

March 10, 2020

Nike remains dedicated to ethical and responsible manufacturing and we are deeply committed to ensuring the people who make our product are respected and valued.

While Nike does not directly source products from the Xinjiang Uighur Autonomous Region (XUAR), and does not have relationships with the Haoyuanpeng Clothing Manufacturing, Qingdao Jifa Group, or Esquel facilities in XUAR, we have been conducting ongoing diligence with our suppliers in China to identify and assess potential risks related to employment of people from XUAR.

Since last year, Taekwang's Qingdao facility has not recruited new employees from XUAR and is currently seeking expert advice on the best and most responsible approach to conclude the employment of remaining employees from UAXR. Taekwang has confirmed that their employees from UXAR have the ability to end their contracts at any time without repercussion, and historically many have chosen to do so.

Nike is committed to upholding international labor standards and we are continuing to evaluate how to best monitor our compliance standards in light of the complexity of this situation. The Nike Code of Conduct and Code Leadership Standards have requirements prohibiting any type of prison, forced, bonded or indentured labor, including detailed provisions for freedom of movement and prohibitions on discrimination based on ethnic background or religion. We continue to engage with all of our suppliers to evaluate compliance with Nike's Code of Conduct and Code Leadership Standards.

Given this dynamic situation, we are also drawing on expert guidance and working with brands and other stakeholders to consider all available approaches to responsibly address this situation. We have been collaborating with industry associations such as Retail Industry Leaders Association, American Apparel & Footwear Association, National Retail Federation and U.S. Fashion Industry Association and are supportive of the [statement](#) released by these organizations on this matter. We will continue to actively collaborate with our partners, stakeholders and other organizations on this issue.