



March 11, 2009

Tim Connor  
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Dear Tim,

Greetings. We wanted to jointly respond to your recent piece about Nike, Inc. and the Nike Foundation's work in your February nikeWATCH newsletter.

As you know, Nike, Inc. has spent over a decade working on the challenges of improving conditions in the global contract supply chain. While there has been progress, Nike understands critical work remains to be done and share your concerns about ensuring that workers in contract factories receive wages sufficient to meet their basic needs. The business continues to explore how to better measure workers' total compensation (wages and benefits) and implement standards in key parts of our supply chain. While we may have distinct views about the mechanisms for improving worker welfare, Nike would welcome collaboration with Oxfam or its partners in helping us with this learning process.

At the same time, a complex issue like wages should not be confounded with Nike's sincere interest and investment in helping to empower people around the world. While we continue to address core issues in our supply chain, we also believe that we can and should contribute to reducing poverty because it aligns with our mission to unleash human potential.

Similarly, the Nike Foundation, founded by Nike, Inc. as an autonomous philanthropic platform, shares this mission and does so specifically by advocating for girls, a severely underserved population. The progress of girls creates an important foundation upon which many critical aspects of sustainable social and economic development can be built. This effort has been the sole focus of the Nike Foundation since 2004 and we believe this is where the Foundation can have the greatest impact. Advancing a girl's safety, health, education and economic opportunity improves the family unit, community and society at a large, and has the potential to break the poverty cycle at the source.

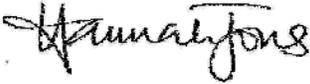
The Nike Foundation understands this is a big problem. Currently, the 600 million adolescent girls in developing countries are being left out; less than half a cent of every international development dollar is spent on her. More resources need to be put toward keeping girls safe from early marriage, sexual violence, HIV/AIDS infection, early school dropout and access to jobs.

To this end, the Nike Foundation has worked rigorously with key partners and experts to build a knowledge base for supporting the critical needs of a unique population. We've applied this learning to build awareness and drive global investment where there has been very little, and in a short time, have achieved sizeable success. Since 2004, the Nike Foundation has invested in successful girl-focused programs that work – programs like BRAC's ELA Kendra program (Bangladesh), Freedom From Hunger's Reach India Program (India), and Technoserve's Girl's Entrepreneurship Program (Kenya). We've also seen broad awareness build on the global level that we hope will lead to true systematic institutional change.

The issues we face, as a global community are admittedly big, but can be approached from multiple angles. While Nike, Inc. continues to address shortcomings in the global contract supply chain, the Nike Foundation can work equally as hard to impact positive change and foster human potential. The Nike Foundation welcome's the opportunity to provide a comprehensive briefing on the organization's strategy and receive your feedback.

Likewise, from a Nike, Inc. perspective, we know that you have an ongoing dialogue with different members of Nike's Compliance team on both specific factory issues and broader challenges, such as wages and worker empowerment. Nike believes that Oxfam and Nike have the opportunity to use lessons learned in efforts to eliminate the worst forms of poverty and use those as a basis for exploring new approaches to addressing the needs of workers in manufacturing communities.

Sincerely,



Hannah Jones  
VP, Corporate Responsibility



Maria Eitel  
President, Nike Foundation