



## **TO OUR SHAREHOLDERS,**

Earlier this year, I completed my first full year as the CEO of NIKE, Inc. The year was full of the unpredictable – but as I look back, I’m struck by what was predictable.

We remained laser-focused on the consumer. We were fueled by our values to drive us forward, no matter what. And our talented and resilient team came together time and again to deliver. That’s Nike, and it’s what we do.

This year threw a lot at us, amid the continued pandemic: store closures, supply chain challenges and more. But throughout, our teams proved their steadiness and ability to operate through uncertainty. With creativity and agility, they connected consumers with the power of sport – and they are the reason behind our strong performance and current momentum.

We delivered extraordinary results in FY21. Our strong financial performance included strong double-digit growth and Nike’s highest EBIT margin in recent history. As ever, the power of Nike is our consistency and the strength of our global portfolio. Over the course of the year, we delivered growth across all our geographies, including our seventh consecutive year of double-digit currency-neutral growth in our Greater China business.

In a time of unprecedented macroeconomic volatility, we grew our leadership position, extending the separation between us and the rest of the pack. I’m a big believer that times like these are when strong brands can get stronger. And that’s exactly what Nike did in FY21.

This was the year we brought to life our Consumer Direct Acceleration strategy. As part of CDA, we successfully realigned our organization and began investing in our highest-growth areas. Part of that investment is our new consumer construct of Men’s, Women’s and Kids’, which aligns us against the biggest opportunities we see ahead of us. We’re putting resources behind our end-to-end digital transformation across the value chain as we unlock more growth and efficiency for the business.

Our momentum is driven by the underlying strengths we enjoy – the competitive advantages that allow us to navigate whatever dynamics we face. Those strengths include our commitment to innovation, our digital advantage, and three brands in Nike, Jordan and Converse that create deep and meaningful connections with consumers across the globe.

For us, it always starts with innovation. Over FY21, we set the pace with leading performance innovation like our breakthrough NEXT% footwear platform. We increased access to sport with Nike GO FlyEase, our truly hands-free shoe, as well as against our vast Women’s opportunity, as seen with our Nike (M) maternity collection and new Nike Yoga collection. And we drove our sustainability innovation agenda with our new Crater foam, new iterations of our Space Hippie platform and new products like Cosmic Unity, our first performance shoe under our Move to Zero initiative.

Our belief in innovation also extends to our digital advantage. We continue to elevate our membership proposition, which comes to life across our One Nike Marketplace. For example, in FY21 we added livestreaming to the SNKRS app and then continued to innovate, launching SNKRS LIVE, our first product drop via livestreaming. We are the clear leaders in digital in our industry today. Our owned Digital revenue is now over 20% of our business, a mark we’ve hit three years ahead of plan. Looking ahead, we see even

greater competitive acceleration – by FY25, we expect to achieve 40% owned Digital mix. This shift is transforming our operating model, creating greater value for both consumers and our shareholders. As a result, we've outlined new FY25 financial goals. This new financial model is evidence of the confidence we have in Nike's future, as we see an accelerating rate of revenue growth, margin expansion and earnings.

Throughout it all, our deeply felt purpose to make sport a daily habit guides our singular goal to motivate and inspire athletes everywhere. The values we share with consumers helps drive their love of our brand worldwide. Nike remains the #1 favorite brand in all 12 of our key cities, and still we continue to push what our brand can mean to consumers today. In FY21, we released our latest Impact Report and announced new 2025 Purpose Targets, outlining clear goals, action plans and accountability. Our 2025 Targets will keep us focused on a host of key priorities, from sustainability to representation to investing in communities around the globe. This important work creates long-term value for Nike, while raising the bar for our entire industry.

As I write this letter, the world's excitement for the return of organized sport is reaching fever-pitch. Nike's unmatched roster of the world's best athletes across football, basketball, tennis, golf, track & field and more continue to remind us of the hope and joy that comes with sports being back. There is profound energy for this summer of sport, highlighted by the Tokyo Olympics and Paralympics. And Nike remains in a unique position to drive this energy to consumers everywhere.

Looking ahead to FY22, I'm filled with confidence. We have a proven strategy and playbook, incredible momentum and a winning culture around us. I hope you feel as optimistic about the possibilities as I do. Nike is staying on the offense and looking to extend our leadership position. I'm energized by our incredible potential, and I wouldn't trade our position with anyone.

Respectfully,

John

A handwritten signature in black ink that reads "John Donahoe". The signature is fluid and cursive, with the first letter of each name being significantly larger and more stylized.

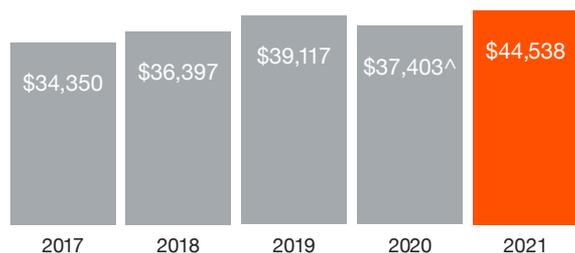
**JOHN DONAHOE**

President and Chief Executive Officer  
NIKE, Inc.

## NIKE, Inc. Revenue Performance

Fiscal Years 2017-2021

Revenue in millions



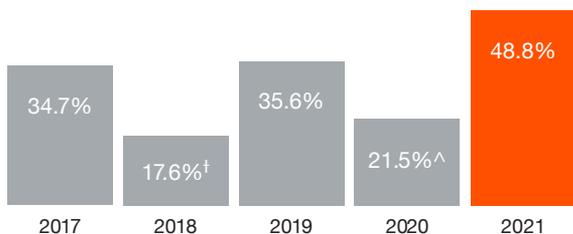
## NIKE, Inc. Earnings Per Share Performance

Fiscal Years 2017-2021



## NIKE, Inc. Return on Invested Capital\*

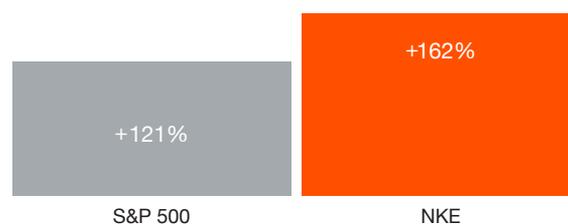
Fiscal Years 2017-2021



\* ROIC is considered a non-GAAP financial measure and should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with U.S. GAAP and may not be comparable to similarly titled non-GAAP measures used by other companies. In Fiscal 2020, the Company updated the way in which it calculates ROIC; fiscal years prior to 2019 are calculated and presented under the historical method. ROIC is included in the quarterly earnings section of our investor relations website, <http://investors.nike.com>. Please refer to this site for more detail on this calculation.

## NIKE, Inc. Stock Performance vs. S&P 500\*

Fiscal Years 2017-2021



\* Performance of the S&P 500 and NIKE stock is calculated by comparing the total returns of each assuming the reinvestment of dividends over the time period of 5/31/2016 to 5/31/2021.

<sup>^</sup> Fiscal 2020 reflects the material adverse impacts to NIKE, Inc.'s business from COVID-19. Refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's FY20 Annual Report on Form 10-K for additional information on the impacts of COVID-19 to the Company's results.

<sup>†</sup> Fiscal 2018 reflects the impacts of the U.S. Tax Cuts and Jobs Act. Refer to Note 9 - Income Taxes in the Company's FY20 Annual Reporting on Form 10-K for additional information on the impact of the U.S. Tax Cuts and Jobs Act.

## **SHAREHOLDER INFORMATION**

NIKE, Inc. common stock is listed on the New York Stock Exchange under the trading symbol 'NIKE.' Copies of the Company's Form 10-K and Form 10-Q reports filed with the Securities and Exchange Commission are available from the Company without charge. Copies are available on the investor relations website, <http://investors.nike.com>. To request a hard copy, please call 800-640-8007 or write to NIKE's Investor Relations Department at:

NIKE World Headquarters  
One Bowerman Drive  
Beaverton, Oregon 97005-6453

Quarterly dividends on NIKE common stock, when declared by the Board of Directors, are paid on or about July 5, October 5, January 5, and April 5. Additional financial information is available at <http://investors.nike.com>.

## **INDEPENDENT ACCOUNTANTS**

PricewaterhouseCoopers LLP  
805 SW Broadway, Suite 800  
Portland, Oregon 97205

## **REGISTRAR AND STOCK TRANSFER AGENT**

Communications concerning shareholder address changes, stock transfers, changes of ownership, lost stock certificates, payment of dividends, dividend check replacements, duplicate mailings, or other account services should be directed to the Company's Registrar and Stock Transfer Agent at the following address:

Computershare Trust Company N.A.  
P.O. Box 505000  
Louisville, KY 40233  
800-756-8200  
800-952-9245 (Hearing Impaired)  
[www.computershare.com](http://www.computershare.com)