

# **Policy on Corporate Political Contributions, Industry Associations, Public Policy Statements, and Lobbying**

## **Applicability**

This Policy on Corporate Political Contributions, Industry Associations, Public Policy Statements, and Lobbying (the “Policy”) governs corporate political contributions and other campaign expenditures by NIKE, Inc. and its majority-owned subsidiaries (the “Company”). Unless otherwise noted, this Policy applies to both U.S. and international markets.

## **Political Activities of Employees**

While Company employees may participate as individual citizens in the political process, decisions to do so are entirely personal and voluntary. Employees engaging in political campaign activities are expected to do so as private citizens, and must at all times make clear that their views and actions are their own, and not those of the Company. Employees must not use their position with the Company to coerce or pressure other employees to make contributions to or support or oppose any political candidates, elections, or ballot initiatives. Employees engaging in political activities must also adhere to the applicable provisions of the Company’s code of ethics, *Inside the Lines*.

## **Contacts with Government Representatives**

Company employees must promptly consult the NIKE, Inc. Government and Public Affairs department (“GPA”) or the Legal department on issues that involve federal, state, and local government. Only Company officers and those selected by GPA or the Legal department may express the Company’s views on legislation, ballot initiatives, regulations, or government action. Other employees may communicate the Company’s views only with specific guidance from GPA. Only GPA or the Legal department may hire lobbyists to help the Company.

## **Corporate Political Contributions, Industry Associations, and Policy Statements**

### *Philosophy*

Public policy issues have the potential to impact the Company’s business, its employees, business partners, shareholders, and the communities in which the Company operates. The Company’s management believes that in certain cases it may be appropriate and in the Company’s best interests to use its resources to (1) make Political Contributions<sup>1</sup> to political parties, candidates for public office, or political organizations,

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<sup>1</sup> For purposes of this Policy a “Political Contribution” is any gift, loan, advance or deposit of money or anything of value, made: (a) for the purpose of influencing any federal, country, state or local election for

(2) contribute or pay membership fees to trade and industry associations and coalitions that are engaged in political activity (“Industry Associations”), and (3) approve government or public policy statements (“Policy Statements”) of organizations with social or political objectives. The Company’s Board of Directors has adopted this Policy to ensure that Political Contributions, Industry Association contributions, and Policy Statements are made in a manner consistent with the Company’s core values, to protect or enhance shareholder value, without regard to the private political preferences of company officers. The use of any Company funds, regardless of the source of the funds, for Political Contributions or for contributions to Industry Associations, must follow this Policy’s approval guidelines.

#### *Independent Expenditures and Electioneering Communications*

In 2010, the United States Supreme Court ruled in *Citizens United v. Federal Election Commission* that U.S. corporations may not be prohibited generally from using their funds to pay for certain independently made partisan political advertisements and other political communications referred to as “independent expenditures” and “electioneering communications.” Notwithstanding the Supreme Court’s decision, the Company has determined that it will not make direct independent expenditures or pay for any electioneering communication in federal campaigns, as those terms are defined by applicable law, without approval of GPA and the General Counsel.

#### *Political Contribution Approval Guidelines*

Any Political Contribution made by the Company, regardless of the source of the funds, must be approved in advance by the relevant geographic or territorial director of GPA, and must support a political candidate, political party, or ballot initiative that the geographic or territorial director determines is beneficial to the long-term business interests of the Company. In determining whether or not to approve a request to make a Political Contribution, the geographic or territorial director may examine many factors, including, but not limited to, the merits of the candidate, election or ballot initiative, the value of the contribution to the election or ballot initiative, the quality and effectiveness of the organization to which the contribution will be made, and the appropriateness of the Company’s level of involvement in the election or ballot initiative. Further, the geographic or territorial director shall also, as may be appropriate, consult with the Company’s legal counsel, compliance personnel, and members of management.

In addition to the approval of the relevant geographic or territorial director of GPA, any Political Contributions to a single candidate, political party or ballot initiative that will aggregate to more than U.S. \$100,000 in a calendar year require the approval of the General Counsel and the NIKE, Inc. vice president of the geography in which the contribution will be made.

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political office or ballot initiative; or (b) to pay debt incurred in connection with any an election or ballot initiative.

All Political Contributions must also comply with: this Policy, *Inside the Lines*, the Foreign Corrupt Practices Act, and all other applicable laws and regulations in the jurisdictions in which the contributions are made.

#### *Lobbying Oversight*

The Company may from time to time directly engage external registered lobbyists to assist the Company in monitoring governmental policy development, advising the Company, or communicating the Company's positions on various political issues that concern the long-term business interests of the Company. Only GPA or the Legal department may engage external registered lobbyists or firms who advise on governmental affairs issues, with the approval of the relevant geographic or territorial director of GPA. The Company will make all required public disclosures regarding lobbying activity.

#### *Industry Association Approval Guidelines*

Membership fees or contributions to an Industry Association that will aggregate to more than U.S. \$100,000 in a calendar year must be approved in advance by the the relevant geographic or territorial director of GPA, and must support objectives that GPA determines are beneficial to the long-term business interests of the Company.

#### *Policy Statements Guidelines*

Policy Statements must be approved in advance by GPA, and must support objectives that GPA determines are beneficial to the long-term business interests of the Company. In determining whether or not to approve a Policy Statement, GPA may examine many factors, including, but not limited to, the merits of any commitments, the cost to the Company of making the commitments, the quality and effectiveness of the organization to which the commitment will be made, and the extent to which it protects or enhances shareholder value or furthers the Company's long-term business objectives. Further, GPA shall also, as may be appropriate, consult with the Company's legal counsel, compliance personnel, members of management and, in certain cases described below, the Nominating and Corporate Governance Committee of the NIKE, Inc. Board of Directors.

#### *NIKE Political Action Committee*

Any contributions by the NIKE Political Action Committee to candidates for public office shall comply with all applicable laws and shall be approved by the board of directors of the Committee.

#### *Federal Elections*

No Company funds should be used for contributions related to a U.S. federal election (whether to a candidate, political party, or political action committee) because it

may be against the law. In some cases, Company funds may be used to support some federal political activity, but such contributions and expenditures must be approved in advance by the U.S. director of GPA and the General Counsel.

### *Board Oversight*

Management will report annually to the Nominating and Corporate Governance Committee of the Board of Directors of NIKE, Inc. regarding the Company's compliance with this Policy, and provide a review of the overall strategic priorities for political and policy lobbying, Political Contributions, Industry Association affiliations, and Policy Statements, including the objectives that align with the long-term business objectives of the Company. Any Political Contributions by the Company made in the United States to a single candidate, political party or ballot initiative, or any membership fees or contributions to an Industry Association, that aggregate to more than U.S. \$100,000 in a calendar year will be reported to, and reviewed by, the Nominating and Corporate Governance Committee. Any Policy Statements that make commitments regarding matters that involve Board responsibilities, review, or approval, or that involve public reporting must be reviewed by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee may adjust the review, approval and disclosure thresholds in this policy from time to time.

### **Disclosure and Reports**

This Policy will be published on the Company's website. The Company shall at all times comply with all current applicable laws and regulations relating to the reporting requirements of corporate Political Contributions. In addition, on an annual basis, the Company will publish on its website at <http://investors.nikeinc.com/Investors> any direct corporate Political Contributions made in the United States to a single candidate, political party or ballot initiative that that will aggregate to more than U.S. \$100,000 in a calendar year. The website shall also provide annual disclosure of direct cash Political Contributions in any U.S. state where more than 50% of the total annual contributions are made for any calendar year.

### **Amendments to the Policy**

Amendments to the Policy must be approved by the Board of Directors.