

NIKE, Inc. Annual Shareholder Meeting Transcript

September 9, 2025

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PRESENTATION

Operator:

Good morning, and welcome to the NIKE, Inc. 2025 Annual Meeting of Shareholders. I would now like to introduce NIKE's Executive Chairman, Mark Parker.

Mark Parker, Executive Chairman, NIKE, Inc.:

Good morning, everyone, and welcome to NIKE's 45th Annual Meeting of Shareholders. I'm Mark Parker, Executive Chairman of NIKE, and I will chair today's meeting. I now call this meeting to order. To begin, I'll first ask our Corporate Secretary, Mimi Hunter, to explain the mechanics of today's meeting. I'll then introduce certain key participants who are attending this meeting virtually, including our Board of Directors. Once introductions are complete, we'll move on to the proposals to be voted on.

There are four (4) proposals to be voted on at this annual meeting, each of which is described in the company's proxy statement. One, the election of directors, two, an advisory vote to approve executive compensation, three, ratification of the appointment of PricewaterhouseCoopers as NIKE's independent auditors for the current fiscal year, and four, the approval of the NIKE, Inc. Stock Incentive Plan, as amended and restated. After voting has ended on these matters, Elliott Hill, our President and CEO and a member of our Board of Directors, will review our performance during fiscal year 2025. We will then have a Q&A period, followed by a preliminary report on the voting results. I'll now ask Mimi to review the mechanics for this meeting.

Mimi Hunter, Corporate Secretary, NIKE, Inc.:

Thank you, Mark. First, if you have not already voted your shares or if you previously voted your shares and would like to change your vote, you may do so by clicking on the "Vote Here" button at the bottom of the webcast screen. Voting will remain open until we conclude our presentation of the four matters to be voted on at this meeting.

Second, during the Q&A period, we will answer as many questions as possible. As noted in the company's proxy statement, shareholders were permitted to submit questions to management prior to the annual meeting, and we have already received a number of questions. You may also submit a question during the meeting by typing your question in the box at the bottom left of the webcast screen. In order to answer as many shareholder questions as possible, if we receive multiple questions on the same or similar topic, we will consolidate those questions and answer them together.

Finally, we note that a recording of this virtual meeting will be available on our website approximately 24 hours after the meeting ends. We therefore ask that you please refrain from recording this meeting.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Mimi. I would like to introduce our current Board of Directors, consisting of the 12 individuals you see pictured on your screen. You'll also hear from Elliott, myself, and Matt Friend, our Chief Financial Officer, during the course of this meeting. Representing our external auditor, we have Stefanie Kane, from PricewaterhouseCoopers in attendance today. PwC has been NIKE's independent accounting firm for many years. And finally, Tony Carideo is in attendance today as a representative of Broadridge Financial Services and has been appointed the Inspector of Elections for this meeting.

Alright, let's move on to the proposals. I have been advised by the Corporate Secretary that the notices of this meeting were duly and properly given, being mailed in accordance with the Bylaws on July 24th, 2025, and that a quorum of both Class A and Class B common stock is present today. Since a quorum is present, I declare this annual meeting of the shareholders of NIKE, Inc. duly convened. We will dispense with the reading of the minutes of the last annual meeting and proceed to the matters to be voted on. Mimi, I'd like to ask you to present the proposals and the Board of Directors' recommendations to the shareholders at this time.

Mimi Hunter, Corporate Secretary, NIKE, Inc.:

Sure. Thank you, Mark. The first matter we will vote on is the election of Directors. The Board's nominees for election by the Class A shares are Tim Cook, Thasunda Duckett, Maria Henry, Peter Henry, Elliott Hill, Travis Knight, Jørgen Vig Knudstorp, Mark Parker, Michelle Peluso. The Board's nominees for election by the Class B shares are Mónica Gil, John Rogers, Jr., and Robert Swan. The Board recommends a vote for each of these nominees.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Mimi. I'd also like to take this opportunity to thank Cathy Benko, as she retires from the Board, for her dedicated service and countless contributions to the company over the past seven years. In accordance with the company's Bylaws and Corporate Governance Guidelines, the Board has reviewed and considered all other nominations received by the company. Therefore, I declare the nominations closed. Back to you, Mimi.

Mimi Hunter, Corporate Secretary, NIKE, Inc.:

Thanks, the second matter to be voted on is an advisory vote on executive compensation. The Board recommends a vote for approval of the advisory vote on executive compensation.

The third matter to be voted on is shareholder ratification of the appointment of PricewaterhouseCoopers as the company's independent registered public accounting firm for fiscal 2026. The Board recommends a vote for ratification of the appointment of PricewaterhouseCoopers.

The fourth matter to be voted on is approval of the NIKE, Inc. Stock Incentive Plan, as amended and restated. The Board recommends a vote for approval of the NIKE, Inc. Stock Incentive Plan, as amended and restated.

We have now covered all of the proposals.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Mimi. With that, I now declare the polls closed. I'll turn the meeting over to Elliott Hill, our President and CEO, to review our fiscal year 2025 performance. Elliott?

Elliott Hill, President & CEO, NIKE, Inc.:

Thank you, Mark, and good morning, everybody. This is my first shareholders meeting in the role of NIKE, Inc. President and CEO, and I'd like to start by saying it's a privilege to be speaking with you today.

From my first day back, it was clear to me that we needed to get back to putting sport at the center of everything we do, because athletes have always been the fuel for the NIKE Brand. Their insights lead to innovative, coveted product, and their journeys allow us to tell emotional and inspiring stories.

That's why I made it a point over the last year to connect personally with many of our partners around the globe - athletes, teams and leagues, our manufacturing partners, and our wholesale partners. Those relationships and conversations are vital to the strength of our company.

My main takeaway from those conversations is that people are rooting for a strong NIKE. Because when NIKE is at its best, we bring more consumers into the world of sport. And when we do that, we help grow the overall marketplace. The consistent feedback we've heard is pretty simple, let's see more of NIKE being NIKE.

The results reported in fiscal year 2025 are not up to the NIKE standard. I will say this, the entire NIKE team feels a sense of urgency here.

Our first step was to take more immediate moves to focus our teams. We landed on what we call our Win Now actions across NIKE's culture, product, marketing, marketplace, and ground game with a sharp focus on five key sports, three key countries, and five key cities. I'm really encouraged by all the progress we've made already in each of the actions, and I'll go through each one.

The first action is to ignite our winning culture. We have reclaimed our identity in sport, and it was just the jumpstart we needed for our team culture. I see the teams hustling and being opportunistic, moving with a sense of pride and urgency. I also set a new leadership team and flattened my leadership structure to get closer to the business.

The second priority action is to shape our Brands for distinction. We pulled the lever we knew would drive the greatest and quickest impact this year by investing heavily in big sports moments and key product launches.

And because the athlete powers our brand voice, our innovation agenda, and ultimately our revenue, we will continue to be aggressive in sports marketing and partner with sport's biggest icons.

In fiscal year 2025 alone, we announced the renewal and extension of several key sports marketing relationships, including the NBA and the WNBA, the NFL, the Brazilian Football Confederation, the French Football Federation, and FC Barcelona, just to name a few.

The third priority action is to accelerate a more diversified product portfolio. NIKE has always led through breadth and depth and orchestrating a complete product portfolio across our brands.

We prioritized performance beginning with running, completely redesigning the Pegasus, the Vomero and the Structure. We've given the runner more choice in responsiveness, cushioning, and stability through a simple construct that can be easily understood at retail across multiple channels.

NIKE Brand running is accelerating and we're well on our way to meeting our high standards of end-to-end execution in running. More importantly, we have given our teams a roadmap that we are scaling to other priority sports including basketball, global football, training and sportswear.

NIKE's responsibility is to grow the overall market, and one of the most powerful ways to do that is through a relentless flow of coveted and innovative product through our powerful brands in performance and in sportswear, across footwear, apparel and accessories and up and down price points. We're moving with focus and urgency to get back into a rhythm of delivering across all dimensions.

Our fourth priority action is to elevate and grow the marketplace. We're taking a balanced approach to serve consumers wherever, and however, they choose to shop. We've made progress in returning NIKE Direct to a more premium destination, especially when tied to a sport moment, a key product launch, or an on-the-ground activation. You can see that more recently in places like New York City at our House of Innovation during the US Open, or at pop-up stores in London when the Women's England national team won the European Championships.

Elevating the consumer experience is equally critical with our wholesale partners, especially in their physical doors. We're building growth plans with them by brand and by sport. We will win, when our partners win and I'm playing an active role in this one, leveraging my many years of experience and relationships in the marketplace.

Our final Win Now action is to win on the ground. We're authentic because of the personal connections we make with consumers in the neighborhoods where they live and play. We support communities to run and train together. We partner with local retailers to bring more people through their doors, and we celebrate the intersections of sport, youth and culture.

Some of the intentional actions we've taken this fiscal year created pressure on our financial results. These were necessary changes to set a strong foundation for long-term, profitable growth. We're making decisions here that are best for the health of our brands and businesses. Decisions that we believe will drive long-term shareholder value.

That includes a realignment of our teams into a sport offense. We will now have dedicated cross-functional teams by sport and by brand who will create greater distinction and dimension for our three brands, will make us more competitive, and will accelerate our growth.

With our sport offense, we will have the right structure. We'll build the connections with the communities that live and breathe each sport. We'll gain better insights and pull them all the way through to the marketplace. The sport offense will also give us a more direct line of sight to our competitors.

From my view, our teams are already energized and ready to go. And with all of NIKE's advantages, I strongly believe we're in control of our own destiny. Our world-class team is positioned to write the next great chapter for NIKE. Thank you.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Elliott. We have now reached the Q&A portion of the meeting, and many questions were submitted in advance of the meeting, and we also have monitored any questions submitted during the meeting. Several key themes have emerged, with shareholders expressing interest in hearing more about our Win Now actions, our sport offense, our product portfolio, tariffs, and the NIKE team.

As Mimi previously noted, we have consolidated similar questions based on these key themes, so that we will have time to address as many topics as possible. Joining me to answer these questions are Elliott and Matt Friend. I will read the questions and then ask this team to answer them.

So, let's get started.

First, we've received a number of questions regarding the Win Now actions. Elliott, you mentioned this in your summary, but could you share more about what gives you confidence that these are the right steps to reposition NIKE?

Elliott Hill, President & CEO, NIKE, Inc.:

Yeah, of course, Mark. Thank you as well.

Once I returned to NIKE, I immediately got to work gathering insights from various stakeholders. I really dug in to form my own assessment of where we needed to go.

We have created sharpness through our Win Now actions to make certain that we're prioritizing and providing clarity to our teams on where we will focus our efforts and they are energized and ready to compete.

And in terms of what's given me confidence, the short answer is that we're seeing progress and clear signals in the marketplace. We're seeing this through the brand impact that we're having by telling emotional stories during sport moments and product launches, and the acceleration of our product portfolio with sell through of key launches such as the Pegasus Premium, the Vomero 18, A'one, and our new 24.7 apparel line, which is all brought to life through an integrated marketplace, both with our partners and our own channels.

And I think maybe Matt, why don't you speak to the progress and momentum that we're seeing as it relates to the inventory and our order book?

Matt Friend, Chief Financial Officer, NIKE, Inc.:

Absolutely, thanks Elliott.

As we've shared over the last two quarters, we've taken aggressive inventory actions to create capacity for new product innovation and to return to a healthy and clean marketplace position.

While our inventory position remained elevated as we exited fiscal 2025, we closed the fourth quarter in line with our plans, and remained on track to exit the first half of fiscal 2026 in a healthy and clean position.

As it relates to the question about the order book, we've been working closely with our wholesale partners, showcasing product out several seasons, and we've received very positive early feedback on the pipeline. In fact, our order book improved sequentially, with our holiday orders up versus the prior year.

And so like Elliott, I'm encouraged by these signals of progress. We're finding better balance in our product portfolio, leading with incredible sport performance product as well as new dimensions of sportswear.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Elliott and Matt. Our next question is related to NIKE's sport offense. Elliott, could you share more about the shifts NIKE is making and how this fits into the Win Now actions?

Elliott Hill, President & CEO, NIKE, Inc.:

Absolutely, and it's a great question.

During our fourth quarter earnings call, we introduced the sport offense, which we're now in the process of activating, and we believe this will act as an accelerator of our Win Now actions. This will make us a stronger NIKE with better brand connections and more competitive in the marketplace.

We're creating sharper distinction and dimension for the NIKE, Jordan, and Converse brands through sport. This means realigning into dedicated, sport-obsessed teams to allow us to move at the speed of our consumers, deepen our relationships with athletes we serve, and gain even sharper insights to create a relentless flow of sport-specific innovation.

This change is about putting sport and sport culture back at the center of everything we do.

We will leverage our iconic brands, as well as our innovation and design teams to create distinction and dimension for our brands and further unlock growth.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Elliott. Great point on driving more connection with our consumers. Our next question is about NIKE's product portfolio. And it reads simply, how do you feel about the strength of the product pipeline going forward?

Elliott Hill, President & CEO, NIKE, Inc.:

How about I take that one, Mark.

What you'll hear us say clearly, is that NIKE is leading with a sharp focus on sport. We have an unmatched portfolio of product with depth and dimension.

This year, we focused on igniting NIKE Brand performance product to balance a handful of classic lifestyle shoes we previously over-indexed on. And in the fiscal year 2025, we made significant progress managing down our classic footwear franchises to create capacity for new products.

As it relates to the pipeline, we start with industry leading innovation. That's always been NIKE's competitive advantage, and we take that innovation and maximize it across the spectrum of sport and style.

We feel really good about the diversification we're creating in sportswear, and the new performance innovation to come, truly inviting consumers into the culture of sport.

As we look ahead, in running, our 9-box footwear lineup will continue to deliver new innovation. We'll approach basketball through multiple dimensions. And in global football, we're on an exciting road to the World Cup, preparing to upgrade all three football boot silos in a 12-month window and debuting an exciting apparel innovation that we will ultimately scale across multiple sports.

When it comes to innovation, we believe this remains a competitive advantage for NIKE.

Our focus on sport allows us to drive even greater insights from athletes through our product creation cycle. It takes time to flow into the entire marketplace, but we're confident in the pipeline, and we're showing improvement season after season.

Mark Parker, Executive Chairman, NIKE, Inc.:

Great, thanks Elliott. I just would add that innovation is certainly one of our top competitive advantages. So very important and good to hear that. We've also received a few questions related to tariffs, understandably. Matt, could you share a bit more on NIKE's approach to tariffs?

Matt Friend, Chief Financial Officer, NIKE, Inc.:

Absolutely, thanks Mark.

Over the past 50 years, NIKE has built a globally expansive supply chain that is both responsive and resilient.

And as I talked about last quarter, we've taken a thoughtful and strategic approach to tariffs, balancing the consumer, our partners, our Win Now actions, as well as the long-term positioning of our brands in the marketplace.

There are a number of levers available to us that we continue to assess closely, including optimizing our sourcing mix and the allocation of product across countries, partnering with our suppliers and our retail partners to mitigate structural cost increases, strategic pricing actions, and last, we will continue to evaluate productivity and corporate costs.

While tariffs represent a new and meaningful cost headwind to NIKE, our highest priority continues to be reigniting brand momentum through sport and repositioning our business.

The environment certainly remains dynamic, and so we will continue to monitor developments closely, but I'm confident in our ability to lean on our strengths, our experience, and our scale to navigate through this disruption.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Matt. Our last question is about NIKE's culture and team. Elliott, reigniting NIKE's culture was listed first as your top priority. What actions have you taken and how would you describe NIKE's culture today?

Elliott Hill, President & CEO, NIKE, Inc.:

Here's what I'd say, since rejoining the company, it's been incredible to be back with the teams, clearly surrounded by people that have a deep passion for NIKE and for sport.

We took several actions focused on our culture. We started to provide teams with clear direction and focus through our Win Now actions, we gave them consistent communication directly from me and the leadership team, and we will continue to empower the teams to operate with confidence.

As a result, our teams are moving with a sense of urgency, pride, and in what we call a founder's mentality.

One thing that is a true differentiator for NIKE is our athlete mindset, the passion, commitment, and determination we all have as individuals and as a team. That can't be replicated and we're all part of that.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Elliott and Matt, for addressing these topics for shareholders. And thank you, everyone for your thoughtful questions. At this time, I'd like to hear the voting results. Mimi?

Mimi Hunter, Corporate Secretary, NIKE, Inc.:

Yes, thank you Mark.

I've received the preliminary tabulation from Broadridge, and based on that tabulation I am pleased to report that the twelve (12) nominees have been duly elected as Directors of this company for the ensuing year; the compensation of the named executive officers has been approved; PricewaterhouseCoopers' selection as the independent registered public accounting firm for the current fiscal year has been ratified; and the NIKE, Inc. Stock Incentive Plan, as amended and restated, has been approved. That concludes the voting results and I'll hand it back to you, Mark.

Mark Parker, Executive Chairman, NIKE, Inc.:

Thank you, Mimi. Since there are no other matters to discuss, I'll adjourn the meeting. As we think about our year ahead, we'll close with a video showcasing NIKE's ability to invite consumers into the world of sport.