TO OUR SHAREHOLDERS;

When I wrote to you last year, I committed to putting the athlete* back at the center of everything we do to strengthen Nike for the long term.

In fiscal 2026, we took important steps to do exactly that. We strengthened the foundation of our business, made significant changes to how we operate, and sharpened our focus on the sports, athletes and communities we serve. I am encouraged by the progress our team has made and the direction we are headed.

Through our Win Now actions, we focused on strengthening the fundamentals of Nike across culture, product, brand storytelling, marketplace and how we serve consumers in our countries and cities. We rebuilt key capabilities, improved the health of our marketplace and created the conditions for stronger execution.

Win Now is making the comeback possible.

This fiscal year, we refreshed our senior leadership team and flattened our leadership structure to get closer to the business. We moved approximately 8,000 teammates into vertical sport teams as part of our new operating model, the Sport Offense, while continuing to simplify and accelerate our supply chain and technology organizations. These changes are helping us move faster and stay closer to the athlete and consumer.

As we spend more time with athletes and organize around the sports we serve, we are beginning to see the impact. Our renewed focus on sport and the value we create for athletes is building energy for our brands and driving growth in our performance business. We are also accelerating innovation across footwear, apparel and sport experiences.

Looking at our reported full year results for fiscal 2026, our gross margins slightly expanded while earnings per share modestly declined, even with significant investment made to reposition and create a healthier foundation for our business. At the same time, our results are not yet where they need to be.

We are not performing at our full potential, and we are focused on changing that trajectory with urgency and discipline. Progress has been encouraging, but we know this comeback will not be a straight line. There are areas where we are gaining traction and others where we still have important work ahead.

What gives me confidence is that we are rebuilding Nike around the things that have always set us apart: listening to the needs of the world's best athletes and turning those insights into innovation for everyone. Because as our mission states, if you have a body, you are an athlete*.

That belief has never felt more relevant. Sport creates opportunities and brings people together. It builds confidence, resilience, health, teamwork and belief. It helps people and communities move forward.

That is why access to sport matters. When more people can play, train, compete and move, athletes, families, communities and economies all benefit. Creating that access requires partnership and investment. Nike will continue working with others who share our belief in the power of sport to unlock human potential and help keep access to play within reach.

Our success extends beyond Nike. It supports athletes, employees, retail partners, suppliers and communities around the world, and we carry that responsibility with us as we help shape the future of sport.

Looking ahead, our teams are focused on inspiring consumers in modern ways while driving commercial impact at both global and local sport moments. We will continue to invest in innovation, strengthen how we show up across digital and physical retail, and create better experiences for consumers and our marketplace partners.

Across the enterprise, we will operate with greater discipline, improve planning and inventory management, and build a stronger, more profitable business over time.

Nike was born from a belief in the power of sport, competition and innovation. Those roots remain central to who we are, even as we serve athletes in every corner of the world. We believe that no company is better positioned than Nike to serve athletes through the combination of sport, innovation, brand strength and global scale.

The foundation is stronger than it was a year ago. The direction is clear. Now our opportunity is consistent execution. We have to prove it season after season, year after year and decade after decade.

We are building Nike the right way for the long term.

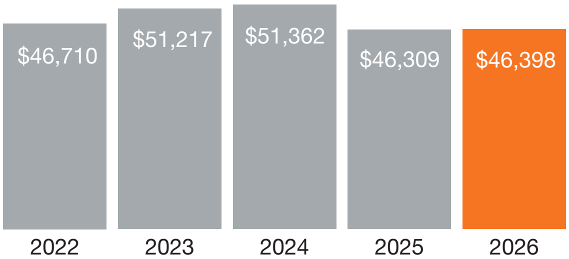
With appreciation,

Elliott Hill
President and Chief Executive Officer
NIKE, Inc.

NIKE, Inc. Revenue Performance

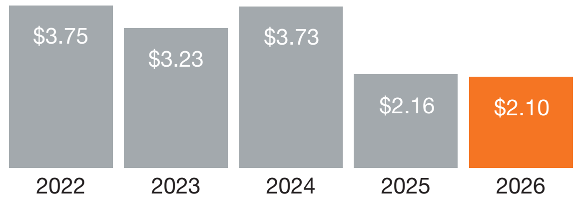
Fiscal Years 2022-2026

Revenue in millions



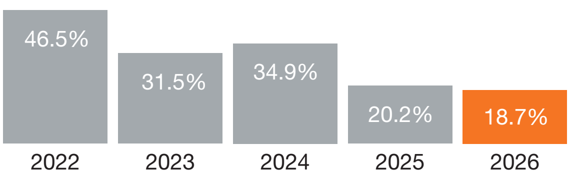
NIKE, Inc. Earnings Per Share Performance

Fiscal Years 2022-2026



NIKE, Inc. Return on Invested Capital*

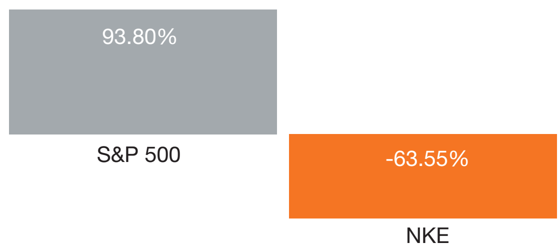
Fiscal Years 2022-2026



* 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. ROIC is included in the Form 10-K, available on our investor relations website, http://investors.nike.com. Please refer to this site for more detail on this calculation.

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

Fiscal Years 2022-2026



* Performance of the S&P 500, S&P 500 Apparel, Accessories & Luxury Goods Index and NIKE stock is calculated by comparing the total returns of each assuming the reinvestment of dividends over the time period of 5/31/2021 to 5/31/2026.