes a licensing service center, dealerships, regional offices and corporate functional departments. In this system, corporate functional departments provide full support for the licensing service center and dealerships, help them improve service quality, and assign a service representative to each provincial-level office to provide guidance for dealerships. Besides, by enhancing service network, upgrading customer loyalty and continuously improving the service management system, the customer service department has built a service model focusing on loyal customers.

© IBU-China's Customer Service System

Highlighting such brand features as considerate service and attention to detail, IBU-China's customer service system covers after-sales service, customer satisfaction, sales & after-sales processes and other segments. It is to be implemented by dealers after undergoing a unified training course. To clearly define responsibilities and rights, each Infiniti dealer shall have an independent customer service department, which is responsible for directly reporting to the general manager, listening to customer voices in a timely manner, responding to customer inquiries or complaints as fast as possible, monitoring the implementation of standard processes by sales and after-sales service departments, and discovering and resolving internal problems concerning service quality without delay. Moreover, IBU-China's sales department, after-sales service department and customer service department will work together to satisfy customers and to improve their loyalty through the standardized and customized VIP service, while continuously improving the internal service management system and working to build a customer-centered service model.





Improvement of Customer Satisfaction

◎ DFL-PV

In order to effectively fulfill the three customer service commitments, i.e., "safety guarantee, 7-day replacement warranty and offer of temporary vehicles in case of incidents for insured vehicles," DFL-PV endeavors to learn about the issues concerning customer satisfaction with front-line services and the progress of improvement efforts in a timely manner by carrying out a telephone survey every month, and provides specific support to help improve disadvantaged areas. In 2013, DFL-PV introduced service reception desks, service adviser (SA) toolkits, vehicle clamps and other tools in its dealerships around China, aiming to improve the efficiency of service for vehicle delivery while providing more professional service to customers.

In addition, DFL-PV makes an internal telephone survey every month by using the Top-2-Box analysis method to know more about customer satisfaction with front-line services in a timely manner. Furthermore, 400 hotline and 800 hotline are also available to facilitate customer complaints. As required, a 2-hour response mechanism should be implemented in accordance with strict management systems and evaluation methods to resolve customer complaints, with emphasis on such indicators as case closure rate, time length, etc.

DFL-PV's customer satisfaction efforts have won general approval from consumers. In August 2013, DFL-PV won the champion in J.D. Power's annual survey on customer satisfaction with sold vehicles, making it the industry's first corporation outperforming luxury brands in this authoritative study.



◎ ZNA

In 2013, aiming at "full understanding of current customer satisfaction, in-depth diagnosis and effective improvement," ZNA carried out a comprehensive series of customer satisfaction improvement activities, including NSSW promotion, better handling of complaints, equipment application, production efficiency improvement, technical capacity upgrading, improvement of maintenance information accuracy, enhancement of market quality management, changing of methods used for customer satisfaction surveys, etc. As the industry's first corporation that introduced a remote diagnosis system, ZNA now conducts online meetings for experts to help service outlets resolve their technical problems in a remote and quick manner, thus accelerating the removal of problems and failures. In addition, ZNA has three channels, i.e., the specific 400 complaint hotline, the specific mail box and online media, to receive customer complaints and feedback.

◎ IBU-China

To improve customer satisfaction, IBU-China provides customer satisfaction training, video instruction and on-site guidance for all the key positions including dealer general managers, sales and after-sales managers and customer service representatives, and puts forward innovative improvement measures in the industry's common disadvantaged areas like vehicle-delivery instruction, test ride/drive, etc. Further more, IBU-China conducts a survey on all the dealers every month by setting appropriate indices and increasing rewards. IBU-China strives to improve customer satisfaction in a multidimensional manner by interacting with customers, providing 24-hour roadside assistance for car owners and conducting various car-owner activities and other activities.

Based on its effective measures for improvement of customer satisfaction, Infiniti ranked 4th in J.D. Power's customer satisfaction rankings for luxury brands in 2013, and its improvement efforts were highly appreciated and approved by various organizations.



Innovative Customer Service Activities

◎ The Warm Way Home

From 2009, DFL-PV conducted the activity “The Warm Way Home” every year during the peak travel season by offering free vehicle detection service to its customers to ensure their safety on their way home. In 2013, this program expanded all the way from expressways to large communities. So far, it has set up more than 450 stations near expressways and in large communities and served over 10,000 customers, thus receiving favorable comments from customer.

◎ Clean Breath

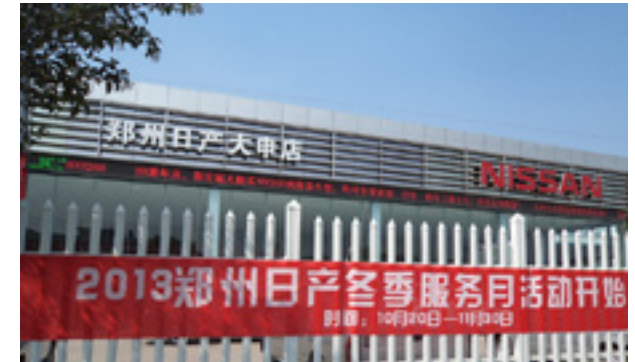
In response to the worsening air quality, DFL-PV has made great efforts to develop an efficient PM2.5 cleaning system. In the second half of 2013, DFL-PV carried out the activity “Clean Breath,” which is aimed to create a relatively safe and healthy interior environment for each car owner by equipping each car with an efficient PM2.5 cleaning device to effectively reduce the effect of external air pollution. Now this system is highly appreciated by customers and more than 358,000 passengers have benefited from it.

◎ Winter & Summer Service Months

How to maintain vehicles and to decrease the vehicle incident rate in extreme weather, such as high temperature and heavy rain in summer, intense cold in winter, etc., is one of the most paramount concerns of car owners. Paying close attention to this requirement, ZNA organized the Summer Service Month and Winner Service Month activities in May and October respectively to make vehicles be ready for the upcoming extreme weather and to enable car owners to enjoy the sunshine in summer and winter with peace of mind, by providing vehicle washing and detection service for free.

◎ ZNA’s Approach to the Petrochemical Industry

With respect to customers in the petrochemical industry in which vehicles are in frequent use, with large workload and in poor conditions, ZNA specifically carried out the activity “ZNA Service in Action – an Approach to the Petrochemical Industry” from May to August 2013. During the activity, in addition to providing free vehicle detection and washing service and presenting exquisite gifts, ZNA established a special workgroup, which visited industrial giants and focused on large oilfields to effectively meet customer demands from different perspectives such as service, quality assurance, sales, etc., and conducted activities like presenting the Maintenance Manual booklets to vehicle owners and giving lessons on vehicle maintenance to mitigate customer concerns beyond vehicle use.





Value Chain Management

As suppliers and dealers are Nissan's important partners, Nissan's subsidiaries in China, in accordance with the business ethics, pursuant to the principle of fairness, openness and impartiality, and on the premise of mutual trust, mutual respect and transparency of information, endeavors to establish and maintain good partnership with their suppliers and dealers and strive to realize sustainable development with them on the basis of equality and mutual benefits.



Working with Suppliers

Nissan's subsidiaries in China have implemented strict supplier management systems and established complete mechanisms for supplier selection, qualification, evaluation and noncompliance penalties to ensure environment friendliness and high quality of products and services from the source.

Guidance for Suppliers

On a global basis, Nissan and Renault have prepared *the Renault-Nissan Purchasing Way*, a booklet comprehensively and completely outlining the important values and processes to be adhered to during business operations. This booklet has been shared with the tier-1 suppliers of Renault and Nissan since 2006. In May 2010, Nissan published the *Renault-Nissan CSR Guidelines for Suppliers*, which explains Nissan's CSR and procurement policies in five main sections: safety and quality, human rights and labor, the environment, compliance and information disclosure. So far the booklet was being distributed to all the tier-1 suppliers worldwide, including Chinese suppliers, with the aim of helping them review their business activities from a sustainability viewpoint and further carry out the CSR activities. Guided by the headquarters' supplier policies, Nissan's subsidiaries in China have made a great effort to promote their supplier management.

Management of Suppliers

Improving decision-making mechanisms and management standards with a great effort, Nissan's subsidiaries in China have established and are maintaining a Nissan brand strategy specific for China and a supplier management system that has the same practicability as a supplier's daily operation system. Besides, more efforts are being made in improving and enriching their management methods from various aspects such as supplier selection, qualification, evaluation and termination.

◎ Selection of Suppliers

Both DFL-PV and ZNA have adopted the external policy calling for fair competition and the qualification policy setting strict requirements on evaluation to comprehensively evaluate supplier capability in various areas like technology, quality, cost, management system, delivery term, etc. When selecting suppliers, ZNA will firstly determine a supplier platform, and then choose appropriate suppliers from the List of Potential Suppliers. After a series of steps such as supplier investigation, on-site verification, approval meeting, etc., ZNA will incorporate qualified ones into the List of Qualified Potential Suppliers for selection. When participating in a new project, carrying out localization or changing suppliers, ZNA will submit this list to the purchasing committee (if its bid is accepted). After the purchasing committee's approval, this list will be incorporated into the List of Qualified Suppliers.

◎ Management and Evaluation of Suppliers

DFL-PV requires each supplier to establish an environmental management system and have an environment system certificate issued by a third party, and gives priority to certificated suppliers when packaging and distributing new products. As of 2013, DFL-PV had 345 part and material suppliers in all, among which 94.2% had passed the ISO14001 or GBT24001 environment system certification. And his indicator is expected to reach 100% by 2015.

ZNA endeavors to help its suppliers meet Nissan's Alliance Supplier Evaluation Standard (ASES) and, consequently, be incorporated into Nissan's global supplier system. In order to ensure the quality of products and services, ZNA has been endeavoring to develop strategic suppliers and to promote localization while strictly controlling the number of new suppliers. As a result, ZNA only incorporated 15 new suppliers into its supplier system in 2012 and 2013.

◎ Non-compliance Penalties for Suppliers

In terms of supplier management, DFL-PV insists on implementing the green purchasing guidelines and has formulated a "Zero Tolerance" policy. In case that a third-party authority confirms that a product fails to meet environmental standards, DFL-PV will instruct the relevant supplier to make corrections within a definite time limit and to keep checking the product until it is qualified. In the meantime, any supplier failing to make corrections before a specified deadline will be eliminated from DFL-PV's supplier system thoroughly.

ZNA evaluates suppliers in accordance with the Supplier Performance Evaluation Rules every season and every year. If any supplier breaks a rule, ZNA will order the supplier to make improvements, and follow up its improvement efforts continuously. In addition, ZNA conducts an annual review of suppliers according to their work status and annual evaluation results to pick out those with poor performance. Suppliers that are being picked out by all the departments shall be eliminated.



Working with Dealers

By making active cooperation with dealers, improving dealer management systems, conducting training on dealers and carrying out satisfaction surveys, Nissan's subsidiaries in China aim to continuously improve the service quality, management capability and risk tolerance of dealers and to, consequently, achieve common prosperity and win-win outcomes.

Management of Dealers

◎ DFL-PV's Dealer Management

DFL-PV has signed the Distribution Service Agreement and the Business Rules with all its dealers to carry out unified management. With respect to daily management, DFL-PV has adopted a regional management system, which defines three regions in the west, east, south and north of China respectively. Each region has a management section, which serves as the link between the region and the headquarters and is responsible for supervision and inspection of the production line. This system helps implement DFL-PV's policies and strategies targeted at its dealerships.

Facing a fierce competition, DFL-PV, guided under the primary goal of resource integration, has established the Bi-Monthly Action Plan (BMAP), that is, release periodic policies and assign periodic tasks on a bi-monthly basis, and convene regional or departmental meetings through the management section to allocate key tasks and to carry out goal analysis. BMAP can integrate resources effectively and maximize efficiency, which leads to a notable increase in sales volume and great encouragement to dealerships in the form of policy.

◎ ZNA's Dealer Management

ZNA has taken a number of measures in dealer management, including: implement the Dealer Operation Standards (DOS) and the Nissan Sales and Service Way (NSSW); hold dealer meetings regularly; carry out periodic and annual performance rating activities; promote Nissan's operation methods and brand concepts; provide close guidance and support for dealers and gradually improve their operation and management capability to improve their overall level.

Besides, in order to improve dealer satisfaction with the company, ZNA's dealer support department carries out a survey on dealer satisfaction at the end of each year. The survey covers: the "overall satisfaction" with ZNA; the "specific satisfaction" with vehicle order process, brand promotion, regional ad-agency, sales & training, after-sales service, quality products, regional business environment, rebate policy, etc.; and the "satisfaction with each functional department." And ZNA will make specific improvements according to its analysis results.

◎ IBU-China's Dealer Management

IBU-China has a specific workgroup in charge of dealer operation management in a unified way. Concerned with the overall profits of dealers, the workgroup helps them manage profits and costs of new vehicles from the angle of cost control. Through a specific dealer finance management system, the workgroup traces the data on a monthly basis; analyzes dealers' financial status and the costs composing operating profits, such as marketing cost, management cost, financial cost, etc.; communicate timely with the dealers who have shown abnormal key financial indicators and find out the reasons concerned; puts forward improvement suggestions with regional managers after discussion; and monitors the improvement process.

IBU-China has also established a complete dealer risk evaluation system, which has 15 relevant financial indicators to evaluate dealers' operational capability from five aspects, including profitability, cost competitiveness, risk tolerance, etc. According to the risk report generated by the system every month, the workgroup grades dealers from A to E, with special attention being paid to those at the high-risk grade. Meanwhile, the workgroup will keep paying attention to the dealers' risk tolerance. Once a dealer's asset-liability ratio becomes abnormal, the workgroup will keep following up the ratio and help the dealer walk through the situation.



Training of Dealers

© DFL-PV's Dealer Training

Based on the original dealer grading system that conducted periodic certification, DFL-PV established a dealer training system in 2013, aiming to, on a yearly basis and according to actual performance and regional headquarters' assessments, evaluate and grade the general managers, department managers and sales consultants who have worked for the company for half a year or more and to provide training for employees at different grades according to the demands. This system was used in some pilot projects in 2013 and will be popularized comprehensively in 2014.

Moreover, DFL-PV hires third-party authorities to investigate its dealerships through direct visit, secret investigation, telephone survey and other approaches, and urges its dealerships to provide top-quality services to customers in accordance with its requirements and standards. For those with poor performance, DFL-PV will carry out classification and special training according to the focuses of inspection.

As for reservation of dealers, DFL-PV awards excellent dealers by means of "commendation meetings + bonuses." In particular, the general manager and department managers of the year's best dealership are awarded the opportunity for a one-year EMBA training program provided by Tsinghua University.

© ZNA's Dealer Training

In 2014, ZNA's dealer training will focus on enhancing training at secondary retail outlets and skills of selling-point presentation. Meanwhile, the general manager's office will conduct a dealer satisfaction survey every year by asking each dealer to complete a questionnaire.



© IBU-China's Dealer Training

Infiniti has provided dealer training programs since its accession into the Chinese market in 2008. Up to the present, its training programs have gradually developed from product and dealer improvement projects and career plans for dealers' employees to a series of training programs that, based on industrial features and focusing on brand features, involve many aspects such as a high dealer turnover rate, career development for key positions, key performance indicators (KPIs), dealer training & certification, luxury brand awareness, etc. In 2013 IBU-China founded Infiniti Training Institute, aiming to help provide a continuous service, which offers VIP customers better purchasing and ownership experience, to dealers through an integrated education system and to provide high-quality training.

Infiniti Training Institute's 2013 Data

| Number of courses | Number of participants | Number of training days |
|-------------------|------------------------|-------------------------|
| 195 | 5,430 | 666 |



Responsibility for Employees

A corporation's employees are its most important resource and its major force to create first-class products and services. Knowing that their development is highly dependent on the efforts and contribution of each employee, Nissan's subsidiaries in China strive to create a safe and comfortable working environment which is conducive to the employees' mental and physical health and will motivate them to meet all the challenges.



Employee Management Concept

In accordance with its HR management concept, "Unite every one of us to meet the challenges – brand power, sales power, quality improvement, business expansion and cost reduction," NCIC strives to build a multi-culture platform for symbiosis and common prosperity, guarantee employees' legitimate rights and interests, establish smooth communication channels and a career development training system and make continuous improvements to provide support to each employee for their personal development.

Having the culture of happiness, "work happily, live happily and grow happily," as its corporate culture and taking "care, fairness, focus and teamwork" as its HR concept, DFL-PV endeavors to build a harmonious and positive atmosphere as well as a rich and brilliant life for its employees and to give them personal returns based on their value contribution.

ZNA is dedicated to fulfilling its responsibility for employees by upholding the corporate development concept of "a trustworthy companion for your achievement" and complying with the principle of "Let the right people do the right thing."

Building Safe Workplaces

In accordance with the headquarters' global policies concerning safe workplaces and pursuant to a uniform set of global labor safety standards, Nissan's subsidiaries in China work proactively to find out and address potential issues or concerns in the workplace environment to maximize employee safety.

Upholding the safety version of "Enriching People's Lives with Safe Navigation" and the safety mission of "Manufacturing Safe Cars and Cultivating People with Safety Awareness," DFL-PV has created complete operation surroundings and safety production conditions and is making continuous improvements in the production-line environment where the issue of production safety is the basic concern, in order to ensure a safe, healthy, comfortable and user-friendly workplace for employees.

DFL-PV established the safety management system and the environment, health and safety (EHS) management system in 2003 and 2005 respectively. Afterwards, DFL-PV introduced the Kiken-Yochi (KY for short, meaning hazard prediction) training, safety standardization, the three environmental chains, the safety

evaluation system (SES) and other advanced safety management approaches to continue improving the EHS system and to enable the corporation's focus on safety to cover the whole value chain system gradually.

Over the years, all occupational safety indicators of DFL-PV have been in the control range, which eliminates accidents with large casualties. Meanwhile, the certification rate of special (hazardous) operation personnel, the regular inspection rate and passing rate of special equipment is up to 100%. Owing to continuous technical progress and management improvements, DFL-PV has been awarded the honorary title of the National Class A Enterprise of Safety Standardization.

ZNA provides "three-level" safety education for new employees to raise their safety awareness; requires employees working in the production line to wear protection equipment in accordance with the state's requirements on occupational safety protection; and assigns a safety supervisor to each workshop, who are supposed to carry out 24-hour on-site inspection to avoid injuries caused by unsafe operations to the operators or others.



Guaranteeing Employees' Rights and Interests

Nissan's subsidiaries in China strive to guarantee their employees' rights and interests by strictly implementing various employment policies in accordance with related laws and regulations and have established competitive salary and welfare systems to share with the employees the fruits of corporate development..

Implementing Employment Policies

Nissan respects, protects and guarantees employees' legitimate rights and interests, such as wages, social security, welfare, benefits, etc., by strictly complying with the national labor laws and regulations as well as the policies of related regions and signing labor contracts according to the applicable laws.

Complying strictly with the national employment policies, DFL-PV has entered into the Collective Contract and the specific Collective Contract on Labor Safety and Hygiene with the labor union and established a labor dispute mediation committee while working to promote the development of organizations concerned with employees' rights and interests and to help guarantee stable labor relations. Meanwhile, DFL-PV has specifically drafted the Collective Contract on Protection of Female Employees' Rights and Interests to prescribe female employees' special rights and interests in regulations. ZNA has formulated the ZNA Attendance Regulations to guarantee employees' right to take leave.

Nissan is working to create an inclusive environment that does not allow discrimination based on gender, nationality or any other factor, and encourages all employees to participate in corporate activities actively and to make plans for their career development. Promoting diversity throughout the production chain, ZNA recruits employees, internally or externally, only based on applicants' working skills and professional knowledge, rather than based on gender, ethnic group, age or any other factor that may cause discrimination.

Complete Salary and Welfare Systems

◎ Salary Management

Nissan's subsidiaries in China have established modern salary management systems to offer competitive salaries to their employees and to ensure each employee is entitled to various lawful social security and welfare benefits.

Based on the balanced score card (BSC), DFL-PV has established a salary system that is consistent with its position in the industry and has both external competitiveness and internal fairness. Furthermore, DFL-PV has also launched other employee incentive programs, including the general manager's special award, long-term incentives for core talents, allowances for key positions and annual salary adjustments, to motivate employees to work harder and to ensure the sustainability of its business.

According to its operating status, ZNA continues improving and optimizing its salary system by taking measures, such as salary standard adjustments, promotion-based pay rise, performance-based salary adjustments and business-related awards, in a timely manner. In 2013, ZNA further improved its performance management system including BSC, KPI, etc. By the end of 2013, ZNA had built a position-based, ability-based and performance-based salary payment system that is composed of three layers, i.e., skills, management techniques and administration, and four channels covering all the staff members.



◎ Employee Welfare

NCIC has a complete two-dimensional welfare model that, in addition to the national statutory benefits, provides many extra benefits, including various leaves and allowances as well as annual gym membership cards, teeth-cleaning cards, employee birthday gifts, welfare cards for marriage and childbirth, etc.

Oriented by the concept of "consumers" and concerned with what concerns its employees, DFL-PV has established efficient welfare strategies to provide comprehensive support for its employees in the event of childbirth, death, illness, injury or disability and on the aspects of clothing, food, housing, consumption and transportation, by taking various measures, e.g., providing them with option menus for physical examination and transportation allowance, building employee care center, and resolving or helping resolve their or their relatives' living issues like children education, residence registration, couples living apart, etc.



Communication with Employees

Smooth internal communication is the basis for a company to operate efficiently. Through supporting systems, smooth communication channels, employee satisfaction surveys and other approaches, Nissan's subsidiaries in China aim to know their employees' opinions as much as possible.



Supporting Systems

A complete communication system is the foundation to build the culture of communication. NCIC upholds the system of corporate democratic management, democratic participation and democratic supervision that is based on the system of employee representative assemblies, thus, at the system level, guaranteeing employees' rights to know corporate events, to participate in corporate activities, to elect corporate leaders and to supervise corporate management. With regard to the communication with employees, ZNA has established a series of supporting systems and guidance documents, such as the system of general manager meetings on operating status, the system of employee representative assemblies, the Party branch's work manual, the system of regular meetings on the Party's work, etc.

Diverse Communication Channels

With an increasingly diversified employee composition, Nissan's subsidiaries in China are making unremitting efforts in improving their employee communication systems and actively explore and promote new communication channels to ensure smooth information communication, to maximize the efficiency and value of communication and to enhance corporate vitality.

NCIC makes use of multiple communication channels, e.g., staff suggestion boxes, "general-manager communication meetings at lunch," corporate information bulletin boards on its intranet, etc., to maximize the openness and transparency of corporate information. In addition, the direct line to the executive office of NCIC HR department is also accessible to all the staff. It is used to receive employees' inquiries and complaints about their rights and interests and address these issues without delay.

Upholding the "mass line," i.e., conducting democratic meetings among employees while encouraging employees to put forward problems and solutions, DFL-PV maintains smooth communication with its employees through diverse approaches, including regular employee seminars, employee forums, employee representative assemblies, annual executive forums, employee satisfaction surveys, internal OA system, general manager's mailbox, etc.

ZNA ensures efficient information communication through approaches like general manager meetings on operating status, regular meetings on the Party's work, employee representative assemblies, joint conferences of employee representative group leaders, employee satisfaction surveys, aperiodic meetings between the department of the Party's work and the HR department, etc.

Employee Satisfaction Surveys

NCIC conducts employee satisfaction surveys aperiodically and determines advantages and disadvantages of the company and its departments based on survey results, so that it can formulate and implement action plans to meet specific demands. As planned, NCIC will commission a global organization to conduct employee satisfaction surveys from 2014, in order to know employee satisfaction with their jobs more clearly and accurately.

On a yearly basis, DFL-PV hires a third-party authority to carry out two surveys on employee satisfaction and urges each department to make improvements according to survey results. Since DFL-PV pays high attention to employee satisfaction, both its employee voluntary turnover rate and brain drain rate are much lower than the average level of the industry.

With a stable economic growth, ZNA also attaches great importance to employee satisfaction surveys and their follow-ups and maintains a very low employee turnover rate. The turnover rate of contract employees was 4.04% and 3.40% in 2012 and 2013 respectively.



Employee Development

Insisting on common development with its employees, Nissan provides smooth career development paths and all-around learning and training systems to turn the great progress of employees into the driving force for its continuous development.

Career Planning Support

According to employees' development targets, NCIC provides two promotion paths, one for technical personnel and the other for administrative personnel, along with corresponding cultivation and training plans. In fiscal year 2013, NCIC improved its performance interview process and relevant documents, emphasizing that leaders and mentors should set career development goals and set up personal ability development plans for employees. These plans will be implemented in the next year.

DFL-PV provides its employees with multiple career development channels and encourages each employee to realize their own development goals based on its development platform. DFL-PV offers some promotion opportunities to its employees every year and those who meet the conditions may apply for promotion on their own. After public reply, assessment and performance evaluation and with the HR committee's approval, the promotion results will be released finally.

In fiscal year 2013, ZNA had worked to build a career planning system for all employees, aiming to improve employee satisfaction with the selection and appointment of executives while ensuring a smooth path for promotion. In order to be responsible for all employees, Zhengzhou Nissan conducts comprehensive opinion polls for new executives and upholds the procedure of public announcement prior to formal appointment and full supervision by the discipline inspection commission and the supervision department during the process of selection and appointment of executives to ensure the openness and transparency.

Training Systems

Concerned with employees' personal growth and career development, Nissan's subsidiaries in China have provided localized, high-level and professional training to help employees develop professional skills and improve professional quality. Furthermore, based on the original training systems, Nissan's subsidiaries in China keep making creative efforts and introducing innovative training courses and programs, e.g., establishing internal lecturer teams, building online learning platforms and launching e-learning programs, to optimize the structure of employee skills and to fuel the companies into sustained development.

© NCIC's Training System

According to its business development strategies and the qualifications for each position, NCIC has formulated a comprehensive training plan with diverse programs and rich contents to improve employees' specific abilities and to enhance the supply chain of talents. Its training system includes four main parts: basic training, communication training, professional skills training and management/leadership training.

| Type of training | Courses | Trainees |
|---------------------------------|---|---|
| Basic training | New employee orientation, laws and regulations training, etc. | Employees at each level |
| Communication training | Business English, "Think on Your Feet" course, etc. | Self-application by employees |
| Professional skills training | Departmental business processes, industrial knowledge, "Train the Trainer" course, etc. | Self-application by employees |
| Management/ leadership training | New manager training, "The 7 Habits of Highly Effective People" course, "Situational Leadership" theory, improvement of performance management skills, etc. | Deputy managers and higher-level executives |



◎ DFL-PV's Training System

Based on the demands of its employees and organizations and with three layers (course hours, credits and certification) to promote talent cultivation, DFL-PV has designed four major course packages, i.e., orientation package, credit package, certification package and advanced package, and has provided two complete training certification subsystems (one for managers and the other for technicians), thus forming its inclusive unique learning style and talent cultivation mode.

◎ ZNA's Training System

Emphasizing the principle of "learning for the sake of application," ZNA provides training on new knowledge, new technology, new skills, new products, quality improvement and management optimization, and focuses on improving employees' competency, executive power, creativity, problem-solving ability and teamwork skills as well as raising their customer-oriented awareness, objective-oriented awareness, quality awareness and work efficiency. With various approaches like on-the-job training, training center and networking academy training, its training programs involve all employees from manufacturing to R & D to management.

In the past three years, ZNA has continued improving its training system according to employees' career plans, by taking the following measures: building a training credit system that specifies the credits for low-level employees to be promoted and the credits for high-level employees to complete their job training; building a foreign-language-ability improvement system to improve employees' foreign language level through exam-driven learning and to enhance the integration between Chinese and foreign employees; with respect to technician training, following Nissan's technical training center system, ZNA introduced the "Train the Trainer" program to increase the effectiveness of internal training.

DFL-PV's Training System

| | |
|------------------------|---|
| For managers | <p>Adopt credit systems to help improve employees' professional ability and form four main credit systems, i.e., "Star Program," "Professionals," "Team Workers" and "Managers";</p> <hr/> <p>Employ capability certification procedures to help develop organizations' basic capability and establish four major certification procedures, i.e., "Process Management," "Project Management," "Management Improvement" and "Train the Trainer."</p> |
| For technicians | <p>Establish DFL-PV's "Seven Site Management Principles" training system based on Nissan's advanced site managerial expertise;</p> <hr/> <p>Build a basic-skill training ground that covers seven main basic-skill training programs, i.e., assembly, spray painting, stamping, welding, maintenance, quality inspection and machining.</p> |

DFL-PV Growth Mentor Program

In order to enhance the service for new employees who are fresh graduates and in addition to its original plant mentors, dealership mentors and position mentors, DFL-PV started to assign middle-level senior managers to serve as "Growth Mentors" for new employees in 2013, thus forming an all-around mentorship system to help new employees to make rapid progress and adapt to its corporate culture as soon as possible.





Employee Care Programs

Nissan's subsidiaries in China implement various employee care programs to enrich employees' life and to help them balance work with life and improve their happiness. Meanwhile, Nissan's subsidiaries in China also provide necessary support for those in need to help them live through difficulties as soon as possible.

◎ NCIC's Employee Care Programs

NCIC pays special attention to female employees and those employees living in straitened circumstances. As for female employees, NCIC shows its care by presenting greeting cards on the Women's Day, increasing their physical examination items and taking other measures; as for hard-living employees, NCIC has set up a support fund to address their actual problems. In 2012, NCIC carried out a series of training programs and one-on-one mental healthcare programs according to the results of its employee happiness survey.

During the spare time, NCIC organizes various activities, such as travelling, team building, etc., for employees by providing full sponsorship every year, in order to help them have better communication with each other, relieve work stress and balance work with life.

◎ DFL-PV's Employee Care Programs

In 2009, DFL-PV launched its "Employee Assistance Program (EAP): Happy Soul Project." After three years of implementation, this program has been developed into a DFL-PV-specific EAP management system and model that has four implementation mechanisms, i.e., EAP learning & training, internal EAP team building, mental healthcare and crisis intervention, and provides

all-around, multi-layered support and healthcare for employees to improve their happiness by a big margin.

In 2013, DFL-PV started the program "Build DFL-PV's good habits and be DFL-PV's noble people" to encourage employees to be committed to self-learning and self-improvement. Its core project, "DFL-PV Day," appeals to all employees to pick a day every month as the theme day to carry out activities related to the theme on that day. At present, the project has set up multiple theme days, e.g., the Dream Day, Reading Day, Voluntary Service Day, Office Hour, etc., almost half of which aim to promote energy saving, environmental protection and other good habits among employees and to enable them to have a deeper insight into the concept of sustainable development in practice.

Under the management's advocacy, DFL-PV initiated the "Free Ride" program in 2003. In 2013, DFL-PV incorporated "Free Ride" into the concept of "Car Citizen" to promote the low-carbon concept from employees to its entire value chain system to the whole society. Meanwhile, DFL-PV set up multiple "Free Ride" stations alongside Fengshen Avenue in Huadu District, Guangzhou and called for a match between car owners and car-owning employees and their colleagues/neighbors without cars to further promote this program.



◎ ZNA's Employee Care Programs

Since 2006 when a flexible work system was introduced, ZNA has implemented three flexible scheduling systems, i.e., the flexible working hour system, comprehensive working hour system and standard working hour system, to help improve employees' happiness and efficiency.

From 2011, ZNA started to hold traditional festival celebrations and various recreational activities every year by encouraging employees to voluntarily organize various cultural and sports associations according to their interests and hobbies and by providing financial support for each activity. Moreover, based on its love and support fund, ZNA is committed to helping those employees living in straitened circumstances.



Corporate Governance & Internal Control

Following the headquarters' corporate governance & internal control strategy and complying with applicable laws and corporate regulations, NCIC is dedicated to carrying out business operations fairly, impartially and efficiently while ensuring high transparency and consistency. Hence, NCIC strives to build an effective internal control system with three focuses, i.e., compliance management, risk management and information security.



Compliance Management

Always attaching importance to compliance management, Nissan produced the Nissan Global Code of Conduct as early as 2001 and successively established a global compliance committee and three regional compliance committees, which are responsible for finding out and solving compliance violations at an early stage through internal auditing or reports, and for maintaining and improving internal awareness of the Code of Conduct so as to ensure its global operations are in compliance with the local laws and regulations and to prevent illegal and unethical behaviors worldwide.

In order to effectively implement the Nissan Global Code of Conduct in China, NCIC formulated its corresponding Chinese version, the NCIC Code of Professional Conduct for Employees, which specifies in detail the basic rules for internal conduct and business

cooperation, everyone's obligations, general regulations and other issues for the purpose of heightening the Chinese employees' compliance awareness.

NCIC takes various measures to ensure employee conduct compliance: every new employee shall sign the Guarantee of Compliance with the Code of Professional Conduct when assuming his/her post; besides, managers and other employees shall participate in the company's online training program focusing on compliance management. In fiscal year 2013, NCIC carried out a series of publicity campaigns and training programs concerning the conduct issues in gift presentation and business reception and published the NCIC Policy on Reception and Gift Giving in Business Activities.

Risk Management

Nissan implements a system integrating external audit, internal audit and internal control together and provides relevant financial training as a supplement to effectively avoid business risks of dealers and suppliers. Moreover, the sales department, the dealer network development department and Dongfeng Nissan Auto Finance Co., Ltd. have jointly established the Dealer Risk Management Committee, which holds monthly meetings to help dealers to overcome business difficulties. As a result of effective governance, its dealer financing has been 100% safe over the recent three years. With respect to suppliers, the company maintains active communication with them based on its existing procurement system and supplier management system, so as to help them to find out and resolve problems in a timely manner.

NCIC Code of Professional Conduct for Employees

Basic Rules for Internal Conduct

Provide equal employment opportunity, protect corporate property and intellectual property rights, keep corporate information confidential and avoid conflict of interests.

Basic Rules for External Conduct

Comply with laws and regulations, provide high-quality products and services, protect environmental resources and adhere to professional conduct.

Basic Rules for Business Cooperation

Carry out business transactions based on good faith and mutual respect.

After the national policy of "replacing business tax with value-added tax" was issued, the tax burden of suppliers changed accordingly. By maintaining active communication with suppliers, Nissan has provided financial training for dozens of suppliers to reduce their burdens effectively. For those in distress, Nissan has adopted the strategy of differential treatment according to their actual conditions. For example, with regard to logistics suppliers, Nissan decided to offer a higher price, rather than decrease the price, after full consideration of their actual conditions, e.g., their tax rate increased from 3% to 11% after replacement of business tax with value-added tax and they had less tax deductions.



Information Security

According to the Nissan Global Security System and the Nissan Information Security Management Specification, NCIC has prepared the documents concerning information security and established the Information Security Management Committee, which is composed of vice presidents and higher-level executives and responsible for setting up annual work plans and promoting specific projects. Each employee can access and learn the Information Security Management Specification via the intranet. ZNA and DFL-PV have also formulated policies in accordance with the headquarters' policies to ensure the consistency with NCIC's relevant policies.

In order to effectively guarantee information security, NCIC upholds the concept of "Prevention First" and classifies its documents into five categories according to their confidentiality by specifying in detail each category's scope of users, effect and examples. Its information security work is carried out by focusing on six aspects: information security policies and specifications, management committee meetings, classified management of accounts/information, awareness education and improvement, security incident management and performance evaluation. Besides, NCIC is also committed to information security education and promotion for all employees through E-learning, information security magazines and other approaches to ultimately achieve the purpose of prevention.

In 2013, aiming to enhance its information security work, NCIC implemented the E-learning training program for all employees, who could learn the regulations and knowledge in connection with information security management via the intranet. In order to improve the efficiency of information security training, the company published four issues of information security magazines, involving such aspects as information security precautions, incident reporting processes, personal precautions, and management tips etc.. Meanwhile, the company also carried out self-evaluation surveys in accordance with the Information Security Management Specification and work out the next year's work plan according to survey results.



Appendix



Milestone of Nissan's Development in China

| | |
|-----------------------|--|
| January 1973 | The first Nissan Cedric arrived in China. |
| March 1993 | Zhengzhou Nissan Automobile Co., Ltd. was founded. |
| June 1994 | Nissan Motor (China) Co., Ltd. was established, with import car business as the main line. |
| June 2003 | Nissan and Dongfeng Motor Corporation jointly established Dongfeng Motor Co., Ltd., whose subsidiary, Dongfeng Nissan Passenger Vehicle Company, was founded to manage the passenger car business. |
| February 2004 | Nissan (China) Investment Co., Ltd., Nissan's wholly-owned subsidiary in China, was founded in Beijing. |
| May 2005 | Nissan (China) Investment Co., Ltd. Guangzhou branch (Nissan Technical Center) was set up in Guangzhou. |
| June 2005 | Nissan (China) Investment Co., Ltd. Shanghai branch was established in Shanghai. |
| January 2006 | Nissan (China) Investment Co., Ltd. started exporting parts to other overseas production bases of Nissan. |
| July 2007 | Infiniti, a luxury brand of Nissan, started sales in Chinese market. |
| October 2007 | Dongfeng Nissan Auto Finance Co., Ltd. was founded in Shanghai. |
| September 2010 | Dongfeng Nissan Passenger Vehicle Company launched the Venucia brand. |
| March 2011 | Nissan Design China, Nissan's fifth global design center, officially started operations in Beijing. |
| May 2012 | Infiniti officially relocated its global headquarters to Hong Kong, China. |
| June 2012 | Dongfeng Motor Co., Ltd. announced its plan to build a new complete-vehicle manufacturing plant in Dalian. |
| July 2013 | Nissan Design China was relocated to a new address and put into formal operation. |



Social Recognition

Major Awards Won by Nissan's Subsidiaries in China in 2013

| Corporation | Award/Honor | Presenter |
|--------------------------------------|--|--|
| NCIC | China CSR Excellence Award 2013 | China Philanthropy Times |
| | 21st in the Overall Ranking of Contribution of Fortune Global 500 in China | Southern Weekly |
| | Special Contribution Award | Buycarcn.com |
| | China Best Corporate Citizen Award | 21st Century Economic Report |
| | Chinese Automaker Social Contribution Award 2013 | Southern Metropolis Daily |
| | China CSR Excellence Award (the 3rd year) | China Philanthropy Times |
| | Poverty Alleviation and Care Award 2012 | China Foundation for Poverty Alleviation |
| | Guangming CSR Award | Chinese Foundation for Lifeline Express |
| DFL-PV | 2013 Top 10 Philanthropy Events in China's Auto Industry | Buycarcn.com |
| | China Best Corporate Citizen Award | 21st Century Economic Report |
| | Chinese Automaker Social Contribution Award 2013 | Southern Metropolis Daily |
| | Chinese Automaker Social Contribution Award 2013 & Person of the Year | Southern Metropolis Daily |
| | SMD Auto Oscar Award Ceremony 2013: CSR Enterprise of the Year | Southern Metropolis Daily |
| | China CSR Ranking: Outstanding Enterprise Award | China Business News |
| | NBD Auto Awards: CSR Enterprise of Year 2013 | National Business Daily |
| | 2013 Supercar: The Most Trustworthy Enterprise for Consumers | The Beijing News |
| | Sustainable Development Demonstration Project | The Economic Observer |
| 2013 China Best Employer Award – CSR | Zhaopin.com | |
| ZNA | The Most Caring Donation Enterprise | China Charity Awards granted by the Ministry of Civil Affairs of China |
| | Humanitarian Aid Award 2013 | Beijing Times |
| | CSR Demonstration Project of Year 2013 | Southern Weekly |
| | Chinese Automaker Social Contribution Award 2013 | Southern Metropolis Daily |
| | China Auto Industry Award 2013 | Auto Business Review |
| | 2013 CSR Award for Enterprises with the Most Public Influence | 17PR.com |



Third-party Comment

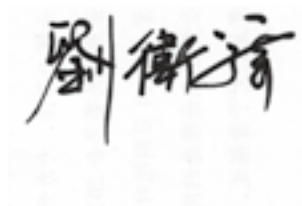
From the aspects of "CSR Concept," "Economic Contribution," "Environmental Responsibility," "Safety Responsibility," "Philanthropy," "Quality Responsibility," "Value Chain Management," "Responsibility for Employees" and "Corporate Governance & Internal Control," Social Responsibility Report 2014 of Nissan's Subsidiaries in China gives a detailed and explicit introduction of Nissan's CSR focuses in China and comprehensively describes its economic performance, environmental performance, social performance and CSR management performance in CSR fulfillment. All these give expression to the Report's completeness.

With respect to the environment, the Report releases certain information on Nissan's CO2 emissions, VOC emissions and solid waste recycling and, on a yearly basis, compares its CO2 emissions, green logistics and other data in a period of three years to show its achievements in environmental protection. As for the quality responsibility that has long been drawing the consumers' attention, the Report specifies in detail the product recall system and its implementation in China in addition to the quality of products, sales and customer service, which shows the Report's objectivity and authenticity.

As shown in this Report, Nissan also attaches great importance to CSR management. In addition to the deep integration of CSR and its core business, Nissan has established complete CSR communication systems and response plans, such as its GB/T24001-2008 environmental management system, environmental emergency plan, complete product recall system, etc.

As described above, Nissan has incorporated the CSR concept into its corporate strategies in China and integrated CSR and its core business in depth. Besides, the CSR concept plays a significant role in corporate transformation and upgrading, customer satisfaction improvement, product competitiveness enhancement and environmental safety assurance. As an excellent CSR report, the Report describes key social issues in detail while ensuring materiality and readability. It is hoped that Nissan will maintain the Report's advantages and give more details and make improvements in terms of "CSR Concept," "Corporate Governance & Internal Control" and quantitative data disclosure in the future.

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