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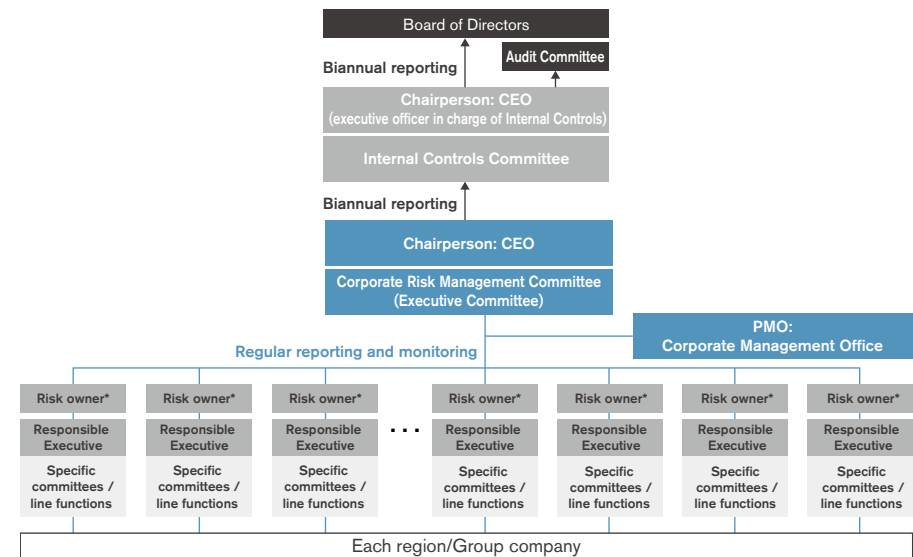
RISK MANAGEMENT

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Risk Management Systems

Our Global Risk Management Policy defines risk as “events or situations that hinder the Nissan Group Corporate Purpose, strategies and the achievement of business objectives.” Accordingly, Nissan promotes groupwide risk management activities. Detecting risks as early as possible, evaluating the magnitude of impact and probability of occurrence, and examining and implementing the requisite measures reduces the probability and likelihood risk events will occur. In the unlikely event a risk event does occur, we strive to minimize losses and ensure the risk is managed commensurately with its magnitude. To respond to changes in our business environment within and outside the Company, we have reviewed the risk management process and carried out annual interviews of corporate officers and conducts hearings in each corporate function by department in charge of risk management, carefully investigating various potential risks and revising the “corporate risk map” by evaluating impact, likelihood and control level quantitatively and qualitatively. The Corporate Risk Management Committee, chaired by the CEO, makes decisions on risk issues that must be handled at the corporate level and designates “risk owners” to manage these risks. Under the leadership of these owners, we design appropriate countermeasures. At the end of each fiscal year, the head of risk management assesses the control level of each risk and determines the effectiveness of each risk management activity. The progress of

these activities is regularly reported to the Corporate Risk Management Committee and the Internal Control Committee, and also to the Audit Committee and the Board of Directors, when appropriate.



(As of March 31, 2021)

* In principle, risk owners are Executive Committee members.

With respect to individual business risks, each division is responsible for taking the preventive measures necessary to minimize the frequency of risk issues and their impact when they do arise as part of its ordinary business activities. The divisions also prepare emergency measures to put in place

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when risk factors materialize. Nissan Group companies in Japan and overseas are strengthening communication to share basic processes and tools for risk management, as well as related information, throughout the Group.

In line with the reorganization of management committees in each region where the Nissan Group operates starting in fiscal 2020, we are reassessing and restructuring risk management implementation and cooperation methods between regional management divisions and Global Headquarters.

The business environment in which we operate has been increasingly volatile in recent years, including such aspects as the widespread adoption of new technologies and growing geopolitical risks. We will continue to bolster our activities in this area so we can appropriately address these changes.

Risk Management Enhancement Efforts

Nissan is refocusing basic Company policies from increasing quantity to improving quality with the aim of realizing steady and profitable growth in order to achieve a solid turnaround and survive the turbulent times ahead. In light of reflections on past scandals, we have made efforts to strengthen governance and internal controls in order to ensure the prevention of recurrence, and with regard to risk management, which is one critical component of internal controls, we are also revising and enhancing relevant frameworks and processes. Based on the principle “three lines of defense” as a systematic enhancement, the PMO of Risk Management was precisely positioned to function as the second line and the personnel system was enhanced.

To support this new basic Company policy, we have positioned the objective of risk management as activities supporting the realization of our Corporate Purpose from a longer-term perspective rather than limiting it to short-term objectives such as achieving business targets. Accordingly, we have taken a wider view of targeted risks from the perspectives of enhancing corporate value and contributing to the environment, human rights and sustainability. Regarding the evaluation of risks, in addition to transitioning away from conventional subjective and qualitative evaluations to more objective and quantitative evaluations, we referenced the international framework and engaged in more concrete risk assessments and ascertaining activities to control and manage risks.

These improvements have been reflected in our Global Risk Management Policy and published in revised editions.

Protecting Personal Data and Reinforcing Information Security

We share our Information Security Policy with Group companies worldwide as a basis for reinforced information security, implementing via the Information Security Committee measures enhanced through the PDCA cycle. We reliably address issues by identifying internal and external information leaks as they occur worldwide and reinforce information security on a timely basis. To thoroughly educate and motivate employees to adhere to relevant policy, we institute regular in-house educational programs. Moreover, we recognize our social responsibility to properly handle customers’ personal information in full compliance with the respective personal information protection law in each region. We have set up internal

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systems, rules and procedures for handling personal data. All Nissan Group companies are fully enforcing these processes.

We are aware that, more than ever, transparency, privacy and integrity of information are essential values in building and maintaining customer trust in the Nissan brand. We formulated the “Basic Policy on Customer Privacy” to ensure a unified global approach to the use of customer data and privacy information. This policy ensures that the handling of information is consistent and treated as an important duty at all Nissan sites. This new policy sets out Nissan's commitment to privacy and its basic privacy policy. There were no major instances of loss or leaking of personal information at any Nissan Group company during fiscal 2020.

* Click here for more information on Financial Information "Business and other risks"
<https://www.nissan-global.com/EN/DOCUMENT/PDF/FR/2020/fr2020.pdf>