

# Human Rights Statement issued by NIKE Retail B.V. and NIKE Retail B.V. Zweigniederlassung Deutschland

This statement has been issued by NIKE Retail B.V. pursuant to Section 6 of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – “LkSG”) with respect to its NIKE Retail B.V. Zweigniederlassung Deutschland operations (together, “NIKE”). This statement discusses NIKE’s global business practices to address human rights and environmental risks because NIKE takes a global approach to human rights and the environment.

## Overview

NIKE believes in and is committed to respecting human rights and the environment in its own operations and supply chain, so that every athlete\* has a chance to thrive.

As best practice for understanding and managing human rights risks and its impacts, NIKE looks to the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

NIKE’s human rights expectations apply to its own business operations as well as its supply chain.

Through collaborative efforts, together, NIKE and its suppliers continue striving to create equal playing fields for all.

## Governance

NIKE has established a Human Rights Committee (the “Committee”) to oversee its risk management with respect to compliance with the LkSG. The Committee is comprised of a team of cross-functional senior leaders and subject matter experts representing NIKE global and Europe, the Middle East and Africa (EMEA) business functions. The Committee meets regularly and reports at least annually to the NIKE Retail B.V. Board of Directors, which is comprised of the following individuals:

- Carl Grebert, *Vice President and General Manager, EMEA*
- Milou Meijer, *Vice President and Counsel, EMEA*
- Stephanie Strike, *Vice President, NIKE Direct, EMEA*
- Melinda Vaccaro, *Vice President and Chief Financial Officer, EMEA*

## Priorities

NIKE’s priorities are based on the issues that are most salient to stakeholders (including employees, consumers, customers, suppliers, shareholders, governments, local communities and the general public) in its own operations and across its supply chain. This includes both human rights and environment-related risks.

As part of NIKE’s efforts to better understand the potential human rights and environmental risks its stakeholders could be exposed to in its own operations and across its supply chain – and NIKE’s ability to manage these risks – NIKE conducted a risk assessment in early 2024 covering human rights and environmental standards under the LkSG across key areas of its supply chain, including sourcing, manufacturing, logistics and owned and operated facilities. These risks were identified in both an abstract way through a review of internal policies and disclosures and external landscaping of industry trends and performance, as well as a concrete way through interviews with key NIKE stakeholders. The assessment considered scope, scale, remediability and likelihood of occurrence, and identified the following most

*\*If you have a body, you are an athlete.*

salient general risks to NIKE and its supply chain: 1.) occupational health and safety; 2.) forced or compulsory labor and human trafficking; and 3.) child labor.

NIKE's annual Impact Report also includes an issues prioritization matrix identifying key issues that are salient to NIKE, people and the environment.

NIKE addresses potential risks in human rights and environmental standards in its management and risk-mitigation systems across the enterprise using a risk-based approach that considers internal and external impacts. However, recognizing that risks can evolve over time, NIKE is evaluating risks annually with the Committee and on an ad-hoc basis, as necessary, to ensure that its approach remains effective. NIKE is also working with key stakeholders across its business to ensure risks are appropriately identified, managed and mitigated.

## **Employees**

NIKE promotes a culture of inclusion, dignity and respect, and a work environment free from harassment and discrimination where all employees can feel empowered.

NIKE's corporate [Code of Conduct – Inside the Lines](#) provides an overview of the laws, regulations and company policies that include our commitment to human rights and environmental standards. These expectations apply to the company and its own operations and reinforce how NIKE builds a diverse and inclusive culture.

## **Suppliers in NIKE's supply chain and their workers**

NIKE is prioritizing and fostering relationships with upstream suppliers who share NIKE's commitment to respect human rights and the environment, and who are investing in their employees. NIKE's expectations towards its suppliers are laid out in its Supplier [Code of Conduct](#) and [Code Leadership Standards \(CLS\)](#). NIKE strives to align its Supplier Code of Conduct with international standards, including the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises, by establishing foundational social and environmental requirements suppliers must meet when producing products for NIKE's business. The CLS contains more detailed requirements on how the NIKE Supplier Code of Conduct is implemented. They also include specifications on the development of robust management systems, which are essential to consistently maintaining compliance with local laws and NIKE's own standards on human rights and the environment.

NIKE assesses its foundational expectations for its suppliers through industry tools, including verified Social & Labor Convergence Program (SLCP) assessments, Higg Facility Environmental Module (Higg FEM) assessments and Zero Discharge of Hazardous Chemicals (ZDHC) wastewater testing. NIKE also assesses environmental and social performance through regular audits, both announced and unannounced, by internal and external parties.

If NIKE identifies or is alerted to a non-compliance with its Supplier Code of Conduct, NIKE investigates, and where improvements are required, takes a collaborative approach to working with supplier management to see that corrective actions are taken and that problems are remediated.

NIKE's robust compliance program includes cross-functional governance from senior stakeholders across its business and is designed to enable both current and potential suppliers to meet NIKE's foundational expectations for conducting business with NIKE.

Beyond compliance, NIKE works with its suppliers to advance progress in line with NIKE's [enterprise targets](#) focused on preventing and further mitigating human rights risks in health and safety, and promoting gender equity and worker engagement.

## **Preventative measures and remedial action**

NIKE is committed to human rights and environmental standards and pursues both through preventative measures and, where needed, remedial action. Such measures include proactive engagement with stakeholders, regular communication with suppliers, strong contractual obligations and safeguards that require adherence for anyone doing business with NIKE, verified social and environmental assessments, announced and unannounced facility audits and involvement in industry partnerships and forums focused on driving effective prevention and remediation of actual and potential human rights and environment-related violations.

NIKE aims to use its leverage in the best possible and most efficient way to mitigate and remediate actionable identified risks or violations. This response includes, where necessary, considering options for responsible exit.

## **Access to NIKE's grievance mechanisms**

NIKE works to provide safe, confidential and easily accessible channels to enable anyone to report on potential adverse impacts and grievances.

The [Speak Up Portal](#) is available to NIKE employees and individuals in and outside its supply chain and can be accessed anytime online or by phone, enabling further direct communication about any concerns. Available in 39 languages and accessible locally in 98 countries, anyone who experiences or observes conduct they suspect to be inconsistent with NIKE's human rights and environmental expectations or obligations under the LkSG may use the Speak Up Portal.

NIKE treats all reports seriously, respects confidentiality throughout the grievance process, and does not tolerate retaliation in any form in response to submissions to the Speak Up Portal.

Grievance themes and trends are reviewed regularly and on a holistic basis by the Committee to identify any systemic risks or gaps in NIKE's systems and processes. NIKE also conducts regular trainings with key internal stakeholders to ensure grievances are managed consistently across NIKE's supply chain.

## **Documentation and reporting**

NIKE takes appropriate steps to document its approach to, and management of, human rights and environmental risks. This process includes statutory requirements for documentation and record retention under the LkSG, as well as mandatory reporting on [forced labor](#) pursuant to the UK Modern Slavery Act, the Australian Modern Slavery Act, the Canadian Forced and Child Labour in Supply Chain Act and the California Transparency in Supply Chains Act.

In addition, NIKE has a long history of voluntary reporting and disclosure on human rights – including risk management – through its annual [Impact Report](#).

For more information on NIKE's human rights approach, please visit <https://about.nike.com/en/impact-resources/human-rights-and-labor-compliance-standards>.

## **There is no finish line**

NIKE recognizes that strong and effective human rights and environmental management is an ongoing journey and is committed to working with employees, suppliers and other stakeholders to continue driving progress.