

April 8, 2019

Scott Nova Worker Rights Consortium 5 Thomas Circle NW 5th Floor Washington, DC 20005

Dear Scott:

Nike remains wholly committed to respecting and advancing workers' rights worldwide, we take the allegations reported by the WRC seriously.

Nike engaged with Hoejon Limited to conduct a responsible exit from the PT Kahoindah Citragarment factory and end our business relationship with the supplier group in 2018. A responsible exit provides early notice and a clear ramp down schedule, which provides the supplier with an opportunity to find new customers. The Nike Code of Conduct and Code Leadership Standards require suppliers to fully pay all severance, social security and other separation benefits to which impacted employees are entitled under country law.

It is our understanding that the factory engaged multiple stakeholders throughout the process, including local government, civil society organizations, workers and their elected representatives, in working to comply with their legal requirements. It is unfortunate that the WRC did not immediately make Nike aware of these allegations and instead undertook an investigation without engaging other stakeholders. However, given the nature of the allegations, we have engaged with Hojeon and asked them to review the claims and, if legally owed, pay the impacted workers any additional funds necessary to meet their legal obligations. We have also encouraged them to engage an independent third party to assist with their review.

Sincerely,

Jaycee Pribulsky Vice President, Sustainable Manufacturing NIKE, Inc.