

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

SASB is an independent, private sector standards-setting organization dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. The table below cross-references the SASB accounting metrics with where that information can be found in NIKE's FY16/17 Sustainable Business Report (SBR) and Sustainability Website.

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	DATA	REFERENCE
MANAGEMENT OF CHEMICALS IN PRODUCTS	Description of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	CN0501-01		<ul style="list-style-type: none"> SBR: Chemistry (Measure: 100% compliance with NIKE RSL) Approach to Chemistry Chemistry Playbook
	Description of processes to assess and manage risks associated with chemicals in products	Discussion and Analysis	N/A	CN0501-02		<ul style="list-style-type: none"> SBR: Chemistry (Target: Enable Zero Discharge of Hazardous Chemicals) Approach to Chemistry Chemistry Playbook
RAW MATERIAL SOURCING & INNOVATION	Discussion of environmental and social risks associated with sourcing priority materials	Discussion and Analysis	N/A	CN0501-03		<ul style="list-style-type: none"> SBR: Materials (Target: Increase use of more sustainable materials in footwear and apparel) Sustainable Materials Sustainable Materials Principles
	Percentage of raw materials third-party certified to an environmental or social sustainability standard, by standard	Quantitative	Percentage (%) by weight	CN0501-04	Materials (FY17) Cotton <ul style="list-style-type: none"> Organic: 8% Recycled: <1% BCI: 46% Polyester <ul style="list-style-type: none"> Recycled: 14% Corrugate <ul style="list-style-type: none"> Recycled: 84% Rubber <ul style="list-style-type: none"> Environmentally preferred rubber: 98% Foam <ul style="list-style-type: none"> Recycled EVA foam: <1% 	<ul style="list-style-type: none"> SBR: Materials (Target: Increase use of more sustainable materials in footwear and apparel) Sustainable Materials Sustainable Materials Principles
LABOR CONDITIONS IN THE SUPPLY CHAIN	Percentage of (1) tier 1 suppliers and (2) suppliers beyond tier 1 that have been audited to a labor code of conduct, percentage conducted by a third-party auditor	Quantitative	Percentage (%)	CN0501-05	100% of Tier 1 suppliers audited to Code of Conduct, which includes environmental data collection <ul style="list-style-type: none"> 4% audited by third-party auditor Suppliers beyond Tier 1 audited to Code of Conduct <ul style="list-style-type: none"> N/A. We disclose a number of strategic material suppliers (Tier 2) on our Manufacturing Map along with finished goods factories. 	<ul style="list-style-type: none"> SBR: Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) NIKE's Sourcing and Manufacturing Standards
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CN0501-06	In FY17, 9.1% of audits were rated below Bronze (non-conformance)	<ul style="list-style-type: none"> SBR: Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) NIKE's Sourcing and Manufacturing Standards
	Discussion of greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Discussion and Analysis	N/A	CN0501-07		<ul style="list-style-type: none"> SBR: Issue Prioritization, Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) Protecting the Environment Making Product Responsibly
ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN	Percentage of (1) tier 1 supplier facilities and (2) supplier facilities beyond tier 1 with wastewater discharge meeting or exceeding legal requirements	Quantitative	Percentage (%)	CN0501-08	In FY17, 72.6% of focus suppliers met NIKE's wastewater quality requirements for textile dyeing and finishing processes	<ul style="list-style-type: none"> SBR: Chemistry Approach to Chemistry Chemistry Playbook
	Percentage of (1) tier 1 suppliers and (2) suppliers beyond tier 1 who have completed the Sustainable Apparel Coalition's Higg Index Facility Module assessment or equivalent environmental data collection	Quantitative	Percentage (%)	CN0501-09	100% of Tier 1 suppliers audited to Code of Conduct, which includes environmental data collection <ul style="list-style-type: none"> 4% audited by third-party auditor Suppliers beyond Tier 1 audited to Code of Conduct <ul style="list-style-type: none"> N/A. We disclose a number of strategic material suppliers (Tier 2) on our Manufacturing Map along with finished goods factories. 	<ul style="list-style-type: none"> SBR: Sustainable Sourcing (Target: Source 100% from factories that meet our definition of sustainable) NIKE's Sourcing and Manufacturing Standards



To learn more, please visit:

FY16/17 Sustainable Business Report: sustainability.nike.com/reports

NIKE Sustainability: sustainability.nike.com

