UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

June 22, 2018

Ann M. Miller
NIKE, Inc.
ann.miller@nike.com

Re: NIKE, Inc.
Incoming letter dated April 23, 2018

Dear Ms. Miller:

This letter is in response to your correspondence dated April 23, 2018 concerning the shareholder proposal (the "Proposal") submitted to NIKE, Inc. (the "Company") by the AFL-CIO Reserve Fund and Domini Impact Equity Fund for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Copies of all of the correspondence on which this response is based will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: Brandon Rees
American Federation of Laborers and Congress of Industrial Organizations
brees@aflcio.org

June 22, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: NIKE, Inc.
Incoming letter dated April 23, 2018

The Proposal asks the board to respond to rising public pressure to limit offshore tax avoidance strategies by adopting and disclosing to shareholders a set of principles to guide the Company's tax practices.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(7), as relating to the Company's ordinary business operations. In this regard, we note that the Proposal relates to decisions concerning the Company's tax expenses. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(7).

Sincerely,

Evan S. Jacobson
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

April 23, 2018

Via E-Mail to shareholderproposals@sec.gov

Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: NIKE, Inc.
Request to Omit Shareholder Proposal of the AFL-CIO Reserve Fund

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), NIKE, Inc., an Oregon corporation (the "Company"), hereby gives notice of its intention to omit from the proxy statement and form of proxy for the Company's 2018 Annual Meeting of Shareholders (together, the "2018 Proxy Materials") a shareholder proposal (including its supporting statement, the "Proposal") received from the AFL-CIO Reserve Fund, as primary proponent, and Domini Impact Equity Fund (together, the "Proponents"). The full text of the Proposal and all other relevant correspondence with the Proponents are attached as Exhibit A.

The Company believes it may properly omit the Proposal from the 2018 Proxy Materials for the reasons discussed below. The Company respectfully requests confirmation that the staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") will not recommend enforcement action to the Commission if the Company excludes the Proposal from the 2018 Proxy Materials.

This letter, including the exhibits hereto, is being submitted electronically to the Staff at shareholderproposals@sec.gov. Pursuant to Rule 14a-8(j), the Company has filed this letter with the Commission no later than 80 calendar days before the Company intends to file its definitive 2018 Proxy Materials with the Commission. A copy of this letter is being sent simultaneously to the Proponents as notification of the Company's intention to omit the Proposal from the 2018 Proxy Materials.

I. THE PROPOSAL

The resolution included in the Proposal reads as follows:

Resolved that shareholders of Nike ask the Board of Directors to respond to rising public pressure to limit offshore tax avoidance strategies by adopting and disclosing to shareholders a set of principles to guide Nike's tax practices. For purposes of this Proposal, "offshore tax avoidance

strategies" are transactions or arrangements that exploit differential tax treatment of financial instruments, asset transfers or entities by taxing jurisdictions to reduce a company's effective tax rate.

The principles should state that Nike's board will:

- *Consider the impact of Nike's global tax strategies on local economies and government services that benefit Nike;*
- *Ensure that Nike seeks to pay tax where value is created;*
- *Periodically assess the reputational consequences, including views of customers, shareholders and employees, of engaging in practices deemed to be "tax avoidance" by such stakeholders; and*
- *Annually review Nike's tax strategies and assess the alignment between the use of such strategies and Nike's stated values or goals regarding sustainability.*

The supporting statement included in the Proposal (the "Supporting Statement") is set forth in Exhibit A.

II. BASIS FOR EXCLUSION

The Company believes that the Proposal may be properly excluded from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations.

III. ANALYSIS

Rule 14a-8(i)(7) permits the exclusion of a shareholder proposal that deals with a "matter relating to the company's ordinary business operations." According to the Commission, the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." Exchange Act Release No. 40018 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission outlines two central considerations for determining whether the ordinary business exclusion applies: (1) whether the task is "so fundamental to management's ability to run a company on a day-to-day basis that [it] could not, as a practical matter, be subject to direct shareholder oversight"; and (2) "the degree to which the proposal seeks to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." *Id.* at 80,539-40 (footnote omitted). On November 1, 2017, the Staff published Staff Legal Bulletin No. 14I (Nov. 1, 2017) ("SLB 14I") and reiterated that the "purpose of the exception is 'to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.'" *Id.* (citing the 1998 Release).

In this case, the Proposal deals with a matter relating to the Company's ordinary business operations, in that it relates to ordinary business matters that are not overridden by significant policy issues. Therefore, the Proposal is properly excludable pursuant to Rule 14a-8(i)(7).

1. The Staff has concurred in the exclusion of proposals under Rule 14a-8(i)(7) that are identical or substantially similar to this Proposal.

The Staff has previously concurred that proposals relating to tax planning and strategy may be properly excluded under Rule 14a-8(i)(7). In fact, the Staff recently concurred in the exclusion of a proposal *identical* to this Proposal. *See Allergan plc* (Feb. 7, 2017) (concurring in the exclusion of a proposal identical to this Proposal under Rule 14a-8(i)(7) because "the [p]roposal relate[d] to decisions concerning the Company's tax expenses"). The Staff has also previously concurred with the exclusion of other proposals relating to tax planning and compliance. *See, e.g.*, *The Boeing Company* (Feb. 8, 2012) (concurring in the exclusion of a proposal as relating to ordinary business operations since it "relates to decisions concerning the company's tax expenses and sources of financing"); *TJX Companies Inc.* (Mar. 29, 2011) (same); *Amazon.com, Inc.* (Mar. 21, 2011) (same); *Walmart Stores Inc.* (Mar. 21, 2011) (same); *Home Depot Inc.* (Mar. 2, 2011) (same); *Lazard Ltd.* (Feb. 16, 2011) (same); *Pfizer Inc.* (Feb. 16, 2011) (same). In *Home Depot Inc.* (Mar. 2, 2001), for example, the Staff concurred that "[c]orporate taxes are intricately interwoven with a company's financial planning, day-to-day business operations and financial reporting." Like the proposals cited above, and as described below, this Proposal relates to the Company's tax planning and expenses and thus is properly excludable under Rule 14a-8(i)(7).

2. The Proposal interferes with the Company's day-to-day business operations because it concerns the Company's tax planning policies.

The Proposal requests that the Company's board of directors (the "Board") adopt and disclose a set of principles relating to the Company's tax planning and strategy that would interfere with management's ability to operate and manage the Company on a day-to-day basis. The Staff has concurred in the exclusion of proposals where the proponent phrases the proposal as requiring the "adoption of principles", and has further noted that such phrasing does not exempt the proposal from the analysis of whether the underlying subject matter of the proposal relates to the company's ordinary business matters. *See The TJX Companies, Inc.* (Mar. 1, 2017) (citing Exchange Act Release No. 20091 (Aug. 16, 1983)). The Staff has concurred that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the report is within the ordinary business of the issuer. This analysis also applies to a proposal requesting adoption of principles. *See JPMorgan Chase & Co.* (Mar. 7, 2013) (concurring in the exclusion of a proposal requesting that the company "adopt public policy principles for national and international reforms to prevent illicit financial flows [to] countries or entities operating against US national security interests.")

As a taxpayer with subsidiaries in a number of domestic and foreign jurisdictions, the Company is subject to various tax regimes that involve many complex rules, regulations and tax authorities, and taxes are a by-product of many aspects of the Company's day-to-day operations. Accordingly, the Company's tax strategies and its evaluation of the impact of existing and potential future tax law changes are inextricably linked to how the Company structures and finances its complex, multinational operations.

The Company's management requires the flexibility to adjust the Company's tax reporting and planning not just to changes in law, but also in relation to variations in the Company's operations and performance trends, including the development of new products, the retirement of business lines, the identity and location of its suppliers, its customer mix, the creation and acquisition of new intellectual property, the work and residence locations of its employees and the forms of compensation and benefits they receive, the terms of shipment and manner of sale of its products, its liquidity needs, its leverage profile, and the timing and nature of its capital expenditures and other capital allocation decisions, among other factors.

For example, the Company has disclosed that it uses a variety of tax planning and financing strategies to manage all of its worldwide cash and deploys funds to locations where they are needed. *See* 10-Q for the Quarterly Period Ended November 30, 2017. In making decisions regarding repatriating offshore cash, the Company will assess, among other factors, whether it needs the capital to remain offshore for operational purposes, such as for the payment of offshore suppliers, as well as other exigencies of its business, its debt capacity and related capital allocation considerations, and applicable law at the time, to name only a few of the relevant factors. *See The Boeing Company* (Feb. 8, 2012); *see also Home Depot Inc.* (Mar. 2, 2011); and *Lazard Ltd.* (Feb. 16, 2011).

Tax planning decisions are best made by management or tax professionals with the requisite knowledge of both the applicable tax rules and regulations and the Company's operations to ensure the Company makes properly informed decisions. Accordingly, the Board delegates the complex and technical tasks of evaluating and implementing the Company's tax planning to management, which includes highly skilled tax professionals, under the oversight of the Board.

Because the Company's tax planning and strategy requires the in-depth operational understanding of management and expertise of the Company's tax experts, the Company's shareholders, collectively, are not in the best position to make informed judgments on the matter.

Accordingly, by requesting that the Board adopt and disclose to shareholders "a set of principles to guide the Company's tax practices," the Proponents are seeking shareholder oversight and micro-management of an aspect of the Company's business that is most appropriately handled by the Company's management and under oversight by the Board.

3. The Proposal relates to the Company's compliance with laws.

The Staff has consistently concurred in the exclusion of proposals relating to a company's legal compliance programs on grounds that a company's compliance with laws and regulations is a matter of ordinary business operations. *See The Boeing Company* (Feb. 8, 2012) (concurring with the exclusion of a proposal requesting that the company prepare a report on its tax strategies under the ordinary business exception where the company argued, in part, that the proposal related to the company's compliance with laws); *Home Depot Inc.* (Mar. 2, 2011) (noting that "[t]he Staff consistently has permitted companies to exclude proposals relating to their legal compliance programs on grounds that a company's compliance with laws and regulations is a matter of ordinary business operations").

The Company conducts business throughout the United States and in many countries around the world, as well as in many provinces, municipalities and other defined geographic units within those jurisdictions. As a result, the Company is subject to a large number of tax rules, regulations and treaties, many of which are complex, highly technical and subject to change.

A static set of principles regarding the Company's tax planning and reporting practices would necessarily constrain the Company's flexibility to administer its global tax law compliance and to take into account then-prevailing interpretations and enforcement positions. The Proposal would require the Company to "pay tax where value is created", without regard to whether such payments would be consistent with applicable laws of all jurisdictions asserting tax authority over the Company with respect to the applicable matters. For example, among other businesses, the Company is an online retailer, making sales of the Company's products through its website. The question of where "value is created" in relation to digital retailing is complex and trying to apply a "one-size-fits-all" requirement regarding where to pay tax in relation to Internet sales may run afoul of tax and other laws applicable to e-commerce.

Moreover, tax rules in any jurisdiction, including the United States, are subject to significant change. At any time, the Company could be subject to immediate changes in tax rates, adoption of new tax laws or additional tax liabilities. It must retain the flexibility to react and implement appropriate procedures to comply with such changes before they take effect.

In December 2017, Congress enacted the Tax Cuts and Jobs Act of 2017 (the "TCJA"), the most significant reform of federal income tax laws in over 30 years. Some of the TCJA's provisions already contain significant new restrictions on transactions among related parties and transactions that may shift income from one jurisdiction to another. Other jurisdictions may also change their tax laws in response to federal tax reform.

The Staff has recognized the need for a measured approach to evaluating and quantifying the impact of changes in tax laws in its recent guidance signaling that issuers can disclose the impact of the TCJA by giving only their "reasonable estimate" of the impact of the tax reforms for up to one year of reporting until the implications of the TCJA are better understood. Staff Accounting Bulletin 118 (December 22, 2017). A set of principles that would require the Company to take a pre-ordained position with respect to changes in tax law would be inconsistent with the concept that companies require time to analyze and react thoughtfully to new tax legislation.

Since the Proposal seeks to interfere with the Company's compliance with law and tax planning strategies, it may properly be excluded under Rule 14a-8(i)(7).

4. The Proposal does not satisfy the "significant social policy" exception.

In the 1998 Release, the SEC stated that proposals focusing on sufficiently significant policy issues generally are not excludable because such proposals "transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." In determining whether a shareholder proposal raises significant policy issues,

the Staff has noted that it is not sufficient that the topic may have "recently attracted increasing levels of public attention," but instead it must have "emerged as a consistent topic of widespread public debate." *See Comcast Corp.* (Feb. 15, 2011). In addition, the SEC has consistently concurred that a proposal may be excluded when it addresses ordinary business matters, even if it also touches upon a significant policy issue. *See McKesson Corp.* (June 1, 2017) (citing *Pfizer, Inc.* (Mar. 1, 2016); *Amazon.com, Inc.* (Feb. 3, 2015)); *see also CIGNA Corp.* (Feb. 23, 2011) (permitting exclusion under Rule 14a-8(i)(7) where a proposal asked the company to report on the ordinary business matter of expense management, even though it also addressed the potential significant policy issue of access to affordable healthcare). The Staff has also previously concurred with issuers that a "proposal may be excluded ... if it seeks to micro-manage the company by specifying the manner in which the company should address the social policy issue." *See, e.g., Deere & Company* (Dec. 27, 2017); *Ford Motor Company* (Mar. 2, 2004) (proposal requesting the preparation and publication of scientific report regarding the existence of global warming or cooling excludable "as relating to ordinary business operations" despite recognition that global warming is a significant policy issue). Notably, the SEC has concurred on numerous occasions that tax planning is *not* a "significant policy issue" that transcends ordinary business under Rule 14a-8(i)(7). *See The Boeing Company* (Feb. 8, 2012); *Amazon.com, Inc.* (Mar. 21, 2011); *Home Depot Inc.* (Mar. 2, 2011); *Lazard Ltd.* (Feb. 16, 2011); *Pfizer Inc.* (Feb. 16, 2011); *Verizon Communications Inc.* (Jan. 31, 2006); *Johnson & Johnson* (Jan. 24, 2006); *General Electric Co.* (Jan. 17, 2006); and *PepsiCo* (Mar. 13, 2003).

In this case, the Proposal does not focus on the broad, headline-grabbing legislative and political issues associated with tax policy, which admittedly was a subject of widespread public debate in the United States in 2017 prior to the adoption of the TCJA. Instead, the Proposal seeks to specify the manner in which the Company, going forward, should implement its tax planning and compliance programs and manage its sources of financing in practice – all matters of ordinary business for a company. Moreover, the Proposal goes so far as to seek to direct the Company's interactions with its customers by requiring the Company to solicit and assess their views on tax planning matters. The Proposal's lack of consideration as to how, in practice, a company with more than $34 billion in global annual sales should discuss complex tax planning matters with customers is exactly why this is the type of matter that should be left to management, who will be more sensitive to the realities of operating the Company's global businesses.

In the 1998 Release, the Staff indicated that there are no "bright-line" tests with respect to the determination of whether a significant policy issue is involved and decisions would be made on a case-by-case basis. However, in SLB 14I, the Staff provided new guidance with regard to Rule 14a-8(i)(7). The Staff stated that an issuer's board of directors is in a better position to determine whether the significant social policy exception applies: "These determinations often raise difficult judgment calls that the Staff believes are in the first instance matters that the board of directors is generally in a better position to determine. A board of directors, acting as steward with fiduciary duties to a company's shareholders, generally has significant duties of loyalty and care in overseeing management and the strategic direction of the company. A board acting in this capacity and with the knowledge of the company's business and the implications for a particular proposal on that company's business is well situated to analyze, determine and explain whether a particular

issue is sufficiently significant because the matter transcends ordinary business and would be appropriate for a shareholder vote." SLB 14I.

In accordance with SLB 14I, management asked the Company's Board to determine whether the issue raised in the Proposal is sufficiently significant, transcends the Company's ordinary business and would be appropriate for a shareholder vote. The Corporate Responsibility, Sustainability and Governance Committee of the Board, which has been delegated authority by the Board on shareholder proposal matters, specifically considered the matters contained in the Proposal and their potential implications for the Company.

In connection with its analysis, the Committee considered the following, among other relevant factors:

- The decisions the Company takes with respect to its tax planning and the impacts its tax planning has on other business decisions require tax expertise and insight into the Company's business, operations and competitive landscape. Like most large multinational corporations, the Company devotes substantial resources to administering its tax planning in the course of its day-to-day operations. The Company and its subsidiaries collectively have a substantial number of employees worldwide who devote a significant portion of their working time to various aspects of the Company's tax planning, compliance and reporting, covering matters ranging from day-to-day compliance for local and municipal taxes to strategic planning for global capital deployment. In addition, the Company's management seeks advice from outside advisors to gain the requisite knowledge of tax rules and regulations that govern the Company's operations in order to understand tax compliance, tax planning and tax risks.

- While responsibility for day-to-day management of tax matters rests with management, the Audit and Finance Committee of the Company's Board and the Company's full Board receive regular updates as to the potential material impacts of the Company's strategic planning, including tax planning, on the Company's performance, financial statements and other aspects of the Company's business.

- The Company's tax matters are continuously affected by changes in governmental policy and operational developments, among other factors. It would be impractical and too complex to subject the Company's global tax reporting and planning function to direct shareholder oversight, as most shareholders do not have the requisite expertise, knowledge of the Company's businesses or the commercial context for the decisions, or the practical ability to react quickly to developments and make collective judgments with respect to the Company's tax reporting and planning.

- In the ordinary course of the Company's business, the Company and its subsidiaries enter into many transactions for reasons not primarily related to tax, *e.g.*, for operational, risk management or other reasons, but the transactions nonetheless have a significant impact on the Company's tax matters. Neither the Company's charter and bylaws nor applicable laws suggests that it would be appropriate for shareholders to vote on how the Company structures these ordinary course

decisions without regard to materiality to the Company as a whole and without being informed as to the context, risks, implications and other aspects of these decisions.

Based on the foregoing factors, among others, the Corporate Responsibility, Sustainability and Governance Committee of the Board has determined that the subject matter of the Proposal concerns the Company's ordinary business operations and would not be appropriate for a shareholder vote.

The Company therefore respectfully requests that the Staff concur that the Proposal may be excluded from the 2018 Proxy Materials as involving a matter of ordinary business operations pursuant to Rule 14a-8(i)(7).

* * *

Should you have any questions or if you would like any additional information regarding the foregoing, please do not hesitate to contact Ann Miller, VP, Corporate Secretary of NIKE, Inc. at (503) 532-1298. Thank you for your attention to this matter.

Very truly yours,

Ann M. Miller
VP, Corporate Secretary and Chief Compliance Officer

Attachments

cc: Brandon Rees, AFL-CIO Reserve Fund
Adam Kanzer, Domini Impact Equity Fund

Exhibit A

Exhibit A

AFL-CIO

AMERICA'S UNIONS

American Federation of Labor and Congress of Industrial Organizations

815 16th St., NW
Washington, DC 20006

202-637-5000

www.aflcio.org

November 14, 2017

Ms. Ann M. Miller, Vice President
and Corporate Secretary
NIKE, Inc.
One Bowerman Drive
Beaverton, Oregon 97005-6453

On behalf of the AFL-CIO Reserve Fund (the "Fund"), I write to give notice that pursuant to the 2017 proxy statement of Nike, Inc. (the "Company"), the Fund intends to present the attached proposal (the "Proposal") at the 2018 annual meeting of shareholders (the "Annual Meeting"). The Fund requests that the Company include the Proposal in the Company's proxy statement for the Annual Meeting.

The Fund is the beneficial owner of 791 shares of Class B Common Stock (the "Shares") of the Company. The Fund has held at least $2,000 in market value of the Shares for over one year, and the Fund intends to hold at least $2,000 in market value of the Shares through the date of the Annual Meeting. A letter from the Fund's custodian bank documenting the Fund's ownership of the Shares is enclosed.

The Proposal is attached. I represent that the Fund or its agent intends to appear in person or by proxy at the Annual Meeting to present the Proposal. I declare that the Fund has no "material interest" other than that believed to be shared by stockholders of the Company generally. Please direct all questions or correspondence regarding the Proposal to Brandon Rees at 202-637-5152 or brees@aflcio.org.

Sincerely,

Heather Slavkin Corzo, Director
Office of Investment

HSC/sdw
opeiu #2, afl-cio

RESPONSIBLE TAX PRINCIPLES

RESOLVED that shareholders of Nike, Inc. ("Nike") ask the Board of Directors to respond to rising public pressure to limit offshore tax avoidance strategies by adopting and disclosing to shareholders a set of principles to guide Nike's tax practices. For purposes of this Proposal, "offshore tax avoidance strategies" are transactions or arrangements that exploit differential tax treatment of financial instruments, asset transfers or entities by taxing jurisdictions to reduce a company's effective tax rate.

The principles should state that Nike's board will:

- Consider the impact of Nike's global tax strategies on local economies and governmente services that benefit Nike;e
- Ensure that Nike seeks to pay tax where value is created;e
- Periodically assess the reputational consequences, including views of customers,e shareholders and employees, of engaging in practices deemed to be "tax avoidance" bye such stakeholders; ande
- Annually review Nike's tax strategies and assess the alignment between the use of suche strategies and Nike's stated values or goals regarding sustainability.e

SUPPORTING STATEMENT

Corporations have paid a dwindling share of U.S. federal taxes over the last 65 years, from 32% in 1952 to only 10.6% in 2015. (https://www.theatlantic.com/business/archive/2016/04/corporate-tax-avoidance/478293/) Some multinational corporations minimize tax liability by shifting profits to subsidiaries domiciled in lower-tax jurisdictions through asset sales, loans and similar arrangements. Economist Gabriel Zucman claims the U.S. government loses almost $70 billion annually in tax revenue when corporations shift profits to tax havens. (https://www.nytimes.com/interactive/2017/11/10/opinion/gabriel-zucman-paradise-papers-tax-evasion.html?_r=0)

Governments are responding. The Stop Tax Haven Abuse Act, introduced in the House in 2017, would eliminate certain strategies and impose additional reporting requirements. (https://www.congress.gov/bill/115th-congress/house-bill/1932) Members of the Organization for Economic Cooperation and Development and the G20 nations have agreed on a comprehensive package of measures to combat multinational tax avoidance. (See https://www.oecd.org/ctp/beps-explanatory-statement-2015.pdf)

Tax avoidance poses substantial financial and reputational risks for Nike. Recently, Nike's own maneuvers have come under a microscope. A report based on documents from the "Paradise Papers" described Nike shifting billions in profits by transferring ownership of trademarks, including Nike's iconic swoosh logo, to a Bermudan subsidiary and then to a Dutch limited partnership (a "CV"), a tactic often used by U.S. multinationals to avoid tax. Nike has allegedly accumulated a $12.2 billion stash of offshore earnings being taxed at less than 2% by foreign jurisdictions (and not at all by the U.S.). The Dutch Ministry of Finance expects to tighten rules related to CVs in 2018, as directed by the European Union.

(https://www.icij.org/investigations/paradise-papers/swoosh-owner-nike-stays-ahead-of-the-regulator-icij/)

More generally, tax avoidance by corporations significantly affects public finances, which in turn can jeopardize key government services. Public opinion on offshore tax avoidance is decidedly negative. A June 2017 Hart poll found that "end[ing] tax breaks for corporations that stash their profits offshore" was the most important of 16 tax reform goals. (https://americansfortaxfairness.org/wp-content/uploads/ATF-Poll-TOPLINES.pdf)

The proposed Principles will help ensure that Nike's board is fully informed regarding the impacts of offshore tax avoidance strategies and considers them when exercising its oversight responsibilities. We urge shareholders to vote for this Proposal.

Exhibit A

30 N. LaSalle Street
Chicago, IL 60602
Phone: 312-822-3220
Fax: 312-267-8775

312/822-3220

Lawrence M. Kaplan
Vice President
lkaplan@aboc.com

AMALGAMATED
Bank of Chicago

November 14, 2017

Ms. Ann M. Miller, Vice President
and Corporate Secretary
NIKE, Inc.
One Bowerman Drive
Beaverton, Oregon 97005-6453

AmalgaTrust, a division of Amalgamated Bank of Chicago, is the record holder of 791 shares of Class B Common Stock (the "Shares") of Nike, Inc. beneficially owned by the AFL-CIO Reserve Fund as of November 14, 2017. The AFL-CIO Reserve Fund has continuously held at least $2,000 in market value of the Shares for over one year as of November 14, 2017. The Shares are held by AmalgaTrust at the Depository Trust Company in our participant account No. 2567.

If you have any questions concerning this matter, please do not hesitate to contact me at (312) 822-3220.

Sincerely,

Lawrence M Kaplan

Lawrence M. Kaplan
Vice President

cc: Heather Slavkin Corzo
Director, AFL-CIO Office of Investment

Exhibit A

November 14, 2017

Ms. Ann M. Miller
Vice President and Corporate Secretary
NIKE
One Bowerman Drive
Beaverton, Oregon 97005-6453
Via email: ann.miller@nike.com

Re: Shareholder Proposal Submission

Dear Ms. Miller:

I am writing to you on behalf of the Domini Impact Equity Fund ("the Fund"), a long-term shareholder in Nike. We have become increasingly concerned that the international tax arrangements of many multinationals are unsustainable and threaten long-term economic growth. Particularly in times of austerity, aggressive tax avoidance tactics invite costly legal actions by tax authorities, and threaten brand value by undermining consumer trust. The recent "Paradise Papers" leak reveals a complex strategy to reduce the amount of tax paid on Nike's iconic "swoosh" while, in our view, simultaneously threatening the value of that mark. Taking the broader view, profit shifting to tax havens diverts tax revenues from the very legal systems Nike relies upon to protect its intellectual property.

We are therefore submitting the attached proposal requesting that Nike's board review the company's tax arrangements and adopt a set of principles to guide Nike's tax practices. The attached proposal is submitted for inclusion in Nike's next proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Act of 1934. The Fund has held more than $2,000 worth of Nike shares for greater than one year, and will maintain ownership of the required number of shares through the date of the next stockholders' annual meeting. A letter verifying our ownership of Nike shares from our portfolio's custodian is forthcoming, under separate cover. A representative of the Fund will attend the stockholders' meeting to move the resolution as required by SEC Rules.

Please consider Heather Slavkin Corzo, on behalf of the AFL-CIO Reserve Fund, as the lead filer and direct all correspondence to Brandon Rees. Please copy me on all related correspondence. We are open to dialogue on these issues and hope that we might be able to reach agreement to withdraw the proposal. I can be reached at (212) 217-1027, or at akanzer@domini.com.

Sincerely,

Adam Kanzer
Vice President, Domini Impact Equity Fund

cc: Heather Slavkin Corzo, AFL-CIO Reserve Fund
Brandon Rees, AFL-CIO Reserve Fund

Encl.

Exhibit A

RESPONSIBLE TAX PRINCIPLES

RESOLVED that shareholders of Nike, Inc. ("Nike") ask the Board of Directors to respond to rising public pressure to limit offshore tax avoidance strategies by adopting and disclosing to shareholders a set of principles to guide Nike's tax practices. For purposes of this Proposal, "offshore tax avoidance strategies" are transactions or arrangements that exploit differential tax treatment of financial instruments, asset transfers or entities by taxing jurisdictions to reduce a company's effective tax rate.

The principles should state that Nike's board will:

- Consider the impact of Nike's global tax strategies on local economies and government services that benefit Nike;
- Ensure that Nike seeks to pay tax where value is created;
- Periodically assess the reputational consequences, including views of customers, shareholders and employees, of engaging in practices deemed to be "tax avoidance" by such stakeholders; and
- Annually review Nike's tax strategies and assess the alignment between the use of such strategies and Nike's stated values or goals regarding sustainability.

SUPPORTING STATEMENT

Corporations have paid a dwindling share of U.S. federal taxes over the last 65 years, from 32% in 1952 to only 10.6% in 2015. (https://www.theatlantic.com/business/archive/2016/04/corporate-tax-avoidance/478293/) Some multinational corporations minimize tax liability by shifting profits to subsidiaries domiciled in lower-tax jurisdictions through asset sales, loans and similar arrangements. Economist Gabriel Zucman claims the U.S. government loses almost $70 billion annually in tax revenue when corporations shift profits to tax havens. (https://www.nytimes.com/interactive/2017/11/10/opinion/gabriel-zucman-paradise-papers-tax-evasion.html?_r=0)

Governments are responding. The Stop Tax Haven Abuse Act, introduced in the House in 2017, would eliminate certain strategies and impose additional reporting requirements. (https://www.congress.gov/bill/115th-congress/house-bill/1932) Members of the Organization for Economic Cooperation and Development and the G20 nations have agreed on a comprehensive package of measures to combat multinational tax avoidance. (See https://www.oecd.org/ctp/beps-explanatory-statement-2015.pdf)

Tax avoidance poses substantial financial and reputational risks for Nike. Recently, Nike's own maneuvers have come under a microscope. A report based on documents from the "Paradise Papers" described Nike shifting billions in profits by transferring ownership of trademarks, including Nike's iconic swoosh logo, to a Bermudan subsidiary and then to a Dutch limited partnership (a "CV"), a tactic often used by U.S. multinationals to avoid tax. Nike has allegedly accumulated a $12.2 billion stash of offshore earnings being taxed at less than 2% by foreign jurisdictions (and not at all by the U.S.). The Dutch Ministry of Finance expects to tighten rules related to CVs in 2018, as directed by the European Union.

(https://www.icij.org/investigations/paradise-papers/swoosh-owner-nike-stays-ahead-of-the-regulator-icij/)

More generally, tax avoidance by corporations significantly affects public finances, which in turn can jeopardize key government services. Public opinion on offshore tax avoidance is decidedly negative. A June 2017 Hart poll found that "end[ing] tax breaks for corporations that stash their profits offshore" was the most important of 16 tax reform goals. (https://americansfortaxfairness.org/wp-content/uploads/ATF-Poll-TOPLINES.pdf)

The proposed Principles will help ensure that Nike's board is fully informed regarding the impacts of offshore tax avoidance strategies and considers them when exercising its oversight responsibilities. We urge shareholders to vote for this Proposal.

Exhibit A

11/14/2017

Adam Kanzer
Managing Director of Corporate Engagement
Domini Impact Investments LLC
532 Broadway, 9th Floor
New York, NY 10012-3939

Re: Nike Inc. Class B / Domini Impact Equity Fund

Dear Mr. Kanzer,

This is confirmation that the Domini Impact Equity Fund has continuously held 376 shares of Nike Inc. Class B for the past year.

	Number of Shares
Nike Inc Class B (NKE/654106103)	376

If you have any questions or need additional information, please contact me at 617-662-4287

Thank you,

James McCallum
Assistant Vice President
State Street Global Services