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May 23, 2023

Company Name	Nissan Motor Co., Ltd.
Securities Code	7201
Inquiry	IR Department (TEL 045-523-5523)

Notice Concerning the Opinion of the Company's Board of Directors on Shareholder Proposal

Nissan Motor Co., Ltd. (the "Company") has received a document from one shareholder stating that the shareholder intends to make a proposal at the 124th Ordinary General Meeting of Shareholders to be held on June 27, 2023 (the "Shareholder Proposal") requesting a Distribution of Surplus.

The Company hereby announces that it resolved in its Board of Directors' meeting held today that it opposes the Shareholder Proposal. Please find the attached file for more detail.

1. Proposing shareholder
Individual shareholder: one person
2. Contents of the Shareholder Proposal
Please see the Annex hereto
3. Opinion of the Board of Directors

The Company is proposing a year-end dividend of 10 yen per ordinary share for the fiscal year ended March 31, 2023, under the first item of the agenda "Distribution of Surplus" at this Ordinary General Meeting based on the current business environment and its outlook.

As the Company did not pay an interim dividend, the annual dividend for the fiscal year ended March 31, 2023, amounts to 10 yen per share, a 5-yen increase from the prior year dividend. The dividend payment represents a payout ratio of 17.8%, which is approximately double the prior-year level of 9.1%.

Nissan is currently implementing its Nissan NEXT business transformation plan in order to ensure sustainable growth and stable earnings. Meanwhile, the business environment continues to be volatile due to an unprecedented number of external factors. Given the current situation, the Company must preserve sufficient levels of capital for its sustainable growth and stable earnings.

Nissan is also considering investments on electrification under its long-term vision, Nissan Ambition 2030, as well as the new Alliance initiatives announced in February 2023. This will enable Nissan to maintain a solid financial foundation.

The Company is proposing a year-end dividend under item number one, upon consideration of the above-mentioned factors and current business environment.

Nissan is committed to improving shareholder returns and remains focused on increasing the dividend payout ratio to the standard level of 30%. Nissan will present its shareholder return policy when the Company announces its new midterm plan, which will succeed the Nissan NEXT transformation plan.

Considering the above-mentioned items, the Board of Directors of Nissan opposes the shareholder proposal.

- END -

(Item) Distribution of Surplus (Proposed Appropriation of Profits for the 124th fiscal year)

(1) Contents of the proposal (Outline of agenda item)

As an interim dividend was not paid for the fiscal year, a year-end dividend of 15 yen per share is proposed. As a result, the annual dividend for the fiscal year will total 15 yen per share.

Matters relating to the year-end dividend

(1) Allocation of dividend and aggregate amount to be paid to shareholders

Payment of 15 yen per share of common stock. The total cash amount is calculated by multiplying the outstanding shares of the Company (excluding treasury stock) by 15 yen.

(2) Effective date of distribution of surplus

The day following the conclusion of the 124th Ordinary Meeting of Shareholders

(2) Reason for Proposal

Nissan resumed the dividend payment in fiscal year 2021. However, the amount was only 5 yen per share. Per the Company's forecast, as of the date of the proposal submission, Nissan is expected to pay 5 yen per share for fiscal year 2022. The payment remains unchanged from the prior year.

Before the Company suffered a decline in earnings in FY2019, Nissan was known as a high-dividend stock. Its decision to suspend the dividend was shocking. While the company resumed the dividend, there is no visibility that the amount will reach similar levels prior to fiscal year 2019, which has resulted in a sharp decline in the stock price.

Nissan forecasts positive automotive free cashflow for fiscal year 2022 (noted in the financial announcement for the third quarter of fiscal year 2022 presentation). This differs from prior years when the Company's profits were dependent on the sale finance operations.

On this basis, the Company forecasts a net income of 220 billion yen and earnings per share of 56.18 yen. Assuming a dividend payout ratio of 30%, a dividend of 15 yen per share is appropriate. Furthermore, the net income forecast of 220 billion yen includes an extraordinary loss of 110.5 billion yen related to the withdrawal from the Russian business. Therefore, the actual profit is larger than 220 billion yen. A dividend of 15 yen per share is still nominal.

During the period when Nissan paid minimal or no dividends, executive compensation remained at high levels. Total compensation for the fiscal years 2020 and 2021 were 327 million yen and 497 million yen for CEO Uchida, 363 million yen and 499 million yen for COO Gupta, and 248 million yen and 370 million yen for CFO Ma. In addition to the CEO, COO, and CFO, there were four executives who received a total compensation of over 100 million yen in fiscal year 2021. While Nissan's executive compensation is equivalent to that of Toyota Motor Corporation, Toyota's profits are ten times larger than that of Nissan.

Furthermore, compensation for the seven outside directors is exceptionally high, at 171 million yen in total or 24,420,000 yen per individual. Large companies generally pay approximately 10 million yen to an outside director. Apparently, the compensation paid by Nissan to its part-time

outside directors is the highest in Japan. The same amount was paid in fiscal year 2020, when the Company reported a net loss of 448.6 billion yen. Nissan is generous not only to its executives and directors, but also to its employees in terms of wages and bonuses. According to a media report, the Company accepted the union's demand at the spring labor offensive (collective bargaining) this year, and granted a record-high wage increase and bonus equivalent to 5.5 months.

Given these circumstances, it does not make sense for the Company to expect its shareholders to be satisfied with minimal dividends. Therefore, I propose that the dividend be increased to 15 yen per share (equivalent to 26.7% payout ratio), which is near the standard level for payout ratio at 30%.

The most effective way to increase shareholder value is for Nissan to repurchase and cancel the shares held by the trust and expected to be sold by Renault and reduce the number of outstanding shares. This will increase shareholder value. Nissan needs to preserve capital for the transaction. Unfortunately, Nissan's current share price is low, and it is unlikely that Renault will reduce their stake (per CFO Ma). Therefore, Nissan should increase its dividends to a level that will encourage Renault to sell its shares.

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