Team ID: U14

DMV Consulting Group

Team Member Name	**Year**	**Major**
Koen Kyer	2025	Accountancy & International Bus.
Kate Young	2025	Criminal Justice & Intl. Bus.
Chloe Chu	2023	Business Administration

Advisor(s): Anna Helm, Ph.D., Alexis Gaul & David Ruda

Topic: Corporate Transparency and Sustainable Product Lifecycles at Nike

Audience: Nike Board of Directors and C-Suite Management

Sustainable Development Goal

SDG #12: Responsible Consumption and Production: Ensure sustainable consumption and production patterns

Executive Summary

Over the past two decades, Environmental, Social, and Governance (ESG) factors have become increasingly important metrics for businesses. These factors represent the additional goals corporations strive to achieve besides only maximizing profit for shareholders. In addition to the societal benefit of ESG companies, companies that perform well in accomplishing ESG goals can positively distinguish themselves from their competitors. One such example would be the creation of ESG Index Funds, groups of stocks that attract more investor attention due to their societal impact. However, as these trends continue to climb, brands are often falling into the practice of "greenwashing"- the process of marketing themselves as a company that has mainstreamed sustainability across their business operations despite falling short of truly satisfying the ESG factors. Some of the most affected companies by this "greenwashing" effect has been ones within the textile and fashion industry. In particular, Nike has marketed itself as a market leader in several ESG metrics, but their true societal impact varies from their marketing.

Despite a strong brand correlation with equality and sustainability, Nike has underperformed most of its competitors in recent years according to the S&P Global's ESG report. For example, the company's ESG score dropped from 54 in 2020 to 30 in 2021, signifying a shift in the company's data availability and transparency. Although Nike's efforts in climate strategy, human rights, and operational eco-efficiency outperform the industry average, the company has seemingly ignored several other integral aspects of obtaining a well-rounded ESG score. To address this issue, we recommend Nike to increase their sustainability transparency while also improving product stewardship – a metric that minimizes a product's environmental impact through all stages of the of the products' life cycle, including end of life management. By looking into solutions for Nike's 'Sustainable Materials' marketing and addressing the actual decrease in sustainable footwear materials used in production, our recommendation will close the gap between what Nike says and what they do. Furthermore, our focus on Nike's product stewardship will allow us to address the UN's #12 Sustainability Development Goal of Responsible Consumption and Production.