Tue, Dec 22, 2020

Dear Coalition Steering Committee:

Thank you for your letter and your questions regarding Nike's position and actions on the Uyghur Forced Labor Prevention Act.

Nike is committed to ethical and responsible manufacturing, and to helping ensure that all people who make our products are treated fairly and with respect. We are deeply concerned about reports of forced labor in, and connected to, the XUAR.

Nike supports strong and effective forced labor protections and has never lobbied against the Uyghur Forced Labor Prevention Act or any other proposed forced labor legislation. When the legislation was introduced, there were inaccuracies regarding Nike and we therefore engaged to educate stakeholders with the facts. We regularly provide insights and feedback to assist policymakers, and we look forward to continuing conversations with all interested parties to help ensure forced labor is not part of the industry's global supply chain.

Our <u>Code of Conduct</u> and <u>Code Leadership Standards</u> have requirements prohibiting any type of forced labor including provisions calling for religious freedom. Nike does not source products from the XUAR and we have confirmed with our contract suppliers that they are not using textiles or spun yarn from the region. We continually conduct diligence with our suppliers in China to identify and assess potential risks related to the employment of Uyghurs, and other ethnic minorities, from the XUAR. Based on evolving information, we have strengthened our audit protocols to identify emerging risks related to potential labor transfer programs.

Nike does not directly source cotton or other raw materials. We do know, however, that traceability at the raw materials level is an ongoing industry-wide challenge. We are hard at work with our suppliers, industry associations, brands and other stakeholders to pilot traceability approaches and map material sources so we can be confident that the materials in our products are responsibly produced.

We will continue to collaborate with industry experts, associations, partners, stakeholders and other organizations to understand, evaluate and address this critical global issue. For more updates, please see Nike's response to this topic on our <u>corporate website</u>.

Best regards, Cimarron

Cimarron Nix | Senior Director of Labor, Health & Safety, Sustainable Manufacturing & Sourcing | *Nike Inc.*