

April 30, 2024

To Whom It May Concern

Strategic Capital, Inc.
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Re: Shareholder Proposal to NISSAN SHATAI CO., LTD. (7222)

Strategic Capital, Inc. (hereinafter referred to as "Strategic Capital") is under a discretionary investment contract with INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP (hereinafter referred to as the "Fund") and the Fund and Strategic Capital (collectively referred to as "we") have been continuously holding over 300 units of voting rights of NISSAN SHATAI CO., LTD. (hereinafter referred to as "NISSAN SHATAI" or the "Company" as the context requires), subsidiary of Nissan Motor Co., Ltd. (hereinafter referred to as "NISSAN"), over 6 months.

The Fund and Strategic Capital are pleased to announce that, on April 22nd, 2024, we notified NISSAN SHATAI of our execution of the shareholders' right to make a proposal at the annual shareholder meeting held in the coming June.

Details

Abstract of the proposal

Revision of the provisions of articles with regard to the establishment of a Minority Shareholder Protection Committee.

A new Article to establish a Minority Shareholders Protection Committee composed of outside directors. The new Committee will gather opinions from minority shareholders other than NISSAN and make recommendations to the Board to reflect minority shareholders' opinions in management.

Rational of the proposal

Although NISSAN SHATAI is a listed subsidiary of NISSAN, the protection of minority shareholders has been neglected. Three out of the four executive directors including President Haruhiko Yoshimura, are from Nissan, and the fact that the Company continues to provide over JPY 100B in funding to NISSAN despite opposition from the majority of minority shareholders, is proof of this.

In addition, although the Company is completely dependent on the parent company for sales, since FY2008 the ROE has exceeded 8% only once, which calls into question the appropriateness of the terms of the transaction. Also, the parent company's shareholding has put the Company's stock in danger of being delisted, threatening the interests of minority shareholders.

The role of protecting the interests of minority shareholders is supposed to be played by the Business Monitoring Committee, which deliberates and reviews important transactions and actions that conflict with the interests of controlling shareholders and minority shareholders, and the Nomination and Remuneration Committee, which reviews proposals for the election of directors and officers, but these committees are not fulfilling their roles. Therefore, we call for the protection of minority shareholders through the establishment of this new committee.

The background to the proposal and a detailed explanation will be posted on a special campaign website to be opened in May. Please visit [website](#) for up-to-date information.

Disclaimer

This press release is a reference translation of the original announcement in Japanese. In the event of any differences between the original Japanese version and the English translation, the original Japanese version shall prevail.

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