

Nike is working with our suppliers to support their efforts in response to the dynamic and unprecedented nature of the COVID-19 situation. Evolving marketplace dynamics mean that Nike and our suppliers have had to make some difficult decisions in the short term, as we work together to mitigate longer-term impacts and develop sustained viability for their businesses and employees.

As they continue to navigate these circumstances, we expect our suppliers to consider their employees' health and livelihoods and continue to comply with legal requirements and the Nike Code of Conduct on the provision of wages, benefits and severance.

We are also working to support our suppliers as they implement health and safety practices and processes in-line with applicable local laws and research-based best practices, as defined by the World Health Organization (WHO), the Centers for Disease Control (CDC), the International Labor Organization (ILO) and other experts. This direction includes guidance on social distancing, physical barriers, staying at home when sick, hand washing, sanitation and use of PPE.

We continue to place orders, taking into account impacts of marketplace dynamics. We will continue to pay in full for finished product from all suppliers globally, while honoring previously agreed payment terms for product in production. In the case of cancelled orders, our policies and agreements with suppliers are, and have always been, that Nike will pay the appropriate amount of the order, depending on the stage of production as communicated by our supplier to enable the supplier to recover costs associated with the canceled order.

We are working with industry organizations and other global stakeholders to develop broad based approaches to help address the current situation. For example, we engaged with a number of institutions to offer financing opportunities to suppliers as they have been navigating challenging market dynamics. You can read more about those efforts here: [USAID and U.S. Retail, Apparel and Footwear Companies Announce Memorandum of Understanding to Help Hard-hit Supply-Chain Workers in Asia](#). We will continue to collaborate and we support the approaches set forth by [United States Council for International Business](#) and a [broad coalition](#) of textile, apparel and footwear industry associations.

Specific answers as follows:

1.a. Are you keeping a list of factories that have closed in your supply chain since March 2020, (including those that you stopped sourcing from during the pandemic) **Y/N**

b. Is your company willing to share a list of closed factories, including names and addresses? (Please share list here or as an attachment)

c. Are you willing to provide BHRRC with updated lists in the future? **Y/N**

Purchasing practices

2. a. Have you implemented a policy specifying that your sourcing team must not ask for price reductions or discounts relative to comparable items from last season? **Y/N**

Our sourcing teams have not asked for price reductions, and we have no intention to do so moving forward, but there is not a specific new policy.

b. If yes, can you share this policy with BHRRC?

c. If no, have you implemented any pandemic- related policy designed to ensure your sourcing staff do not pressure suppliers on price or production times and can you share this policy? **Y/N**

Worker wage and severance payments

3.a Have you received reports of non-payment of full salaries for workers in your supply chain? **Y/N** (Our policy has been that all suppliers comply with regional local law)

b. Is your company actively involved in resolving each of these payment disputes? **Y/N**

4.a. When garment workers lose their jobs, are you monitoring if they are receiving all outstanding wages and legally mandated severance payments? **Y/N**

b. Is your company actively involved in ensuring workers are paid outstanding wages, severance, and benefits? **Y/N**

Discriminatory dismissals and human rights violations

5.a Have you implemented a pandemic-related policy with your suppliers to ensure vulnerable demographics of workers are not being disproportionately targeted for layoffs (e.g. union members & leaders, pregnant women, migrant workers)? **Y/N**

We are working with suppliers to manage compliance with existing anti-discrimination policies and protections for vulnerable workforce populations, but no specific new policy.

b. Are you tracking lay-offs and suspensions by demographic? **Y/N**

c. If Y can you provide a list of the categories being monitored?

d. If N, what steps are you taking to ensure discriminatory dismissals are not being carried out? *Partnering closely with our suppliers...*

6.a Are there one or more factories supplying your company where advocates have alleged workers have been criminally charged or imprisoned in violation of their human rights (freedom of expression, freedom of assembly & association, collective bargaining etc.)? **Y/N**

b. In all such cases, have all workers been released from custody with all charges dropped? **Y/N**

Questions included in previous questionnaire, please provide current responses:

7. a. What were your payment times prior to the pandemic (in days)?

b. Have you extended these payment times for the current pandemic period? **Y/N**

c. What are the maximum number of days from invoice date within which you pay your suppliers currently (e.g. 30, 60, 90, 180 days)?

Nike does not disclose contract terms. Our current business practice is to pay suppliers within 45days of invoice.

8. Have you committed to pay in full for all in-production and completed orders? **Y/N**

9. Have you requested a discount for any orders? **Y/N**

10. Are you supporting suppliers with access to local finance with a letter of credit or through other means? **Y/N**