ORACLE CORPORATE CITIZENSHIP REPORT 2008





Corporate Citizenship Awards

- Oracle Education Foundation received the CODiE Award for Best Education Reference Service from the Software Information Industry Association in 2008
- Oracle Education Foundation received the Golden Lamp Award for Technology from the Association of Educational Publishers in 2008
- Oracle Education Foundation received the Manthan Award from the Digital Empowerment Foundation in 2007
- Oracle recognized for Best Social Responsibility Project in the Field of Education by *Bucharest Business Week* in 2007

- Oracle named one of the World's Most Ethical Companies by the Ethisphere Institute in 2008
- Oracle honored with the Chambers Ireland President Award for Best CSR Workplace in 2007
- Oracle named one of the Best Bay Area Workplaces for Women in 2007 by the Professional BusinessWomen of California
- Oracle received the Excellence in Corporate Citizenship Award from the American Chamber of Commerce in the Philippines in 2007
- Oracle selected as one of the 10 Best U.S. Corporate Citizens by Industry 2007 by *CRO* (Corporate <u>Responsibility</u> Officer) *Magazine*

- Oracle recognized by the Environmental Protection Agency as a Leading Green Power Purchaser in 2007
- Oracle volunteers honored with the Sequoia Award for Business of the Year in 2007 by Redwood City, California
- Oracle recognized by *Computer Reseller News* as one of the 16 High-Tech Green Giants of 2007
- Oracle named Leading Corporation of 2007 by the Boys & Girls Clubs of the Peninsula in California
- Oracle received the Circle of Humanitarians Award 2007 from the American Red Cross Bay Area Chapter



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ORACLE CORPORATE CITIZENSHIP

Oracle is committed to using its technology and resources to advance education in innovative ways, protect the environment, promote diversity, and enrich community life.





Changing Times Changing Lives

Much has changed in the world since Oracle produced its first corporate citizenship report in 2006. Internet technology is fostering greater collaboration and understanding among citizens around the globe. Governments and businesses are forming public-private partnerships to bolster economic development and to address a broad range of social problems. Workers are increasingly invested in how their employers contribute to society, and corporate volunteerism and environmental awareness are on the rise.

Since our last report, Oracle remains a company that is both profitable and a responsible corporate citizen. Seeking to solve problems, rather than merely manage their consequences, we effect positive change in the many communities where we do business.

During the past two years, Oracle reached a new milestone in delivering education technology programs for K–12 and college/university students— we now support 1 million students annually to develop critical skills for the 21st century. We also deepened our commitment to reducing our environmental footprint, and we are helping customers who use our software to do the same. Further, we continue to donate millions of dollars to nonprofit organizations that share our goal of enriching community life globally.

With our corporate citizenship programs now more impactful than ever, Oracle remains committed to running its business to benefit shareholders, customers, partners, and employees—and in the process, leveraging our technology leadership to benefit society. I hope you enjoy the stories in this report that illustrate this fact, and I encourage you to share your feedback with us by writing to citizenship_ww@oracle.com.

Safra A

Safra A. Catz PRESIDENT, ORACLE

About Oracle

Oracle Corporation is the world's largest enterprise software company. With US\$22.4 billion in annual revenue and more than 84,000 employees, Oracle supports customers in 145 countries. For over 30 years, Oracle has helped governments and businesses globally to manage their enterprises based on quality, real-time information.

Many Oracle customers also use our software to create programs that benefit the world community. The facing page shows how Oracle products are enabling prominent organizations to advance corporate citizenship or serve humankind by helping them:

- Increase efficiency
- Manage large data sets
- Promote open standards
- Analyze data
- Centralize data
- Reduce waste
- Support regulatory compliance
- Disseminate best practices

Oracle Products and Services

Oracle Database

Oracle was founded on the vision of creating the world's first commercially available relational database—software that allows organizations to store, access, and manage immense amounts of data.

Oracle Applications

These products, many of which are industryspecific, help organizations input, manipulate, and view data based on job roles or business processes—while providing business intelligence for better decision-making.

Oracle Fusion Middleware

This software controls the flow of information between the database and applications, ensuring that different computer systems work together, security policies are enforced, and new applications are easily deployed.

Oracle Services

Oracle provides services to help our customers get the most from our products, including 24/7 global technical support, consulting services to help with implementation and upgrades, hosted software through Oracle On Demand, and Oracle University to assist with training.

Oracle Products: Benefiting Society

Increase Efficiency

As the largest truckload carrier in the United States, Schneider uses Oracle to plan and execute its business. This helps Schneider—regarded as the most energy-efficient carrier in the industry—to transport goods across continents, prepare for seasonal spikes, and ensure that materials are moved out of ports quickly and safely.

Manage Large Data Sets

The Wellcome Trust Sanger Institute relies on Oracle to manage DNA sequence data that biomedical researchers use to study health and disease. The Trace Archive—a 70-terabyte library produced by the institute that will soon expand to house petabytes (1 petabyte = 1 billion megabytes) of data—runs on Oracle.

Promote Open Standards

India's Emergency Management and Research Institute (EMRI) uses Oracle to serve 80 million people through a network of 1,185 hospitals and 502 ambulances. To best support customers like EMRI, Oracle experts work with 66 standard-setting organizations and more than 450 technical and policy work groups, contributing time, money, and intellectual property so products from competitors and partners work seamlessly with those from Oracle.

Centralize Data

The Nature Conservancy (TNC) works to preserve at least 10 percent of every major terrestrial habitat type, an effort that requires massive stores of centralized data. To facilitate quick decision-making about where to deploy its resources, TNC uses Oracle to plot data points about local species, threats to biodiversity, and available conservation resources.

Analyze Data

Opportunity International, a microfinance lender for those who are short on cash but long on aspiration, uses Oracle to make informed decisions about where and how to lend. With loans as modest as US\$50, Opportunity International helps entrepreneurs invest in livestock, crops, retail stands, and other small businesses. Opportunity International assists 1.1 million people in 28 countries.

Reduce Waste

Pacific Gas and Electric Company (PG&E) uses Oracle to power the largest smart-meter initiative in the United States, serving 15 million Californians. This program removes thousands of vehicles from the road by replacing in-person meter readings with automatic readings. Soon, PG&E will offer instant rate and usage information to allow customers to monitor and reduce their personal gas and electricity consumption.

Support Regulatory Compliance

Wells Fargo Bank uses Oracle as the basis of its credit risk system, enforcing the data rules and computations necessary to achieve compliance with the Basel II accord. And as the No.1 internet bank in the United States, Wells Fargo reduces paper and energy consumption by providing online services to its customers.

Disseminate Best Practices

Working with Oracle Consulting, the Dana-Farber Cancer Institute is integrating vast amounts of cancer research, case studies, and other data sources into a unified system. This bold initiative, which includes establishing and disseminating best practices for data use among the medical community, will improve cancer diagnosis and treatment.

Oracle Education Foundation Helps Indian Students Succeed

"We are giving our students a broader understanding of the world's opportunities."

S.K. Maheshiwari Principal Navodaya Vidyalaya Samiti School "In many traditional Indian villages, girls do not go to school," says Radha, a 17-yearold female student from the Rajasthani village of Mata Ji Ka Kheda. "They only work at home and in the fields. They get married and don't learn about the outside world. But their education is important to the development of India."

Radha does attend school, thanks to the Navodaya Vidyalaya Samiti (NVS) schools, created in 1965 to give talented children from rural areas of India an opportunity to succeed. In 2005, NVS chose ThinkQuest—provided at no cost by the Oracle Education Foundation to K–12 schools—as its online learning platform.

Safely Learning, Beyond Borders

ThinkQuest provides students such as Radha with a powerful mix of research, collaboration, and publishing tools, all in a protected environment that is monitored by teachers.

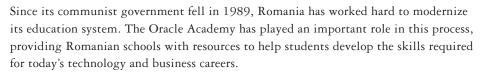
For Radha and many of her classmates, ThinkQuest offers the first glimpse of a world beyond their school and village. "Many village families are not ready to send a girl outside of the home," says principal S.K. Maheshiwari. "They fear for their security and safety. By providing this type of platform, we are giving all of our students a broader understanding of the world's opportunities."

Making a Difference

At school, Radha publishes poetry on her personal ThinkQuest Web site and collaborates with other students—some as far away as Australia. Back home, she helps her family increase their crop yield by providing them with information about the weather, seed strains, and optimal planting conditions, all gathered from the internet.

As the end of 12th grade draws near, Radha knows that she possesses the skills and education needed to choose her own path in life—one she hopes will lead to a career in medicine.

Oracle Academy Connects Romania to the Global IT Economy



Through an initiative launched by the Romanian government in 1999, students are taught modern concepts and skills in the field of information technology (IT). In 2006, the Oracle Academy took an active role in this initiative by signing a memorandum of understanding with the Romania Ministry of Education, Research, and Youth. Through this agreement, more than 1,000 high school teachers were trained to deliver the Oracle Academy's IT curriculum to their students.

A Modern Technology Curriculum

The Oracle Academy's vendor-neutral curriculum gives students the opportunity to learn database design and SQL programming fundamentals and to develop their analytical, business, presentation, and collaboration skills. Due to the success of the program, the Romania Ministry of Education made this curriculum available to all Romanian high schools that have IT departments.

"Oracle is a true leader in Romania, bringing in an approach that has enabled the Romanian educational system to modernize in a profound way," says Oracle Romania Vice President Stefan Cojanu. "Today in Romania, hundreds of thousands of students, thousands of teachers, and hundreds of secondary schools and universities benefit from Oracle's educational programs."

Producing World-Class Students

The collaboration between the Oracle Academy and the Romanian government has yielded quantifiable results. For the past three years, Romanian students have taken the top three prizes in the Oracle Academy's Global Data Modeling competition. This year's winning data model was designed to enable medical researchers to collaborate and share findings. As a result, Oracle Romania was granted an award for Best Social Responsibility Project in the Field of Education by *Bucharest Business Week*, Romania's national business newspaper.

"With the Oracle Academy, we ensure that our students have access to the worldclass technology and training required for success in today's global economy."

Cristian Adomnitei Romania Ministry of Education, Research, and Youth





Oracle and CARE Foster Education and Self-Esteem in Guatemala

"Education gives people the skills, knowledge, and confidence to lift themselves out of poverty."

Helene D. Gayle President and CEO CARE USA Guatemala is the second-poorest country in the Western hemisphere, decimated by decades of civil war and migration. More than 30 percent of its population is illiterate, and its educational indicators are among the lowest in the region. Yet the country has a rich tradition of Mayan education that includes a sophisticated language and mathematical system.

Supporting 21st Century Education

In 2007, Oracle made a two-year US\$1 million grant to Cooperative for Assistance and Relief Everywhere, Inc. (CARE), a celebrated international aid organization that funds educational projects in Guatemala and other developing nations.

In Guatemala's rural Mayan communities, the grant serves 6,000 school-age children and 240 teachers. It has provided computer equipment for 50 schools, and it funds professional development for teachers as well as programs that develop students' skills in mathematics, science, and technology.

Learning Opens Doors

In the Quiche province of Guatemala's western highlands, the Oracle-funded project is called the Math and Technology Program for Indigenous Guatemalan Youth. The program features lessons that utilize the Mayan language—as well as the ancient civilization's advanced mathematical system—to engage children in learning while simultaneously reconnecting them with their roots.

"As they learn Mayan math, children also learn their native language. Likewise, through their native language, they come to understand math from a Mayan perspective," says Luis Paiz, program director of CARE Guatemala. "The self-esteem this fosters, along with access to technology, opens doors that students can step through to develop their own identities."

Oracle Helps The Nature Conservancy Promote Conservation

When timber companies began pressuring the heir to a tract of forested land in upstate New York to sell, he contacted The Nature Conservancy (TNC). This millionmember organization, which works to protect ecologically important lands and waters worldwide, shared his concern about the consequences of deforestation.

ConserveOnline, Improved with Help from Oracle

TNC introduced the land heir to ConserveOnline (www.conserveonline.org), the organization's information-sharing platform. ConserveOnline provides data and support to anyone making conservation-related decisions, from scientists and government land managers to land trusts and private landowners.

ConserveOnline allows users to create work groups and share knowledge. It also enables them to search databases, publications, and other resources as well as produce, store, and disseminate information. But the original platform was not state-of-the-art, and by 2005, increasing user demands made an upgrade essential.

With a US\$1 million grant from Oracle, TNC enhanced and relaunched ConserveOnline. The new version now contains approximately 20,000 documents on topics from arctic ecosystems to invertebrate zoology, and site traffic has doubled. Further, TNC expanded its geographic information system, which allows users to visualize and manipulate spatial data.

The Forest Remains Intact

Using ConserveOnline, TNC was able to connect the land heir with state and national forestry organizations and propose a number of profitable and sustainable uses for his land. Today, he manages his property with an eye toward more than the timber, and the forest remains intact.

"Our goal is to make it possible for practitioners, before starting a new project, to use ConserveOnline to learn who's had a similar problem and what is already known about it," says Jonathan Adams, a program director at TNC. "By making information more accessible, we can help people around the world better address threats to conservation."

Jonathan Adams Program Director The Nature Conservancy





About Oracle's Commitments

Oracle is committed to using its technology and resources to advance education in innovative ways, protect the environment, promote diversity, and enrich community life.

Listed below are the specific commitments that govern Oracle's corporate citizenship efforts and the company's overall results on each commitment.

Commitment to Enrich Community Life

Oracle partners with organizations that work to enrich the quality of life in communities globally.

Result: Each year, Oracle employees volunteer 30,000 hours to support community projects in 35 countries, and Oracle donates more than US\$8.5 million to philanthropic organizations.

Commitment to Advance Education

Oracle works to advance education with state-of-the-art technology programs and to prepare students for life and work in the 21st century.

Result: In 2007, Oracle and the Oracle Education Foundation supported more than 1 million students globally. During this same year, Oracle also granted software, curriculum, and teacher training valued at US\$2 billion to over 7,000 schools.



Commitment to Protect the Environment

Oracle strives to reduce its environmental impact through energy and resourcesaving efforts and increased operational efficiency. Oracle applies the same energy performance criteria to its facilities globally.

Result: Oracle's main data center has achieved energy efficiency better than the industry average, and Oracle's new environmental goal is to be ranked in the top quartile of energy-efficient buildings in all locations where Oracle owns its facilities.

Commitment to Promote Diversity

Oracle seeks to build an inclusive workforce and foster teamwork among our employees. We make every effort to attract, invest in, and develop the talents of a diverse group of people who reflect our broader society.

Result: Oracle sponsors several programs that facilitate diversity, including Women's Leadership Conferences, an Injured Veteran Training Program, and the cash grants, software donations, and internships it provides to the United Negro College Fund.



Oracle Commitment Grants

Since 2006, the company has awarded US\$1 million Oracle Commitment Grants to the following organizations:

- The Nature Conservancy
- Cooperative for Assistance and Relief Everywhere, Inc.
- Dana-Farber Cancer Institute
- The National Board for Professional Teaching Standards
- Junior Achievement Worldwide
- The American Cancer Society
- Association of Educational Publishers

Oracle Giving and Volunteers

Oracle Giving

Oracle Giving seeks to make a substantial, long-term impact on communities globally in the areas of education, the environment, and medical research. To achieve this goal, we develop strategic partnerships with nonpolitical, nonreligious, nonprofit organizations that combine cash grants, in-kind donations, and volunteer support.

Oracle Commitment Grants

To support organizations that have a global impact, the company issues a number of US\$1 million Oracle Commitment Grants every year.

For example, an Oracle US\$1 million grant to Junior Achievement (JA)—the world's largest organization dedicated to educating students about workforce readiness and entrepreneurship—will extend the JA Titan initiative to 100,000 additional students across Europe.

Other recent recipients of Oracle Commitment Grants are listed in the left-hand column of this page.

Community Impact Grants

To support organizations that have a local impact, Oracle awards Community Impact Grants that combine cash with employee volunteer support. Recent recipients of Oracle Community Impact Grants include:

- The Boys & Girls Clubs of the Peninsula: This organization provides afterschool academic support to 4,000 at-risk youth each year in East Palo Alto, East Menlo Park, and Redwood City, California. Oracle supports the clubs' literacy development program with cash grants and volunteers.
- Golden Gate National Parks Conservancy: The Conservancy manages 75,398 acres of land and water from Marin to San Mateo County, California. Oracle's recent grant provides volunteer support and cash that funds three parklands specialists as well as tools and supplies.
- Friends for Youth: Friends for Youth creates long-term mentoring relationships between working adults and disadvantaged youth in the San Francisco Bay Area. Oracle employees serve as mentors, and Oracle funds mentoring activities, mentor training, and the Northern California Mentoring Conference.



Oracle Volunteers

The Oracle Volunteers program supports employee volunteerism and works in partnership with nonprofit organizations globally. Through a number of events including the Oracle Volunteer Fair, Global Volunteer Days, and the Season of Sharing—Oracle employees achieve positive change in the communities where the company does business. For example:

- Escaz, Costa Rica: Oracle volunteers made improvements to the century-old Yanuario Quesada Elementary School by painting the building and repairing the soccer field.
- Dumbravita, Romania: Oracle volunteers worked with the Romanian Ornithological Society to preserve the food supply for endangered birds nesting in a local sanctuary.
- Cairo, Egypt: At the Health and Hope Oasis, a care center for children with cancer, Oracle volunteers helped to decorate the interior of a new building.
- Cape Town, South Africa: Oracle volunteers created a comfortable atmosphere at a shelter for female street children, ages 8–15. They painted the shelter, hung new curtains and mirrors, and built a beautiful outdoor courtyard for the girls.
- San Francisco, United States: In support of a city revitalization project, Oracle volunteers worked with San Francisco Connect to clean and beautify the South of Market neighborhood.
- Germany: In support of Germany's 8th Annual Girls' Day, Oracle volunteers hosted 250 girls at the company's offices, giving them insight into careers in technology.
- Shanghai, China: Oracle volunteers made audio recordings of educational stories for students at the School of the Blind Children and visited the school to read to the students.
- West Java, Indonesia: Teaming with students from Bogor Agriculture University, Oracle volunteers planted 1,000 fruit and forest trees that will help prevent soil erosion and provide a new cash crop for villagers.









UNITED STATES



South of Market, San Francisco neighborhood improvement





COSTA RICA Repairing Yanuario Quesada Elementary School







14



ROMANIA | Work with the Romanian Ornithological Society



Lending voices to the School of the Blind Children CHINA









Volunteers plant 1,000 trees INDONESIA











Oracle and Education

The ability to use technology is essential for success in the global economy. Oracle recognizes that not everyone has access to technology education and is committed to widening such access for students of all ages.

Oracle Academy

The Oracle Academy provides a complete portfolio of software, curriculum, hosted technology, faculty training, and certification resources to K-12 and higher-education institutions. Faculty can insert these resources into computer science and business programs, ensuring that students gain industry-relevant skills prior to entering the workforce.

Each year, the Oracle Academy supports more than 655,000 students in 86 countries. The program includes three options—Introduction to Computer Science, Advanced Computer Science, and Enterprise Business Applications—and points of entry for students of varying ages, skills, and career interests. Because it is so flexible and easy to deploy, countries focused on human capital development often leverage the Oracle Academy.

Here are a few examples of how the program helps students and teachers around the world.

- Under the Egyptian Education Initiative, 35,000 Oracle Academy participants are developing IT and business skills, including three exceptional 12-year-old students who passed the Oracle Certification exam.
- In Germany, 164 education institutions are using the Oracle Academy's cuttingedge technology and curriculum to prepare students for future employment.
- Students in Scotland are bolstering their credentials—when they pass the Oracle Academy exam, the Scottish Qualification Authority awards them an accredited certification.
- Each year, more than 2,000 teachers are trained to deliver the Oracle Academy curriculum through events held in countries such as the Philippines, Singapore, China, Estonia, The Netherlands, and India.



Oracle Education Foundation

The Oracle Education Foundation is a nonprofit organization funded by Oracle. Its mission is to help students from all backgrounds develop the skills needed for success in the 21st century. The foundation delivers ThinkQuest as a free service to K–12 schools globally, reaching more than 375,000 students every year.

ThinkQuest

ThinkQuest is a protected, online learning platform that enables teachers to integrate learning projects into classroom curriculum and helps students to develop 21st century skills. It includes a project environment where teachers and students engage in collaborative learning, a competition space where students participate in technology contests, the award-winning ThinkQuest Library, and a professional development program for educators.

- **Projects:** Within ThinkQuest's project environment, students and teachers are granted space to design and implement learning projects within their classroom, or with other schools globally. Online collaboration and publishing tools make the creation and management of learning projects both easy and fun.
- Competition: The ThinkQuest competition challenges K-12 students to work in teams with peers from all over the world. It includes a narrative contest that invites students to publish their ideas on issues of global importance, and a Web site contest in which they build educational Web sites on topics of their choosing.
- Library: The ThinkQuest Library is the world's largest online repository of student-developed learning projects. It is visited by millions of online learners each month.
- **Professional Development:** ThinkQuest supports teachers with training on how to integrate technology, project learning, and 21st century skills development into their curriculum.

21st Century Learning Institute Supports Education Reform in West Virginia

West Virginia recently posted some of the weakest education indicators in the United States. Committed to change, State Superintendent of Schools Dr. Steven Paine is leading an overhaul of West Virginia's schools.

Beyond ensuring that West Virginia's students improve performance in core subjects such as reading, writing, math, and science, Dr. Paine wants to expose them to the skills needed daily in today's workplace—critical thinking skills, collaboration skills, technology skills, self-reliance, and cross-cultural understanding.

"These skills empower students in wonderful ways," says Deb Austin Brown, of Albans Elementary School in West Virginia and an attendee at the Oracle Education Foundation's 21st Century Learning Institute, held in San Mateo, California. Fourteen primary and secondary school teachers from West Virginia participated in the training event, joining more than 60 teachers from 14 countries.

Throughout the one-week event, Institute participants learned how to integrate technology and project learning into their daily teaching practice.



Oracle and the Environment

While achieving its business goals, Oracle seeks to maintain its facilities and operate in a manner that minimizes adverse environmental impact. To this end, Oracle established a steering committee to oversee the company's environmental efforts. This committee includes executives from the CEO's office, and product development and marketing executives from every region where Oracle does business. The group meets monthly to review the company's progress against its environmental performance goals, which include:

- · Reducing energy consumption
- Reusing and recycling resources
- · Promoting green business practices

Reducing Energy Consumption

Under the office of the Director of Energy, Oracle tracks its power and natural gas use and incorporates energy-reduction programs throughout its operations. The company uses 58 percent of its energy supply to power its data center and IT equipment and 42 percent of its energy to power its buildings.

An Energy-Efficient Data Center

In 2002, Oracle consolidated servers previously housed by 40 disparate data centers to its Austin Data Center. Beyond the energy savings that resulted from the consolidation alone, the Austin Data Center is now among the best in the industry with respect to energy efficiency. It uses less than 0.5 kilowatt hours (kWh) of ancillary power for each kWh of equipment power use. This exceptional ratio, which is 50 percent lower than the industry average, is largely due to the following:

- Renewable energy: 6 percent of the power used by the data center comes from renewable sources, far more than the 3 percent required for Oracle to remain a certified member of the U.S. Environmental Protection Agency (EPA)'s Green Power Partnership program. The EPA ranked Oracle as one of the country's leading purchasers of renewable power in 2007.
- Self-managing airflow systems: These systems reduce the energy used to cool servers by automatically adjusting according to demand.
- Heat containment techniques: Hot exhaust from equipment is separated from cold supply air by a physical barrier, enabling the equipment to cool more quickly.

- Water reuse: The data center reuses millions of gallons of water collected from air-handling units in its cooling towers.
- Server Virtualization: Using Oracle VM, the data center has increased server utilization, achieving a power and space savings of 33–97 percent, depending on the application.

Smart Energy Use at Headquarters

As a member of the EPA's Climate Leaders program, Oracle substantially reduced energy consumption at its headquarters in Redwood Shores, California. The following actions have driven the energy savings noted in the right-hand column of this page:

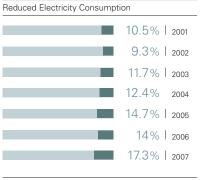
- Replacing incandescent lamps with compact fluorescent lamps and light-emitting diodes
- Upgrading heating, ventilation, and air conditioning systems
- Upgrading energy-management systems from pneumatic to direct digital controls
- Reducing standby losses from boilers and water heaters
- · Manually overriding motion sensors during unoccupied hours
- Using photo-sensor-controlled lobby lights
- Eliminating lighting from beverage-cooler display cases
- Reducing light levels in corridors and common areas

Oracle Joins Climate Savers

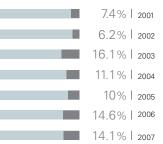
As a member of the Climate Savers Computing Initiative, Oracle is committed to purchasing high-efficiency personal computers and servers and enabling their powermanagement capabilities. More than 100,000 computers and servers owned by Oracle have been deployed in compliance with Climate Savers requirements.

Establishing Standard Performance Criteria

In 2004, Oracle obtained International Organization for Standardization (ISO) 14001 certification for its U.K. operation and subsequently extended certification to 14 countries—representing more than 80 percent of Oracle's real-estate portfolio across Europe, Middle East, and Africa. Compared with its baseline use in 2000, Oracle has reduced energy use per square foot by 10 percent or more for the past five years, including a 17 percent reduction in electricity use alone in 2007.









Although the company has not continued with formal certification, Oracle has adopted the working guidelines of ISO 14001 in its Europe, Middle East, and Africa operations and Leadership in Energy and Environmental Design (LEED) practices for U.S. tenant improvement projects of 10,000 square feet or more.

In 2008 and beyond, Oracle may discontinue seeking third-party certifications in favor of investing in additional technologies that will further reduce its energy consumption globally. Energy-saving equipment and innovative operating strategies top the list of such investments that Oracle seeks to make. The company will measure its environmental performance by requiring Oracle-owned facilities to be ranked in the top quartile of energy-efficient buildings locally.

Reusing and Recycling Resources

Almost since its founding, Oracle has actively recycled the waste byproducts found in most office environments—batteries, CDs, computers, toner cartridges, and more. Approximately 71 tons of paper, cardboard, cans, bottles, and plastic are recycled each year at Oracle's California headquarters alone.

Additionally, Oracle operates an asset retirement program to manage the disposal or reassignment of used equipment with minimal environmental impact. A third-party vendor gathers old equipment, removes all data, and then sells, donates, or recycles the equipment components. Any remaining equipment waste is then processed into microdust, which Oracle prohibits from being used as landfill or shipped overseas. Over the past three years, the retirement program has processed more than 166,000 assets, weighing 3.1 million pounds.

Promoting Green Business Practices

Oracle reduces its environmental impact not only by using its own software but also by promoting environmentally sound business practices across its enterprise.

Procurement Management

When managing procurement processes, Oracle:

- · Evaluates suppliers' environmental policies and practices
- Ensures that hardware suppliers install power-saving enablers on every PC delivered to Oracle
- Limits paper consumption by implementing dual-sided printing—saving 19,842,432 pages or 2,400 trees every year
- Replaces fixed-media software installations with automatic electronic upgrades; Oracle completed nearly 500,000 installations in fiscal year 2008
- · Extends the use of toner cartridges

Event Management

Oracle seeks to minimize the environmental impact of the 6,000 events that we stage globally—including Oracle OpenWorld conferences, which are attended by more than 40,000 people. Event guidelines recommend that:

- Recycling must be prominently available
- · Towel and sheet reuse programs must be provided at hotels
- · China or biodegradable serviceware must be used at all meals
- No polystyrene (#6 plastic) may be used
- When possible, printed communications and event materials should be replaced by electronic alternatives

Further, Oracle employees who plan events are encouraged to:

- · Select for green destination cities
- Request that event venues employ good environmental practices, such as purchasing renewable energy
- Provide transportation alternatives—such as green-fuel shuttles
- · Use low-waste promotional items such as gift certificates and subscriptions

Providing Transportation Alternatives

The EPA regularly recognizes Oracle as one of the Best Workplaces for Commuters. The company offers several alternative commuter benefits, including discounted public transit tickets, shuttles to and from local train stations, vanpooling, bicycle lockers, priority carpool parking, and OraBikes for local use.

Additionally, Oracle minimizes its travel-related carbon footprint by encouraging employees to telecommute, use Oracle's Web conferencing product rather than fly for meetings, and consolidate meetings when business travel is required. When company cars are necessary, Oracle promotes environmentally responsible options including hybrid, liquid petroleum gas, and electric vehicles.





Oracle Software and the Green Enterprise

Oracle develops thousands of innovative software products that optimize organizational efficiency and, in turn, enable companies to minimize their environmental impact. Listed below are just some of the Oracle products that support environmental sustainability.

Oracle products that help companies minimize their environmental impact by optimizing resource utilization

- Oracle Real Application Clusters allows companies to add capacity on demand with one inexpensive PC server at a time, producing savings on electricity, cooling, and floor space.
- Oracle Active Data Guard offloads resource-intensive activities from databases in the primary data center to an underutilized standby site, increasing hardware efficiency and lowering operating costs.
- Oracle Advanced Compression compresses all types of data, including documents, images, multimedia, and network traffic and backup data. As a result, companies can significantly lower storage requirements.
- Oracle VM is server virtualization software that fully supports both Oracle and non-Oracle applications. With Oracle VM, companies can consolidate servers and reduce power consumption.
- Oracle self-service applications reduce, and in most cases, eliminate the need for paper in processes related to procurement, expenses, support, human resources, and other employee transactions.

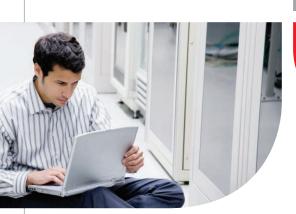
Oracle products that help companies design green products and implement green processes

- Oracle's Agile product lifecycle management applications help enforce sustainable product development practices, addressing issues of recycling, disassembly, waste minimization, and packaging reduction while ensuring regulatory compliance.
- Oracle Asset Lifecycle Management helps companies monitor assets throughout their entire lifecycle, from service and maintenance to upgrade or transfer. This comprehensive visibility enables companies to improve asset performance, thereby reducing energy consumption.
- Oracle lean manufacturing applications eliminate waste from business operations, improving environmental policy compliance and promoting environmental sustainability.
- Oracle reverse logistics applications manage the handling and disposition of returned goods. Companies implementing reverse logistics processes can increase opportunities to reintroduce returned products to market, thereby dramatically reducing waste going into landfills.
- Oracle Strategic Network Optimization helps companies optimize global supply chain operations and deploy improved risk mitigation strategies. Companies can also model and predict the impact of implementing green networks.
- Oracle Transportation Management integrates and streamlines transportation planning, execution, freight payment, and business process automation in a single application, allowing shippers and logistics providers to build more-efficient distribution networks.

Oracle products that make sustainability efforts transparent to the market

- Oracle Business Intelligence helps companies identify metrics and create dashboards to monitor and report on environmental sustainability activities.
- Oracle Governance, Risk, and Compliance Manager helps companies monitor and report on compliance with global regulations.





Open Source and Accessibility

Open source is a software development approach that offers free access to a product's source code. Open source permits individuals to adapt a product to their needs and release such modifications so the whole community can benefit.

Oracle and Open Source

Oracle provides choices for end users to achieve flexible and low-cost computing. It invests significant resources to develop, test, optimize, and support open source technologies such as Linux, Xen, PHP, Apache, Eclipse, SASH, Spring, Berkeley DB, and InnoDB. Hundreds of Oracle engineers participate in open source communities and develop code that is freely available.

The company's open source initiatives include:

- Linux: A leading Linux vendor, Oracle invests significant engineering resources to enhance Linux with enterprise features. We provide free downloads, including full open source code, of Enterprise Linux software for anyone to distribute, and we provide a free, open source testing kit for Linux.
- Virtualization: Oracle contributes extensively to enhance the Xen hypervisor with enterprise-grade features that improve performance, efficiency, and security.
- Eclipse Foundation: As a strategic developer for the Eclipse open source community, Oracle contributes engineering talent and leadership to open source projects such as Dali JPA Tools, JavaServer Faces (JSF), and BPEL.
- PHP Development: Oracle helps the PHP community make inroads into enterprise development projects by delivering stable production environments, native integration with Oracle Database, and PHP support in Oracle Application Server.
- Open Source Tooling Projects: Oracle contributes to several open source tooling projects, including Project Trinidad (Oracle ADF Faces), Eclipse, Spring, and SASH.
- Oracle Berkeley DB: With more than 200 million deployments, Oracle Berkeley DB is the most widely used open source database on the market.
- InnoDB: Created by Oracle subsidiary Innobase OY, InnoDB is the transactional storage engine for the MySQL open source database.

Please visit oracle.com/opensource for more information on Oracle and open source.

Oracle and Accessibility

Oracle believes that people with disabilities should be able to access the same functionality and perform the same tasks as any other user of enterprise technology. In line with that belief, the company established an Accessibility Program Office to oversee its accessibility efforts. Reporting to Oracle's Chief Corporate Architect, this organization defines corporate accessibility standards and trains and supports employees to create products that meet those standards.

Accessibility Standards

To facilitate the development of technologies that expand opportunities for people with disabilities, the company published the Oracle Global HTML Accessibility Guidelines. Combining requirements from Section 508 of the U.S. Rehabilitation Act and the World Wide Web Consortium's Web Content Accessibility Guidelines (WCAG 1.0), these guidelines enable Oracle and its partners and customers to adhere to a single set of accessibility standards.

Developing and Supporting Accessible Products

Oracle currently offers more than 750 products that meet Section 508 standards, many of which also meet WCAG 1.0 guidelines. Additionally, Oracle documentation is available in a variety of accessible formats, such as HTML, plain text, and PDF.

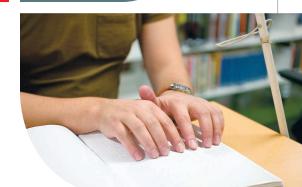
Oracle's efforts to develop and support accessible products include the following:

- All Oracle development teams receive extensive instruction on how to integrate accessibility standards into their processes—from user-interface design to quality assurance.
- Oracle products are coded to industry accessibility standards, making them interoperable with a broad range of assistive technologies.
- The accessibility status of each Oracle product is publicly reported.
- Oracle's support organization is trained to address and resolve issues raised by people with disabilities.
- Oracle University courses are made accessible through provisions such as sign language interpreters and screen-reader-compatible certification exams.
- Oracle produces demos in a variety of accessible formats, helping users with disabilities configure and operate Oracle products.

Collaboration with the National Federation of the Blind

Oracle works with the National Federation of the Blind (NFB) to develop better software solutions for blind people and to increase technology-related employment opportunities for the blind. Collaboration between Oracle and the NFB includes:

- Developing training materials for blind users seeking employment, based on job roles the NFB actively encourages its members to pursue
- Sharing standards and best practices for code development, testing, and documentation
- Testing product usability
- Participating in online forums and accessibility sessions at Oracle OpenWorld San Francisco
- Sponsoring the Junior Science Academy, a science program for blind children in grades 3–6





Global Workforce

Diversity Programs

Oracle sponsors several programs that facilitate diversity, including the following:

- Over the past decade, the company has contributed more than US\$11 million in cash grants, software donations, and internships to the United Negro College Fund.
- Oracle Women's Leadership conferences, workshops, and networking events develop female leaders throughout the company.
- Oracle's Injured Veteran Training Program provides individuals injured in the Afghanistan and Iraq wars with training to help them transition to civilian employment.

FY08 Revenue Distribution



FY08 Employee Distribution



In the past two years, Oracle's workforce has grown from 55,000 employees to 84,000 employees. All new employees are formally introduced to Oracle's culture of innovation, respect, and excellence.

Code of Ethics and Business Conduct

Oracle's Code of Ethics and Business Conduct articulates the behavior required of all employees globally, and it generally addresses the following:

- Compliance with Laws and Regulations: Employees are expected to abide by laws that apply to our business wherever we operate.
- Business Conduct: Employees are obliged to conduct internal and external business fairly and ethically.
- **Relationships:** Employees are expected to interact respectfully with one another, our customers, suppliers, and host communities.

To help employees understand and uphold the code, Oracle offers mandatory online courses, including:

- Ethics and Business Conduct: This course trains employees to apply the code in their daily working lives.
- Sexual Harassment Awareness: This course teaches employees to recognize and report actions that may constitute sexual harassment.
- Data Privacy Awareness: This course delineates how our customers' and employees' personally identifiable information should be handled.

Oracle also maintains a helpline for employees who have questions about or who witness or suspect a violation of the code of conduct. The helpline addresses concerns relating to conflicts of interest, antitrust, auditing and accounting, insider trading, political contributions, use of confidential information, export controls, immigration, general commercial or government contracting, discrimination or harassment, workplace violence, and other activities that may violate the code.



Career Development

Oracle emphasizes opportunity, innovation, and initiative, providing multiple paths for training and advancement. Oracle University delivers technology training to employees, and Oracle Human Resources helps staff maximize performance and achieve career and development goals. And with manager approval, all full-time employees receive reimbursement for external, job-related training.

Diversity

Oracle cultivates an inclusive work environment and respects diversity in its everyday business practices. We believe that individual differences allow business issues to be examined from a variety of perspectives, making Oracle a more creative and successful organization.

Oracle is committed to building a diverse and highly talented workforce. This value is reflected in our hiring, recruiting, and workforce development practices. Oracle makes every effort to attract, invest in, and develop the talents of a diverse group of employees.

Respect is at the core of what diversity means at Oracle. Supporting customers in 145 different countries, the company embraces the international differences that define diversity locally.

Empowering Our Employees

Oracle and its employees work together to create positive change. Facilitated through Oracle's Diversity organization, employee resource groups (ERGs) help enrich Oracle's environment and promote teamwork. ERGs provide a forum for Oracle employees to:

- Organize an annual Black History Month exhibit; a lesbian, gay, bisexual, and transgender pride week; and Diwali and Ramadan celebrations
- Participate in job fairs, networking events, and personal enrichment programs
- Engage with community organizations such as the United Negro College Fund, the Professional BusinessWomen of California, and the Scientific Empowerment Movement

Oracle Women's Leadership Communities in India

Oracle Women's Leadership (OWL) provides opportunities for employees to enhance their leadership skills and strengthen their business network. With members in 13 communities around the world, OWL has hosted 27 group events, reaching more than 4,000 employees.

India boasts two OWL communities, providing employees in Bangalore and Hyderabad with access to Webinars, panel discussions, workshops, mentors, and networking opportunities.

Vidya Nagaraj, senior director of Oracle University, appreciates OWL's inspired content and practical wisdom. "It is a great opportunity for women from different Oracle groups to come together, learn from one another, and be exposed to the career paths and leadership lessons of top-level women executives."





Corporate Governance

As a publicly traded corporation, Oracle's goal is to comply with the laws of each country in which it conducts business. The company's board of directors has adopted a set of corporate governance guidelines and procedures to independently evaluate Oracle's business operations and management.

Oracle publicly discloses information about these guidelines. For the full extent of Oracle's corporate governance information and disclosures, please visit oracle.com/citizenship.

Oracle and Privacy

Oracle is committed to promoting data privacy and security for employees, customers, and partners around the world.

Oracle enforces corporate policies and practices to protect the personal information of its customers and employees. The company provides employees with data privacy awareness training, which delineates how customers' and employees' personally identifiable information should be handled. It also works to raise general public awareness by sponsoring a global Data Privacy Day and participating in privacyrelated seminars and events.

Additionally, Oracle builds software products—from the applications that process information to the databases that store it—that include privacy features and controls, including:

- Role-based access ensures that only users with proper permissions can access and edit sensitive data.
- Audit controls allow organizations to track and report on all data activity.
- Label security allows organizations to classify secure data and manage access based on these classifications.
- Virtual private databases collect and display only the classes of data approved for use.
- · Anonymization and data-masking tools support privacy policies and practices.

Oracle also acts as an international policy advocate, working to develop privacy policies and practices that protect consumers and citizens while enabling the flow of information that is the basis of today's digital economy. In support of this goal, Oracle works closely with other industry leaders as well as governments, nongovernmental organizations, and associations, including the Organization of Economic Cooperation and Development, Asia Pacific Economic Cooperation, National Association of Software and Services Companies, and the Digital Security Committee of India.

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